

Memorandum of Understanding

BETWEEN

City of St. Marys

AND

FORAM Development, LLC

I. PURPOSE

The purpose of this memorandum of understanding (MOU) is to define the understanding, responsibilities and working relationships between the City of St. Marys (City) and FORAM Development, LLC, in the development of the St. Marys Intracoastal Gateway (SMIG) property located at 100 Ready Street in St. Marys, Georgia.

The City of St. Marys issued a Request for Qualifications (RFQ) on June 6, 2012 for a creative and innovative development of the SMIG property. The FORAM Group was one of two responders to the RFQ and was determined to be the most qualified responder. Subsequently, at the recommendation of FORAM Group, a feasibility study was conducted of the property which indicated that the highest and best use of the property was a hotel complex. In any case, the FORAM Development, LLC, a sister company of FORAM Group has now offered to represent the City to locate the best development for the SMIG to meet the five development objectives which are:

1. Citizen and Visitor Destination
2. Public Access to the Water
3. Enhance the Environment
4. Promote Economic Development
5. Historical Compatibility

II. ROLES AND RESPONSIBILITIES

1. FORAM Development, LLC will serve in a fiduciary capacity and exclusive representative for the City of St. Marys to assist with the development of the SMIG property.

2. FORAM Development, LLC as the fiduciary and exclusive representative of the City of St. Marys will propose development plan(s), locate viable developer(s) and otherwise assist with SMIG development.

3. FORAM Development, LLC will work directly with an "Executive Committee" composed of 3 to 5 members of the SMIG Steering Committee and St. Marys Downtown Development Authority board members. It will be the responsibility of the "Executive Committee" to keep the St. Marys City Council, SMIG Steering Committee, and St. Marys Downtown Development Authority informed of development progress and status of the SMIG property. Also, it will be the

responsibility of FORAM Development LLC to provide regular reports of progress and status to the “Executive Committee” and on special occasions report to the St. Marys City Council if warranted.

III. GENERAL TERMS

1. FORAM Development, LLC will have no authority whatsoever to commit the use of the SMIG property without the approval of the St. Marys City Council.

2. The City of St. Marys City Council will not enter into a contract or agreement with another entity or developer to construct a concept substantially similar to a concept presented by FORAM Development, LLC. FORAM Development, LLC may in its sole discretion choose to enter into a joint venture or co-development agreement with another developer if FORAM Development, LLC believes it is in the best interest of the City of St. Marys. In any event, FORAM Development, LLC shall maintain its’ fiduciary responsibilities to the property and the best interest of the City of St. Marys.

3. The City of St. Marys will provide office space and administrative assistance to FORAM Development, LLC from time to time as requested to enhance and support the efforts of the FORAM Development, LLC team and the development of the SMIG property.

4. The City of St. Marys, St. Marys Downtown Development Authority, or St. Marys Intracoastal Gateway Steering Committee will not be responsible for compensating FORAM Development, LLC for the fiduciary services rendered for the development of the SMIG property. However, St. Marys has no objection to FORAM being compensated for services to any developer selected.

5. The City of St. Marys will only reimburse FORAM Development, LLC for pre-authorized extraordinary project related expenses. Otherwise, all other FORAM Development LLC expenses will be incurred and absorbed by FORAM Development, LLC.

6. FORAM Development, LLC may have 24 months from the date of this MOU to develop an approved plan and begin an approved development for the SMIG property. All suggestions, proposals, potential tenants or potential users must be referred directly to FORAM Development, LLC as the exclusive fiduciary representative of the City of St. Marys and SMIG property.

7. The City of St. Marys, St. Marys Downtown Development Authority, or St. Marys Intracoastal Gateway Committee shall not be responsible or liable for the actions or activities of FORAM Development, LLC.

8. The term of the MOU shall commence at the date noted herein when the signature of all parties as noted below are affixed and terminate upon notice to terminate given by St. Marys before January 31, 2014. Should such notice of termination not be given by St. Marys, the

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agreement shall automatically extend until a full two years after the signature of the last party to sign this agreement or upon non-performance by FORAM Development, LLC. Although the parties may consider future involvement and extension of this agreement no party shall be under any obligation to renew this MOU.

IV. SIGNATURES

THIS MEMORANDUM OF UNDERSTANDING is made this ____ day of ____ 2013 , by and between the City of St. Marys and FORAM Development, LLC and sets forth the understanding and responsibilities of each party relating to the development of the Gateway property located at 100 Ready Street, St Marys, Georgia.

William DeLoughy, Mayor – City of St. Marys

Date

Loretta Cockrum, CEO / President – FORAM Development, LLC

Date