

STATE OF ALABAMA)

COUNTY OF JACKSON)

PROJECT DEVELOPMENT, FUNDING AND COOPERATION AGREEMENT

THIS PROJECT DEVELOPMENT, FUNDING AND COOPERATION AGREEMENT ("Agreement") is hereby made and entered into on this the ___ day of _____, 2021, by and among **THE CITY OF SCOTTSBORO, ALABAMA** (the "City") and **DR SCOTTSBORO, LLC**, a Florida limited liability company licensed to do and doing business in the State of Alabama or its successors and permitted assigns (the "Developer" or "DR Scottsboro").

RECITALS:

WHEREAS, the City has determined that entry into this Agreement will promote the economic development of the City and will increase its tax revenues and improve the quality of life for its citizens and further, has determined that the expenditure of the public funds for the purposes specified herein will serve a valid and sufficient public purpose, notwithstanding any incidental benefits accruing to any private entity or entities, and further, has determined that the entry into this Agreement is in the best interest of the health, safety and welfare of its citizens; and,

WHEREAS, the Developer is the owner or will be the owner of that certain real property in Jackson County, Alabama, which is more particularly described in Exhibit "A" attached hereto ("Project Site"); and,

WHEREAS, the Developer has agreed to erect and construct a national brand grocery anchored retail shopping center and all necessary roads, grading, utilities, infrastructure and other improvements associated therewith on the Project Site with an initial capital investment of approximately \$18,000,000.00, which said initial capital investment shall include all of Developer's land acquisition and development expenses excluding impact and utility fees; subject to the terms of this Agreement; and,

WHEREAS, Amendment No. 772 to the Constitution of Alabama (1901) (Section 94.01(a)(3) of the Recompiled Constitution of Alabama and hereinafter referred to as "Amendment No. 772"), authorizes the City to enter into agreements for the purpose of promoting the economic development of the City; and,

WHEREAS, the City has agreed in consideration of certain public benefits described herein and to induce and aid the Developer in locating the Shopping Center on the Project Site, and the Economic Incentives Grant described in Paragraph 4.1 of this Agreement; and,

WHEREAS, the parties hereto are desirous of entering into a valid, binding, and enforceable Project Development, Funding, and Cooperation Agreement and to set forth the framework for establishing a working partnership between the City and Developer, as set forth herein.

AGREEMENT

NOW, THEREFORE, upon and in consideration for the mutual promises and covenants contained herein and for other valuable consideration, the receipt, adequacy and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

**ARTICLE I
RECITALS**

The foregoing Recitals are incorporated herein by reference and form an integral part of this Agreement.

**ARTICLE II
DEFINITIONS**

- 2.1 "City" shall mean the City of Scottsboro, Alabama.
- 2.2 "Developer" shall mean DR SCOTTSBORO, LLC, a Florida limited liability company.
- 2.3 "Effective Date" shall have the meaning set forth in Paragraph 7.1 hereof.
- 2.4 "Economic Incentives Grant" shall have the meaning set forth in Paragraph 4.1.
- 2.5 "Notice to Proceed" shall have the meaning set forth in Paragraph 6.1 hereof.
- 2.6 "Project Site" shall mean the 17.44 acre real property site shown on the attached Exhibit "A" on which the Shopping Center is to be constructed.
- 2.7 "Shopping Center" shall have the meaning set forth in Paragraph 3.1 hereof.
- 2.8 "Shopping Center Construction" shall mean the planning, designing, engineering and construction of the Shopping Center and all necessary roads, grading, utilities, infrastructure and other improvements associated therewith.
- 2.9 "Shopping Center Plan" shall have the meaning set forth in Paragraph 5.1 hereof.

**ARTICLE III
DEVELOPMENT OF SHOPPING CENTER**

3.1 Development of Shopping Center. In consideration for the agreements of the City as set forth herein, Developer agrees at its sole cost to create construction plans and specifications on a 17.44 acre tract allowing for the development of a national brand grocery anchored retail shopping center (the "Shopping Center"), and to develop and construct the Shopping Center and

all necessary roads, grading, utilities, infrastructure and other improvements associated therewith with an initial capital investment of approximately Eighteen Million and No/100 (\$18,000,000.00) Dollars. Developer agrees to initiate the construction of the Shopping Center within one hundred twenty (120) days of the date the validation judgment becomes final and open the initial phase of the Shopping Center for business no later than eighteen (18) months thereafter, with each deadline or estimated time period being subject to force majeure and receipt of all necessary permits and approvals, provided said permit and approval contingency requires that Developer is diligently pursuing all necessary permits and approvals. Developer has the financial resources necessary to construct and timely open the Shopping Center as herein provided.

3.2 Expenses of Development of the Shopping Center. Except as stated otherwise in this Agreement, Developer or its assigns shall be responsible for all costs of developing the Shopping Center including but not limited to the costs of planning, engineering, developing and maintaining the Shopping Center and constructing the necessary roads, grading, utilities and other improvements and subdivisions in connection therewith. Developer shall be responsible for payment of its own fees with respect to the development of the Shopping Center, including but not limited to legal, engineering, architectural, construction and environmental services. Developer shall not hold itself out as an agent of the City with respect to the development or construction of the Shopping Center, nor shall the City hold itself out as an agent of Developer.

ARTICLE IV OBLIGATIONS OF THE CITY

4.1 Economic Incentives Grant to the Developer. The City agrees to: (i) pay the Developer, via a sales tax rebate of non-education sales taxes, a sum not to exceed of \$3,685,500.00 ("Economic Incentives Grant") commencing ninety (90) days following the opening of the grocery store at the Shopping Center, and thereafter on or before the forty fifth (45th) day following the end of each calendar quarter for the preceding quarter until the first to occur of (i) a sales tax rebate of sixty-five (65%) percent of the non-educational sales taxes paid to the City attributable to the sales at the Shopping Center for a period of seven (7) years from the date of the initial sales tax rebate payment to Developer, or, the total rebate of sales tax attributable to the sales at the Shopping Center is in an amount equal to \$3,685,500.00, whichever comes first. For purposes of the foregoing rebate, the parties agree that (a) currently, the City collects a three (3%) percent sales tax on all retail sales within the City; therefore, the Developer shall receive a rebate of sixty-five (65%) percent of three (3%) percent of the sales taxes attributable to sales at the Shopping Center. The Developer shall, at the City's request, provide the City with a report of the actual initial capital investments expended on the Project Site. The City shall, at Developer's request, provide Developer with a report of the total sales tax revenue paid to the City generated from the Shopping Center. The payment of the Economic Incentives Grant shall be evidenced by a Warrant issued by the City to the Developer in substantially the same form as that attached hereto and marked Exhibit "B" (the "Warrant").

4.2 Approval and Validation Proceeding. Not later than sixty (60) days after the date of the adoption of a resolution of the City Council complying with the provisions of Amendment 772 of the Alabama Constitution, Developer agrees at its cost to retain Waldrep, Stewart & Kendrick, LLC ("WSK") to file such warrant validation proceedings necessary to validate the

Economic Incentives Grant, the proposed zero (0%) limited obligation warrant (DR Scottsboro Project) and this Agreement (the "Validation Target Date"). The Developer agrees to file such warrant validation proceedings necessary to validate the Economic Incentives Grant, the proposed zero (0%) limited obligation warrant and this Agreement and the action taken by the City to approve such actions. For purposes of this paragraph, the Developer shall be entitled to extend the Validation Target Date for successive periods of thirty (30) days if the Developer is prevented from being able to file such action due to government or other closures due to or related to the COVID-19 pandemic. The City and Developer acknowledge and agree that the filing of the warrant validation proceedings by WSK may constitute a conflict of interest. The City and Developer hereby waive and accept the conflict of interest and do hereby agree to hold harmless Charlie D. Waldrep, Robert M. Rosenberg, Esq. and Waldrep, Stewart & Kendrick, LLC in the premises

4.3 Zoning.

(a) Developer agrees to submit an application for such zoning as may be required to allow development of the Shopping Center.

(b) With respect to the Shopping Center, the City agrees that, in the event the current zoning is not sufficient to allow the Shopping Center, the City agrees to process and consider such zoning changes, variances or conditional use exceptions as the City may require for the Shopping Center.

4.4 Storm Water Management System. In connection with the construction of the Shopping Center, the Developer agrees to provide a storm water management system on Developer's property to be used in connection with the Shopping Center, the specifications and location of which shall be agreed upon by the City in accordance with prevailing rules, regulations, ordinances, and laws.

4.5 Cooperation. The City agrees to cooperate with Developer to facilitate the planning, design, engineering and construction of the Shopping Center (the "Shopping Center Construction") necessary to facilitate the proposed Shopping Center. The Developer and City agree not to unreasonably withhold or delay consent or agreement to any matter related to the Shopping Center Construction.

4.6 Donation. The City agrees to accept the donation of that certain parcel of real property more particularly described and depicted on the attached Exhibit "C" which is incorporated herein by reference as if copied herein in full.

ARTICLE V

DESIGN AND CONSTRUCTION OF THE SHOPPING CENTER

5.1 Submittal of Shopping Center Plan to City. Developer agrees to develop and submit to the City for reasonable and timely review and approval all of the information, plans and specifications related to the planning, engineering, design, and permitting as may be necessary or required in order to build and construct the Shopping Center as set forth herein ("Shopping Center Plan"). Developer agrees to submit the documents comprising the Shopping Center Plan on or

before June 15, 2021, and agrees to keep the City apprised of the scope and progress of the Shopping Center Plan. Developer shall provide to City evidence of the costs to be expended by Developer in conjunction with the development of the Shopping Center will be equal to or greater than the Economic Incentives Grant.

5.2 Contracts for Shopping Center Construction. The Developer shall enter into all contracts and agreements required for the construction of the Shopping Center. The Developer shall be the sole obligor on all contracts it enters into with respect to the Shopping Center Construction. The parties agree that the City shall not in any way be obligated for payment or performance of contracts that the Developer enters into. The Developer's earth work contractor shall be a contractor with a business license and place of business within the City limits. Where the Developer has the sole authority to select contractors for the construction of the Shopping Center, the Developer shall apply a two (2%) percent preference to those contractors, sub-contractors and materialmen bidding on the construction of the Shopping Center who have a business license and place of business within the City limits.

5.3 Permits and Approvals. The Developer or its designated agent agrees that it will serve as the applicant for any and all permits and approvals necessary or required to be obtained from any governmental agency. The City agrees to assist the Developer in obtaining any and all consents or approvals which may be required for the Shopping Center Construction. The City agrees that it will provide routine and normal inspection services with respect to the Shopping Center Construction.

5.4 Plans and Specifications. In connection with the development of the Shopping Center Plan, the Developer will develop detailed plans and specifications for the Shopping Center Construction and submit same to the City for review and approval as provided in Paragraph 5.1 hereof. Developer shall be responsible for developing the detailed plans and specifications for the Shopping Center Construction in accordance with all applicable governmental or regulatory laws or regulations. Once approved, said approved plans and specifications shall govern and represent the City's formal approval of said plans and specifications and Developer shall only be obligated to construct pursuant to such approved plans and specifications as may be amended from time to time.

5.5 Liability of the City.

(a) Nothing contained in this Agreement shall be construed to impose a charge against the general credit of the City, and all obligations of the City arising under this Agreement shall be limited to the proper application of the proceeds derived from the Economic Incentives Grant.

(b) In order to assure that all obligations of the City incurred in connection with the Shopping Center Construction shall be limited in accordance with the provisions of this Paragraph 5.5, no purchase order shall be issued in the name of or on behalf of the City and no contract shall be entered into in the name and behalf of the City, whether in either case by the City itself or any entity acting as agent for the City.

(c) Developer shall and hereby does release the City, its Council Members, Mayor, employees, attorneys, engineer, and agents from, and shall indemnify, defend and hold the City harmless against, any and all claims and liabilities of any character or nature whatsoever asserted by or on behalf of any person, firm, corporation or governmental board arising out of, resulting from, or in any way connected with the Shopping Center Construction, including, without limiting the generality of the foregoing, to (i) obligations for the payment of Shopping Center Construction costs which are not paid, (ii) any destruction of or damage to property or any injury to or death of any person or persons caused by or related to the Shopping Center Construction, and, (iii) any actions taken by the City at the request of the Developer in connection with the Economic Incentives Grant. Developer will also pay or reimburse all legal or other expenses reasonably incurred by the City in connection with the investigation or defense of any action or proceeding, whether or not resulting in liability, with respect to any claim, liability or loss in respect of which indemnity may be sought against the Developer under the provisions of this Paragraph 5.5. The indemnity agreement of the Developer contained in this section shall survive the termination or cancellation of this Agreement.

Nothing contained in this Paragraph 5.5 shall be construed to indemnify the City against, or to release the City from liability for, any claim or liability resulting from: (i) the City's breach of any of the covenants and agreements on its part contained in this Agreement; or, (ii) the City's willful misconduct or gross negligence.

5.6 Insurance. Commencing with Developer's acquisition of the Project Site, Developer will maintain policies of insurance and provide a certificate of insurance to the City prior to commencing work on the Retail Construction evidencing commercial general liability insurance with limits of not less than \$1,000,000.00 per occurrence and \$2,000,000.00 general aggregate, as well as commercial automobile liability insurance and worker's compensation insurance. All such policies of insurance shall be primary and non-contributory, name the City as an additional insured and grant a waiver of subrogation in favor of the City. The deductibles on each such policy shall be solely borne by the primary insured on each such policy.

ARTICLE VI CONDITIONS PRECEDENT

6.1 Acquisition of Project Site. This Agreement and the rights and duties of the parties hereto, shall automatically lapse and become null and void ab initio with neither party having any obligation to the other if Developer fails to acquire marketable title to the Project Site or secure financing by the close of business on or before July 31, 2021 subject to force majeure. Said July 31, 2021 deadline is also subject to Developer receiving the necessary permits and approvals, provided that Developer is diligently pursuing all necessary permits and approvals.

6.2 Validation. Notwithstanding the provisions of Subsection 7.3(b), this Agreement and the rights and duties of the parties hereto, shall automatically lapse and become null and void ab initio with neither party having any obligation to the other if a court of competent jurisdiction does not validate this Development Agreement and the Warrant by a final judgment.

6.3 Amendment 772 Hearing. Amendment No. 772 to the *Constitution of Alabama of 1901* ("Amendment 772") provides that, for a valid and sufficient public purpose, a municipality may grant public funds and things of value in aid of or to any individual, firm, corporation, or other business entity, public or private, for the purpose of promoting the economic and industrial development of the municipality. The Parties desire to enter into this Development Agreement as a cooperative endeavor under the *Constitution of Alabama of 1901* for the purpose of promoting the economic and industrial development of the City for the mutual benefit of the Parties hereto. The location and operation of the Shopping Center on the Project Site constitutes a public purpose for the expenditure of public funds in that said expenditures (i) will advance the economic development of the City; (ii) promote the convenience, order, prosperity and welfare of its citizens, (iii) is a direct benefit to the City and its residents as a result of increased tax revenues to the City, increased property values and additional economic activity in the area of the City surrounding the Property. The Developer shall be responsible for all fees and costs associated with the validation proceeding with the exception of fees incurred by the City.

ARTICLE VII MISCELLANEOUS

7.1 Effective Date. The Parties understand and agree that this Agreement shall become legally binding and enforceable on the date the following are accomplished ("Effective Date"): (i) Developer receiving the necessary permits and approvals, with said permit and approval contingency requiring that Developer is diligently pursuing all required permits and approvals; (ii) compliance with the requirements of Amendment No. 772 to the Constitution of Alabama of 1901, including, but not limited to, advertisement and a public hearing related to this Development Agreement, and the approval of the Mayor and the City Council of the City has been obtained; and, (iii) the validation of the Warrant and this Development Agreement by final judgment rendered by a court of competent jurisdiction ("Validation Date").

7.2 Public Purpose. The City does hereby ascertain, determine, declare and find that development and implementation of the construction of the Shopping Center and the Economic Incentives Grant is in the best interest of the City and will serve a public purpose and further enhance the public benefit and welfare by, among other things: promotion of local economic and commercial development and the stimulation of the local economy; increasing the City's tax base, which will result in additional tax revenues for the City; promoting the location, relocation, expansion and retention of commercial enterprises in the City; and, preserving and improving the aesthetic quality of commercial development, inuring to the economic health of the City. The City finds that the above-cited items constitute important public benefits to the City and its citizens:

7.3 Default and Termination.

(a) Upon the occurrence of an event of default by the City which is not cured within thirty (30) days after written notice, Developer may, in its discretion, pursue any one or more of the following remedies without any notice or demand whatsoever, other than any notice expressly provided for in this Agreement:

- (i) seek and obtain injunctive relief or declaratory relief; or

(ii) terminate this Agreement, provided that the event of default occurred, and prior advance notice of the event of default is given to the City in the manner specified in Paragraph 7.6 below; or

(iii) exercise any and all other remedies available at law or in equity,

(b) Upon the occurrence of an event of default by Developer which is not cured within thirty (30) days after written notice, the City may, in its discretion, pursue any one or more of the following remedies without any notice or demand whatsoever, other than any notice expressly provided for in this Agreement:

(i) seek and obtain injunctive relief or declaratory relief; or

(ii) terminate this Agreement, provided that prior advance notice of the event of default occurred, and is given to the City in the manner specified in Paragraph 7.6 below, or

(iii) exercise any and all other remedies available at law or in equity.

(c) Anything herein to the contrary notwithstanding, the City and Developer shall not be responsible or liable for consequential, exemplary or punitive damages as a result of any act or omission in connection with this Agreement.

7.4 Governing Law. This Agreement, all rights of the parties hereunder, and all disputes which may arise hereunder shall be subject to and governed in accordance with the laws of the State of Alabama. By executing this Agreement, the parties hereto do hereby consent and agree that the jurisdiction and venue of the Circuit Court of Jackson County, Alabama shall be the sole jurisdiction and venue with respect to any matter arising hereunder.

7.5 Severability. In case any one or more of the provisions contained in this Agreement shall for any reason be held invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

7.6 Notices. All communications and notices expressly provided herein shall be sent, by first class mail, postage prepaid, by facsimile, or by a nationally recognized overnight courier for delivery on the following business day, as follows:

To the City:

Mayor of the City of Scottsboro, Alabama
City of Scottsboro
316 South Broad Street
Scottsboro, Alabama 35768

(and)

Stephen Kennamer, Esq.
City Attorney
City of Scottsboro
233 Market Street
Scottsboro, Alabama 35768-1806

To Developer: DR SCOTTSBORO, LLC
1801 S. Keene Road
Clearwater, Florida 33756
Attn: Jason Powers

and

Charlie D. Waldrep, Esq.
Waldrep, Stewart & Kendrick, LLC
2323 2nd Avenue North
Birmingham, Alabama 35203

or to such other address as the parties shall be from time to time designate by written notice.

7.7 Cost and Expense. Each party agrees to pay its own costs incurred in connection with the negotiation and preparation of this Agreement.

7.8 Media and Press Releases. The Parties hereby agree to cooperate fully in connection with the preparation and release of any and all press releases (to be reasonably approved by the City and Developer prior to release), media advisories, and publications concerning the Shopping Center. The Parties further agree that there shall not be any press releases, media advisories, publications or public announcements of any kind concerning the identity of Developer's tenants without prior approval from Developer.

7.9 Section Titles and Headings. The section titles and headings are for convenience only and do not define, modify or limit any of the terms and provisions hereof.

7.10 Representations and Warranties of Developer. Developer makes the following representations and warranties as the basis for its undertakings pursuant to this Agreement:

(a) Developer is a duly organized and existing entity, in good standing under the laws of the State of Florida and is licensed to do and doing business in the State of Alabama, and has the power to enter into and to perform and observe the agreements and covenants on its part contained in this Agreement.

(b) The execution and delivery of this Agreement on the part of Developer's undersigned officers/member(s) have been duly authorized by a resolution duly adopted by Developer's governing body, members or managing member(s) or by other necessary actions.

(c) All actions and proceedings required to be taken by or on behalf of Developer to execute and deliver this Agreement, and to perform the covenants, obligations and agreements of Developer hereunder, have been duly taken.

The representations, warranties and covenants made by Developer herein shall survive the performance of any obligations to which such representations, warranties and covenants relate.

7.11 Representation and Warranties of the City. The City makes the following representations and Warranties as the basis for its undertakings pursuant to this Agreement:

(a) The City has the power to enter into and perform and observe the Agreements and covenants on its part contained in this Agreement;

(b) The execution and delivery of this Agreement on the part of the City has been duly authorized by a resolution duly adopted by the City Council of the City of Scottsboro, Alabama;

(c) All actions and proceedings required to be taken by or on behalf of the City to execute and deliver this Agreement and to perform the covenants, obligations and agreements of City hereunder have been duly taken.

7.12 Relationship of Parties. The City and Developer agree that nothing contained in this Agreement, or any act of Developer or the City, shall be deemed or construed by any of the parties hereto, or by third persons, to create any relationship of third party beneficiary hereof, or of principal and agent, or of a limited or a general partnership or of a joint venture or of any association or relationship between Developer and the City other than as independent contractors in a contract entered into at arm's length. It is agreed that the City has no investment or equity interest in the business of Developer, the Project Site or the Shopping Center and shall not be liable for any debts of Developer; further, the City shall not be deemed or construed to be a partner, joint venturer or otherwise interested in the assets of Developer.

7.13 Compliance with Laws. Developer shall comply, and shall cause its members, managing member(s), officers, agents, employees and contractors to comply, with all applicable federal, state and local statutes, regulations, rules, ordinances and other laws applicable to the development of the Shopping Center.

7.14 Audit. All pertinent books, accounts, or other records accumulated by the Developer in connection with the Shopping Center Construction shall be available to representatives the City for inspection and audit and shall be retained for two (2) years from the completion of construction of the Shopping Center. If any audit, claim or litigation is begun concerning this Agreement before the expiration of the two (2) year period, Developer shall retain the records until the resolution of all litigation, claims, or audits involving such records. Similarly,

Developer shall have the right to audit the City's sales tax records relating to the Shopping Center during the term of this Agreement.

7.15 Binding Effect. This Agreement and all terms, provisions and obligations set forth herein shall be binding upon and shall inure to the benefit of Developer and its successors in title to the Shopping Center and assigns provided, however, Developer shall not be released upon a transfer of title to the Shopping Center and/or assignment of this Agreement absent an express assumption of this Agreement by a successor or assign of Developer that shall be binding upon and shall inure to the benefit of the City and its successors and assigns.

7.16 Entire Agreement; Amendment. This Agreement constitutes one entire and complete agreement, and none of the parties hereto shall have any rights arising from any separate component of this Agreement without complying in all respects with its duties and obligations under all parts and components hereof. This Agreement constitutes and includes all promises and representations, expressed or implied, made by the City and Developer. No stipulations, agreements or understandings of the parties hereto shall be valid or enforceable unless contained in this Agreement. No oral conditions, warranties or modifications hereto shall be valid between the parties. This Agreement may be amended only by a written instrument executed by both parties.

7.17 Multiple Counterparts; Electronic Signatures. This Agreement may be executed in a number of identical counterparts which, taken together, shall constitute collectively one (1) agreement; in making proof of this Agreement, it shall not be necessary to produce or account for more than one such counterpart with each party's signature. Further, this Agreement may be executed by both Seller and Purchaser by facsimile or by portable document format (.pdf) signature, such that execution of this Agreement by facsimile or by portable document format (.pdf) signature shall be deemed effective for all purposes as though this Agreement was executed as a "blue ink" original.

7.18 Assignment.

(a) Prior to Completion of Shopping Center. Prior to completion of the Shopping Center, Developer shall have the right to assign its rights or obligations under this Agreement to a financial institution providing a loan to Developer. Developer does not have the right to assign its rights or obligations under this Agreement prior to completion of the Shopping Center without the City's prior written consent to any other person or entity, which consent may be conditioned on such matters as reasonably required by the City.

(b) Assignment Subsequent to Completion of the Shopping Center Construction. Subsequent to completion of the Shopping Center Construction, Developer may assign, in whole or in part, its rights and obligations under this Agreement without the consent of the City. Without limiting the generality of the foregoing, it is agreed that the Developer's right to transfer and assign this Agreement subsequent to completion of the Shopping Center Construction shall include, but not be limited to: (i) an assignment to the purchaser of the Project Site; and (ii) an assignment of the right to receive all Economic Incentives due hereunder. Within five (5) days following any such assignment, Developer will provide written notification of the same to the City in writing.

Unless otherwise agreed to in writing by the City, Developer shall remain obligated to the City for any indemnity obligations subsequent to such assignment.

7.20 Site preparation. DR Scottsboro, LLC will use a local contractor with an established business within the City for site preparation. In addition, the City will agree to remove, at no cost to developer or contractor, excess earth, dirt or soil. Details to be coordinated between the Contractor and the City.

IN WITNESS WHEREOF, each party hereto has caused this Agreement to be duly executed as of the date first above written.

DR SCOTTSBORO, LLC, a Florida limited liability company

By: _____
Jason Powers, not individually but
solely in his capacity as Manager

Date: _____

CITY OF SCOTTSBORO, ALABAMA, an Alabama municipal corporation

By: _____
Jim McCamy
Its: Mayor

Date: _____

Exhibit "A"

Project Site

Parcel 1:

A parcel of land situated in the South half of the Northeast Quarter of Section 29, Township 4 South, Range 6 East, Jackson County, Alabama, said parcel being more particularly described as follows:

Commence at the Northwest corner of the Southwest Quarter of the Northeast Quarter of said Section 29; thence run North 00 degrees 47 minutes 00 seconds West along the West line of said Quarter, Quarter Section line for a distance of 331.83 feet to a point; thence leaving said Section line run South 53 degrees 37 minutes 00 seconds East for a distance of 925.55 feet to a found 5/8 inch rebar, said point being the POINT OF BEGINNING of the parcel herein described; thence run North 45 degrees 56 minutes 20 seconds East for a distance of 703.89 feet to a found one inch open top pipe; thence run South 54 degrees 00 minutes 27 seconds East for a distance of 599.67 feet to a found concrete monument, said point lying on the Northerly Right of Way of Alabama Highway 72 (R.O.W. Varies); thence run South 36 degrees 49 minutes 15 seconds West along said Highway 72 Right of Way for a distance of 359.49 feet to a found concrete monument; thence run South 48 degrees 04 minutes 05 seconds West along said Right of Way for a distance of 602.84 feet to a found concrete monument; thence run South 67 degrees 35 minutes 02 seconds West along said Right of Way for a distance of 180.63 feet to a found concrete monument; thence run North 76 degrees 29 minutes 51 seconds West along said Right of Way for a distance of 151.57 feet to a found concrete monument; thence run North 60 degrees 15 minutes 46 seconds West along said Right of Way for a distance of 204.05 feet to a found concrete monument; thence run North 74 degrees 23 minutes 56 seconds West along said Right of Way for a distance of 54.65 feet to a found concrete monument; thence run North 84 degrees 56 minutes 46 seconds West along said Right of Way for a distance of 67.06 feet to a found concrete monument; thence run South 61 degrees 13 minutes 49 seconds West along said Right of Way for a distance of 75.60 feet to a set 5/8 inch capped rebar stamped CA-560LS; thence run South 35 degrees 40 minutes 56 seconds West along said Right of Way for a distance of 38.01 to a found concrete monument, said point lying on the Northern Right of Way of Veterans Drive (R.O.W. Varies); thence leaving Alabama Highway 72 Right of Way run North 57 degrees 17 minutes 11 seconds West along said Veterans Drive Right of Way for a distance of 127.06 feet to a found capped rebar stamped LS#14561; thence leaving said Veterans Drive Right of Way run North 45 degrees 56 minutes 20 seconds East for a distance of 666.93 feet to the POINT OF BEGINNING. Said parcel contains 759,604 Square Feet or 17.44 Acres more or less.

Exhibit "B"

Form of Warrant

The Warrant shall be in substantially the following form, with appropriate insertions, omissions and other changes to comply with the provisions hereof and to reflect the appropriate date and principal amount:

UP TO \$3,685,500.00

UNITED STATES OF AMERICA

STATE OF ALABAMA

CITY OF SCOTTSBORO, ALABAMA

**LIMITED OBLIGATION WARRANT,
SERIES 2021 (DR SCOTTSBORO PROJECT)**

The **CITY OF SCOTTSBORO, ALABAMA**, a municipal corporation in the State, of Alabama (herein called the "City"), for value received, hereby acknowledges itself indebted to and orders and directs the City Treasurer of the City to pay to DR SCOTTSBORO, LLC (the "Developer"), or registered assigns, upon presentation and surrender hereof, the principal sum of

**UP TO THREE MILLION SIX HUNDRED EIGHTY FIVE THOUSAND FIVE
HUNDRED**

U.S. DOLLARS

(or such lesser portion thereof then unpaid) on the earlier to occur of the last day of seven (7) successive calendar years commencing from the date that the first payment from the City is due as defined in the Agreement referenced and defined hereinbelow; or, the payment of the Economic Incentives Grant payments to Developer in an amount equal to the actual initial capital investment of Developer to open the Shopping Center on the Project Site but in no event to exceed \$3,685,500.00 (unless the principal of this warrant shall have been duly called for previous redemption, and payment duly provided for). The principal of this warrant shall be payable in lawful money of the United States of America. This warrant shall not bear any interest.

This warrant is authorized to be issued pursuant to the applicable provisions of the constitution and laws of the State of Alabama, including particularly Section 94.01 (a/k/a Amendment No. 772) to the Constitution of Alabama of 1901 and Section 11-47-2 of the Code of Alabama (1975), as amended, as well as Ordinance No. 2020-14 duly adopted by the governing body of the City on June 16, 2020 (the "Authorizing Ordinance"), for purposes for which the City is authorized by law to borrow money and to issue warrants. All capitalized terms not otherwise defined herein shall have the meaning assigned to such terms in the Ordinance.

The indebtedness evidenced and ordered paid by this warrant is a limited obligation of the City payable solely from the New Tax Revenue (as defined and described further in the Authorizing Ordinance) produced and received by the City from the Shopping Center all as more particularly described in the Authorizing Ordinance and a Project Development, Funding and Cooperation Agreement (herein referred to as the "Agreement") with respect to that certain real property and the improvements thereon more particularly described therein.

The City reserves the privilege of prepaying all or any part of the principal of this warrant at any time and from time to time, without premium or penalty, and without notice.

This warrant is subject to mandatory partial redemption and prepayment on each monthly Mandatory Payment Date thereafter, to the extent of any such New Tax Revenue received and realized by the City from the Shopping Center/Project Site at a redemption price equal to the principal amount of the Warrant called for partial redemption and prepayment.

The principal of this warrant will be paid only to the named payee hereof or its registered assigns at the address of the said payee as shown on the books of the City maintained for that purpose by its undersigned registrar.

It is hereby certified that all conditions, actions and things required by the constitution and laws of Alabama to exist, be performed or happen precedent to or in the issuance of this warrant do exist, have been performed and have happened in due and legal form.

IN WITNESS WHEREOF, the City has caused this warrant to be executed in its name and behalf by its Mayor, who has caused its official seal to be hereunto affixed, has caused this warrant to be attested by its City Clerk, both of said officers being hereunto duly authorized, and has caused this warrant to be dated _____, 2021.

CITY OF SCOTTSBORO, ALABAMA

By: _____
Jim McCamy, Its Mayor

Attest:

Its City Clerk

Registration Certificate

This warrant was registered in the name of the above registered owner this _____ day of _____, 2021.

By: _____
Registrar

Form of Assignment

For value received _____ hereby sell(s), assign(s)
and transfer(s) unto _____ the within warrant and
hereby irrevocably constitute(s) and appoint(s) _____, attorney,
with full power of substitution in the premises, to transfer this warrant on the books of the City of
Scottsboro, Alabama.

Dated this _____ day of _____, 20__.

NOTE: The signature on this assignment must correspond with the name of the registered owner as it appears on the face of the within warrant in every particular, without alteration, enlargement or change whatsoever.

Warrant Partial Redemption Schedule**Limited Obligation Warrant, Series 2021**
(DR SCOTTSBORO Project)

Date of Partial – Extraordinary Redemption:	Amount of Partial - Extraordinary Redemption:	Remaining Unpaid Principal Balance:	Signature of City Treasurer:
-	-	Up to \$3,685,500.00	-
Year 1			
Year 2			
Year 3			
Year 4			
Year 5			
Year 6			
Year 7			

Exhibit C
Legal Description of Donated Land

A parcel of land being situated in the Northeast one-quarter of Section 29, Township 4 South, Range 6 East Jackson County, Alabama and being more particularly described as follows:

Commence at a point marking the Northwest corner the Southwest one-quarter of the Northeast one-quarter of said Section 29; thence run North 00 degrees 47 minutes 00 seconds West along the West line of said Quarter, Quarter Section line for a distance of 331.83 feet to a point; thence leaving said Section line, run South 53 degrees 37 minutes 00 seconds East for a distance of 925.55 feet to a found 5/8 inch rebar; thence run South 45 degrees 56 minutes 15 seconds West for a distance of 625.84 feet to the POINT OF BEGINNG; thence run South 57 degrees 17 minutes 11 seconds East for a distance of 120.74 feet to a point on the Northerly Right of Way of an unnamed access road being a portion of Highway 72 Right of Way; thence run South 61 degrees 13 minutes 49 seconds West along said Northerly Right of Way for a distance of 2.32 feet to a point; thence run South 35 degrees 40 minutes 46 seconds West along said Northerly Right of Way for a distance of 38.01 feet to a found concrete monument, said point marking the intersection of said Northerly Right of Way and the Northeasterly Right of Way line of Veterans Drive (right of way varies); thence run North 57 degrees 17 minutes 11 seconds West along said Northeasterly Right of Way for a distance of 127.06 feet to a found capped rebar, LS #14561; thence leaving said Northeasterly Right of Way, run North 45 degrees 56 minutes 20 seconds East for a distance of 41.09 feet to the POINT OF BEGINNING. Said parcel contains 4,937 square feet or 0.11 acres more or less.

LEGEND

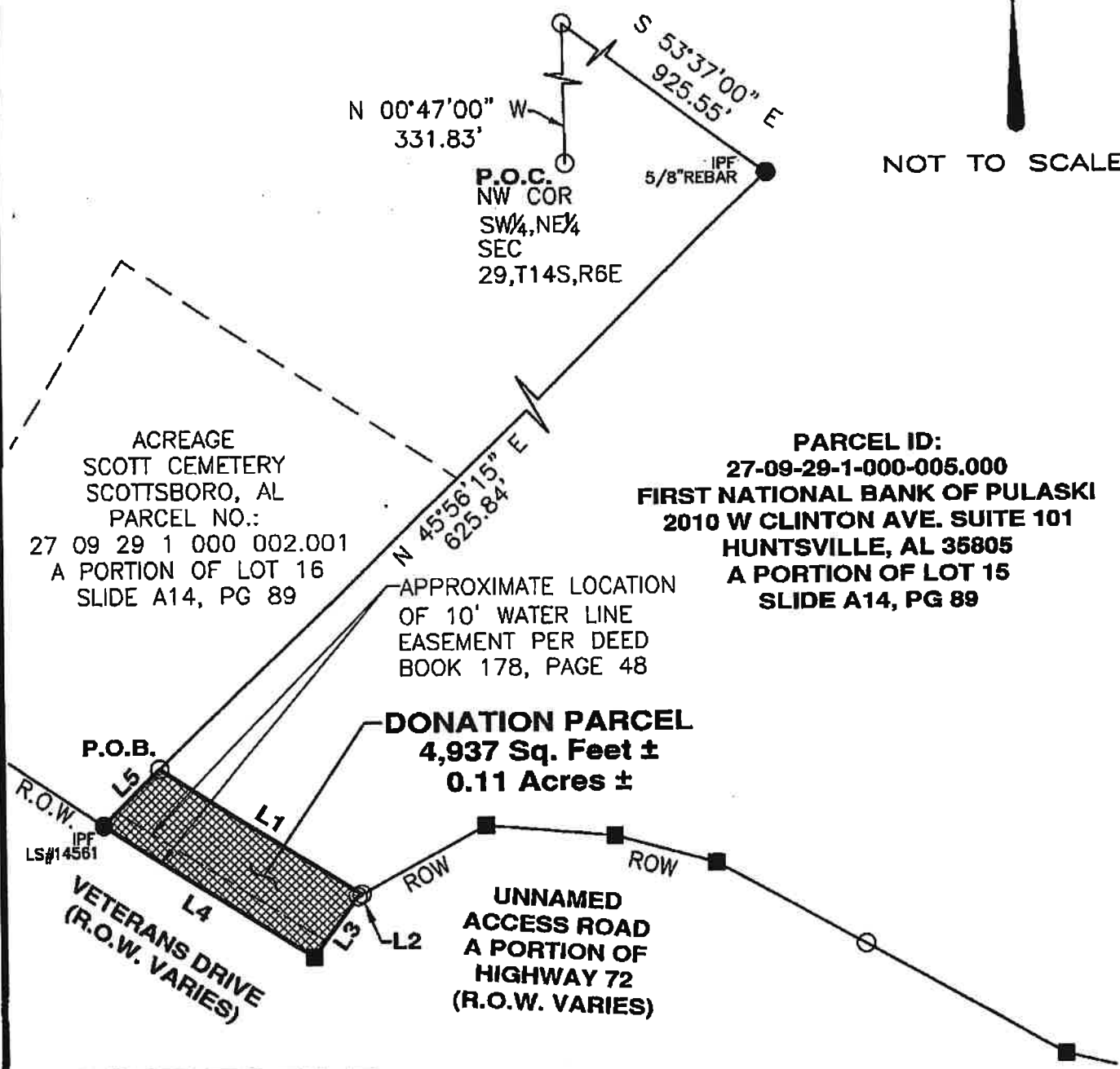
- IPF IRON PIN FOUND
- IPS IRON PIN SET
- CALCULATED POINT
- ROW RIGHT OF WAY

**EXHIBIT C
DONATION PARCEL**

NORTHEAST ONE-QUARTER
SEC. 29, T-4-S, R-6-E
JACKSON COUNTY, AL.



NOT TO SCALE



ACREAGE
SCOTT CEMETERY
SCOTTSBORO, AL
PARCEL NO.:
27 09 29 1 000 002.001
A PORTION OF LOT 16
SLIDE A14, PG 89

PARCEL ID:
27-09-29-1-000-005.000
FIRST NATIONAL BANK OF PULASKI
2010 W CLINTON AVE. SUITE 101
HUNTSVILLE, AL 35805
A PORTION OF LOT 15
SLIDE A14, PG 89

DONATION PARCEL
4,937 Sq. Feet ±
0.11 Acres ±

LINE TABLE

LINE	BEARING	DIST. MEASURED
L1	S 57°17'11" E	120.74'
L2	S 61°13'49" W	2.32'
L3	S 35°40'46" W	38.01'
L4	N 57°17'11" W	127.06'
L5	N 45°56'20" E	41.09'

GSA
GONZALEZ - STRENGTH & ASSOCIATES, INC.
ENGINEERING, LAND PLANNING, & SURVEYING
1500 WOODS OF RIVERCHASE DRIVE - SUITE 200
HOOVER, ALABAMA 36050
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