

December 13, 2022

Mr. Don Lopp
Director of Operations, Floyd County
Pine View Government Center
2524 Corydon Pike,
New Albany, Indiana 47150

RE: Letter of Intent – Edwardsville Gateway Village Mixed-Use Development – Floyd County, Indiana

Dear Director Lopp,

The purpose of this Letter of Intent (“LOI”) is to outline The Sprigler Company’s proposed mixed-use development on the former Edwardsville school property and adjacent lands. Our proposal, in partnership with the County’s vision for the former school building, will supply the residents of Floyd County with a mix of senior and luxury apartment living, neighborhood commercial retail businesses, and civic space at a key gateway from I-64. Our proposed development includes a mix of market-rate apartments for seniors, local employees, individuals, and families anchored around the County’s planned Edwardsville Community Center. A future phase of neighborhood commercial retail businesses will front the new signalized traffic intersection at Corydon Pike and SR 62. Our proposed development combines town-center development principals and garden-style apartments to establish a built-environment that satisfies the public’s demand and existing market conditions. We look forward to formalizing a public private partnership and officially kicking off the development process once you, the Floyd County Commissioners, and the Floyd Redevelopment Commission have accepted this proposal.

This LOI summarizes the offer terms under which The Sprigler Company (“Sprigler”) will pursue discussions with the Floyd County Board of Commissioners (“County”) and the Floyd County Redevelopment Commission (“Commission”) to execute a formal development agreement to develop our proposed Edwardsville Gateway Village project.

Property:

The real estate (“Premises”) is comprised of approximately nine and five-one-hundredths (9.05) acres of land known as the Former Edwardsville School property, adjacent Deher property, and neighboring residential parcels. The site fronts Old Georgetown Road with partial visibility from Indiana State Route 62, all of which is depicted on Exhibit A, labeled “Area Map”.

Proposed Development:

Sprigler proposes to develop the Edwardsville Gateway Village – a mixed-use community with 120 multifamily housing units, neighborhood commercial businesses and a civic center in two phases; through a public private partnership with Floyd County (“Project”). Phase One

includes the construction of one hundred and twenty (120) multifamily housing units, located within five buildings, surrounding the future Edwardsville Community Center building. Thirty (30) of the one-hundred-and-twenty (120) multifamily housing units will be reserved for seniors over the age of 55 years. The senior housing building will include additional amenity space for its residents. Thirty (30) of the one-hundred-and-twenty (120) multifamily housing units will be allocated for local employee tenants working in the law enforcement, first responder, education, and governmental service industries. The remaining sixty (60) multifamily housing units will be market-rate apartments available to individuals and families. The Phase One preliminary total investment is expected to exceed \$20,900,000. The Phase One multifamily structures will include a mix of one- and two-bedroom apartment units. Phase Two of the mixed-use community develops approximately 1.65 acres for neighborhood commercial and retail tenant services. A preliminary site plan for the Edwardsville Gateway Village community can be found on Exhibit B, labeled "Preliminary Site Plan". Sprigler is not committing to the development of Phase Two with this LOI. Phase Two will be developed at a future time.

Sprigler will enter into a formal Project Agreement with County and Commission to provide the following:

County Public Improvements: The County will design and complete the installation of traffic signal and intersection improvements at Corydon Pike and SR 62, to serve the Project, with County funds. The County will design and complete construction of the Future Road, extending from Carolyn Avenue to Phase One of the Project, with County funds. Sprigler is responsible for acquiring the real estate and donating the necessary Future Road right-of-way to the County. Floyd County pledges up \$500,000 for the completion of these items.

Commission Improvements: The Commission will construct up to \$1,000,000 in site improvements, within the Project, with Commission funds. The final scope of work may include earth work, parking areas, sidewalks, driveways, drainage, and utilities serving Phase One.

Property Donation: The County and Commission will agree to accept Sprigler's donation of the former Edwardsville School building, and

the entrance road right-of-way, known as the Donation Area, from Sprigler. The proposed Donation Area is generally defined on Exhibit C, "Donation Area".

Sprigler agrees to make the former Edwardsville School Building weather tight and cleaned, including masonry and roof repairs, windows boarded, cleaned of debris, and installation of a 200-AMP temporary electric service, before transferring ownership of the donation area.

The County will work with Sprigler to take all necessary steps to replat the Premises to facilitate development of the Project and donation of real property and right-of-way to the County and/or Commission.

Cross Access and Parking:

The County and Commission will execute any necessary reciprocal cross access and parking agreements between the Sprigler parcels and donation areas.

Landscaping Maintenance:

The County and Commission will prepare a mutually acceptable landscape maintenance agreement with Sprigler for the State Route 62 improvements, not to exceed \$10,000 in annual payments from Sprigler for the first seven (7) years of the project.

TIF Expansion:

It is anticipated that the County and Commission will expand their existing Edwardsville Highlander Point TIF Area to include the entire Premises. Floyd County's Elevate GIS system indicates that Parcel Number 22-02-00-100-126.000-002 and the phase two neighborhood commercial parcels are adjacent but outside of the existing TIF boundaries. Exhibit A depicts the reported existing Edwardsville Highlander Point TIF Area in juxtaposition to the Premises.

Development Process:

The Phase One project area, excluding the certain on-site improvements to the completed by the County and Commission, will be developed by Sprigler in a timely manner. Construction will commence once the following have occurred:

- Approval and execution of Project Agreement before January 31, 2023
- Approval and execution of a Real Estate Donation Agreement before February 28, 2023.

- Approval of Zoning, Site Plan and Subdivision Plat by the Floyd County Plan Commission and other necessary bodies before January 31, 2023.
- Documentation of a cross access and parking agreement before donation of the real property from Sprigler.
- County proof of construction plans and a mutually agreed upon completion timeline for their improvements.
- Approval of the Development Plan for Sprigler
- Procurement of Building Permits by Sprigler
- Documentation of Sprigler financing approval
- Sprigler Closing on Construction Financing by May 31, 2023.

Construction Commencement: Construction is proposed to commence as early as June 1, 2023, following completion of the items in the Development Process section of this letter.

Contingencies: In addition to the delivery conditions noted above, the following contingencies shall also be in place:

- Contingent upon approval of final contract terms by Sprigler, the County, and the Commission
- Proposal for Development does not include increased cost due to Union Labor or Davis-Bacon Wages

Anticipated Benefit Impacts: Sprigler estimates the annual real property taxes generated by Phase One will be equal to or greater than \$198,000.00.

Commitment to Hire Local: Sprigler will solicit bids from local skill-trade contractors.

Brokerage Commissions: Sprigler shall not be responsible for any and all brokerage commissions to be paid as a part of this transaction.

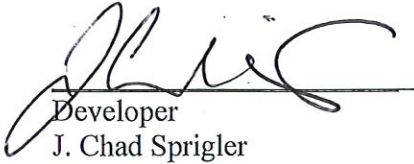
Non-Disclosure: County, Commission and Sprigler agree not to disclose the terms of this agreement except to its principals, boards, attorneys, consultants, leaders, accountants, except as required by law.

This proposal is non-binding and is intended to set up basic parameters under which Sprigler would be willing to proceed with County on the development of this exciting project.

Thank you for the opportunity to submit this LOI, we very much look forward to bringing this project to fruition.


Signature Page

RE: Letter of Intent – Edwardsville Gateway Village Mixed-Use Development – Floyd County, Indiana



Developer
J. Chad Sprigler

12-13-22
Date



Floyd County Redevelopment Commission
President

12/13/2022
Date

Floyd County Redevelopment Commission
Secretary

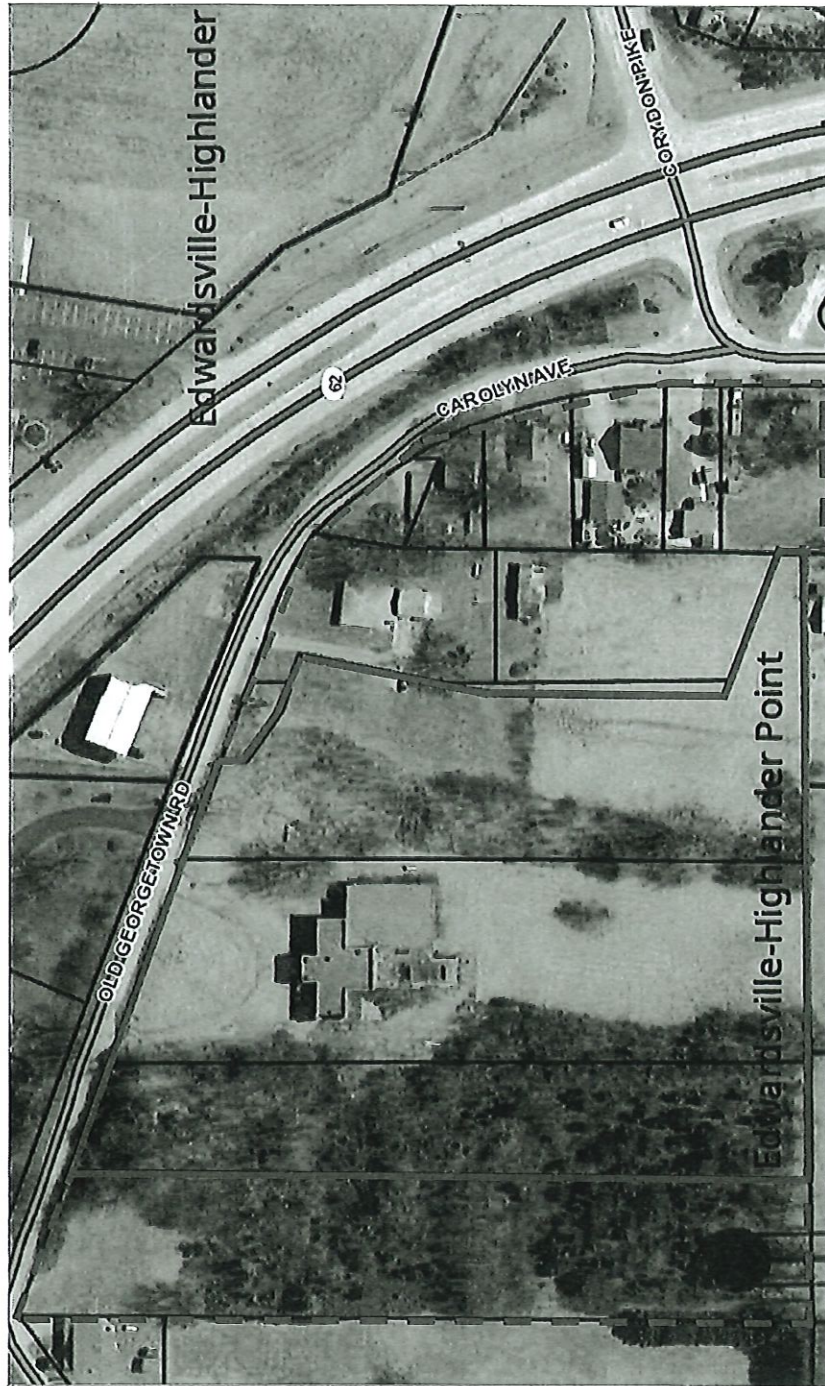
Date



Floyd County Board of Commissioners
President

12-20-22
Date

Exhibit A – Area Map



According to Floyd County's Elevate GIS system, the three parcels outlined in solid red are within the existing TIF Area. The Developer suggests that the TIF Area be expanded to include all the parcels outlined within the perforated red area.

Exhibit B - Preliminary Site Plan

