

## Letter of Intent

### Among the City of Easley, South Carolina and Project Silo

This Letter of Intent (LOI) is made and entered into this \_\_\_\_ day of May 2019, by the City of Easley, South Carolina, "The City," and Project Silo, "The Company," a business based in South Carolina. The purpose of this LOI is to memorialize the intent of Project Silo to purchase, renovate, obtain a Certificate of Occupancy, and operate business(es) at TMS Number 5019-15-63-8426, hereinafter referred to as the "Silos," located at 122 Folger Avenue. This LOI will also express the intention of the parties to undertake good faith negotiations to enter an Economic Development and Purchase Agreement, to provide the objectives of the parties with respect to such an agreement, and to describe the general terms and conditions of the agreement contemplated by the parties.

#### **Objectives of the Parties**

The parties agree that the following objectives, terms and conditions will be fundamental to the development of the proposed agreement. The parties are entering into this Letter of Intent with the understanding that the following conditions will be incorporated into the proposed service agreement between the parties. The parties agree that:

- The City of Easley will continue to propose and provide economic development opportunities and incentives to encourage the development and expansion of Downtown Easley, inclusive of the development "Silo District" located in and around Folger Avenue.
- The parties will each devote their own good-faith efforts to mutually complete discussion, negotiation, drafting, and approval of formal contractual agreements by November 30, 2019.
- Project Silo, or its subsidiaries, agrees to open to the general public on or before June 1, 2021 on the Silos property.
- The City of Easley will construct a sidewalk along Folger Avenue to connect to public parking facilities and improve the adjacent retaining wall. Project Silo agrees to provide ADA accessible parking and loading/unloading zones within the property located at 122 Folger Avenue.
- Both parties agree to mutually pursue designation on the National Historic Registry. Project Silo agrees to pursue Federal and State Historical Tax Credits. The City of Easley will provide a letter of abandonment for the property for the purposes of the Abandoned Building Tax Credit.
- Both parties agree mutually to develop an Economic Development Ordinance that will provide grant incentives of up to 50% of business license fees, permit fees, city property taxes, and hospitality taxes for a period of up to five (5) years. Project Silo agrees to open up to four (4) unique businesses that employ more than 20 and up to 50 people within 48 months of certificate of occupancy.
- The City of Easley agrees to develop and implement a mutually beneficial mural on the Silos that does not serve as advertisement for any business. All Silo designs will have to be approved by either Council or an approved City Art Committee.
- The City of Easley will design, construct, and install wayfinding signage to direct users to the 'Silo District' as part of the City's overall wayfinding signage plan.

- The City of Easley will lease/purchase the property to Project Silo under the terms of 40 months at a set price of \$2,000/month beginning the 15<sup>th</sup> of the month after the Development Agreement is signed. The City will grant back the lease/purchase price annually if conditions of the Economic Development Ordinance are met. At the end of the term, the Title in full will be transferred to the purchaser. At any time after occupancy, Project Silo can purchase the property in full without prepayment penalty. Proposed lease terms and conditions are attached.
- The City of Easley will continue to work with SCDOT, property owners, and associated parties to improve pedestrian and bicycle connectivity to the Silo District from the Doodle Trail and within the TIF District.
- The parties understand and agree that this Letter of Intent is conditioned upon City of Easley's Council determination to proceed with an Economic Development Ordinance. Accordingly, notwithstanding anything to the contrary contained herein, the City of Easley shall not be contractually obligated to proceed with the Economic Development Ordinance, and in the event the Parties determines they will not further negotiation, a written termination of LOI should be provided with 48 hours notice; upon receipt this Letter of Intent shall be terminated, other anticipated contracts terminated, and no force or effect.

**IN WITNESS WHEREOF**, the parties hereto have executed this Letter of Intent as the date indicated above.

**City of Easley, South Carolina**

\_\_\_\_\_  
Mayor, CityofEasley

\_\_\_\_\_  
Date

**Project Silo**

\_\_\_\_\_  
  
\_\_\_\_\_  
Title

\_\_\_\_\_  
Date