

**DEVELOPMENT AGREEMENT BETWEEN  
THE CITY OF CLEMSON, SOUTH CAROLINA,  
AND THE INDEPENDENT DEVELOPMENT FIRMS OF  
THE UNIVERSITY HOUSE CLEMSON, L.L.C, DEVELOPER OF UNIVERSITY HOUSE CLEMSON;  
PHU HWY 76 CLEMSON, LLC, DEVELOPER OF GRANDMARC OF CLEMSON;  
CCSHP CLEMSON, L.L.C., DEVELOPER OF EARLE STREET APARTMENTS; AND  
412 COLLEGE AVENUE, L.L.C., DEVELOPER OF 412 COLLEGE AVENUE,  
FOR THE FINANCING AND CONSTRUCTION OF SANITARY SEWER LINE CAPACITY  
IMPROVEMENTS THAT WILL PROVIDE UTILITY SERVICES FOR THE BENEFIT OF SAID  
DEVELOPMENT PROJECTS HERETO.**

**THIS AGREEMENT** made this \_\_\_\_ day of August, 2015, by and between the City of Clemson, South Carolina, hereinafter called the “City” and the development firms of University House Clemson, LLC, hereinafter called “University House”; and PHU HWY 76 Clemson, LLC hereinafter called “Grandmarc”; and CCSHP Clemson, LLC, hereinafter called “Earle Street Apartments;” and 412 College Avenue project, hereinafter called “412 College.”

**WHEREAS, THE ABOVE CITED DEVELOPMENT FIRMS** have received formal approval from the various required Boards, Commissions, and City Council of the City of Clemson, South Carolina for the development and construction of mixed-use structures in the City, and

**WHEREAS, THE DEVELOPMENT PROJECTS SHALL BE UTILIZING** sanitary sewer collection and treatment utility service from the City of Clemson and will need to have capacity improvements to the City’s sanitary sewer collection system to accommodate the release of raw sewer effluent from the respective mixed-use development projects into the City’s utility system; and

**WHEREAS, IT IS THE POLICY OF THE CITY** that developers shall be financially responsible for system capacity enlargements of the City’s utility system that are caused by the service demand that is placed upon the collection of sewer effluent for conveyance to the City’s wastewater treatment plants; and

**WHEREAS, THE REQUIRED UPGRADE AND CAPACITY EXPANSION** of the City’s sanitary sewer collection system for the above-named projects will coincidentally occur at a location that will provide sanitary sewer collection service to each of the developments at a similar level of capacity; and

**WHEREAS, IT IS AGREED THAT THE ABOVE NAMED DEVELOPERS** shall provide a financial contribution to the City of Clemson in an equitable cost-sharing manner to pay for the sanitary sewer capacity improvements that will benefit each of the parties that will utilize the sanitary sewer collection and conveyance system of the City;

**NOW, THEREFORE,** the above-cited parties hereby agree to the following:

**SECTION 1: SCOPE OF SANITARY SEWER COLLECTION SYSTEM CAPACITY IMPROVEMENTS:**

1. Changes to the City’s sanitary sewer collection system, as illustrated on Attachment A to this agreement, have been identified and recommended by two sanitary sewer flow analysis’ and should be implemented prior to the completion of the above-cited development projects being placed into service (lettered improvements correspond to Attachment A):

- a. Construction of a new sanitary sewer line on College Avenue, from Keith Street to Strode Circle:
  - b. Reconstruction of a section of sanitary sewer line on Keith Street, east of College Avenue, from a manhole at McCollum Street to College Avenue, to allow the flow of effluent to be reversed in direction and to feed the new College Avenue collection line.
  - c. Abandonment of a line section of sanitary sewer from Keith Street, near the intersection of McCollum and extending north to an existing manhole at the north corner of the AT&T building,
  - d. Abandonment of a line section on Riggs Drive, approximately 150' in length, located approximately 100' south of the manhole that is located at the intersection of Strode Circle and Riggs Drive,
  - e. Construction of a new sanitary sewer line from Riggs Drive to an existing manhole that is within the property of the building that is located on the southeast corner of College Avenue and Strode Circle.
2. Reimbursement of costs for the two original flow analysis' to the developers that paid for the engineering study (PHU HWY 76 Clemson in the amount of \$20,900 and CCSHP Clemson in the amount of \$20,900).
  3. Payment for a third sewer collection system flow analysis from College Avenue to the City's pump station # 7. This flow analysis will be contracted by the City of Clemson.
  4. All developers agree to pay their allocated cost of a future capacity improvement that could be required on the sanitary sewer line segment from College Avenue to the City's pump station #7, but not to exceed a total cost of \$125,000 for engineering design and construction. This line section was not included in the original flow analysis study.

**SECTION 2. ALLOCATION OF FINANCIAL COST SHARING BY DEVELOPERS:**

1. Allocation of costs shall be determined by the number of beds (occupants) to be included in the respective development. Attachment B to this agreement provides the cost allocation to be utilized for shared costs of this agreement by each project/developer.
2. The estimated financial costs of the scope of work is as follows:
 

a. Original flow analysis costs:	\$ 41,800
b. Estimated construction costs of initial capacity improvements:	\$275,000
c. Sewer flow study from College Ave. to Pump Station #7	<u>\$ 20,900</u>
Total Costs to be allocated for initial capacity improvements:	<u>\$337,700</u>
3. At such time as bids have been received and the actual costs of construction have been determined, the City will notify all parties to this agreement of the anticipated financial costs. If the bid results and contract will exceed the original estimate, the additional construction cost increment (above \$275,000) will be invoiced to each developer on the same allocation basis as the initial deposit. Developers agree to make payment to the City within 30 days of receipt of said invoice. In the event that an unforeseen change order is required during construction and the total cost exceeds the deposit amounts, the City will invoice each developer for the prorated costs of the final project at the time of project close-out.

If the bid for the initial sewer line capacity work is less than the deposit total (\$275,000), the City will hold the entire deposit until the work is completed. This will allow for unanticipated work or change orders to be handled during the construction period. At the completion of the project, any remaining funds will be refunded to the Developers on a prorated share and in accordance with the allocation formula described on Attachment B.

4. No pre-payment or deposit will be required for any future improvements to the sanitary sewer line section from College Avenue to Pump Station #7. However, each developer agrees to participate financially in paying for that construction work if the flow analysis determines that such work should be completed and is in the best interest of the City of Clemson. In the event that additional construction work is required, the cost allocation share will use the engineer's estimate for billing purposes, and funds shall be deposited with the City of Clemson within 30 days of receipt of an invoice for this capacity expansion work. After the project is completed and actual costs are paid, any remaining funds in excess of the deposit will be refunded to the developers on a prorated share.

### **SECTION 3: ESTIMATED SCHEDULE OF WORK AND PAYMENTS:**

1. All parties agree that time is of the essence to construct the sanitary sewer line capacity enhancements that have been identified and defined in Attachment A. The City of Clemson Engineering Department will provide the engineering design services, bidding, construction administration and inspection services.
2. It is anticipated that the sewer work will be bid in September or October, 2015, and work will commence on or about November 20, 2015. The College Avenue to Pump Station #7 flow study is anticipated to be completed around January 1, 2016.
3. The initial deposit for the sanitary sewer capacity construction shall be paid to the City of Clemson in accordance with Section 2 of this agreement. It is estimated that the deposits will be invoiced on or about November 1, 2015. The allocation formula of costs is illustrated on Attachment B, and the results are as follows:

a. Earle Street Apartments development	\$141,679
b. Grandmarc of Clemson development	101,698
c. University House Clemson development	81,126
d. 412 College Avenue development	<u>13,197</u>
Total of all contributions:	\$337,700

4. The term of this Agreement shall start upon the date first above written and shall continue until June 30, 2018.

This Agreement shall be binding upon all parties hereto and is not transferrable. This Agreement can be amended, but only upon the consent and written addendum of all parties.

In witness whereof, the parties hereto have executed or caused to be executed by their duly authorized officials, this Agreement in four copies each of which shall be deemed an original on the date first above written.

(Continue to Signature Page on next page)

**CITY OF CLEMSON**

BY: \_\_\_\_\_

ITS: Mayor

Typed Name: J.C. Cook, III

ATTEST:

\_\_\_\_\_  
Beverly A. Coleman, City Clerk

**DEVELOPER: UNIVERSITY HOUSE CLEMSON, L.L.C.**  
a Delaware limited liability company

**BY: UNIVERSITY PARTNERS, L.L.C.**  
a Delaware limited liability company, its sole member

**BY: University House Communities Group, Inc.**  
a Delaware corporation, its sole member

BY: \_\_\_\_\_

ATTEST for University House Clemson, L.L.C. ITS: \_\_\_\_\_

Printed Name; \_\_\_\_\_

\_\_\_\_\_  
Printed Name  
& Title: \_\_\_\_\_

**DEVELOPER: PHU HWY 76 CLEMSON, L.L.C.**

BY: \_\_\_\_\_

ATTEST for PHU HWY 76 Clemson, L.L.C.: ITS: \_\_\_\_\_

Printed Name; \_\_\_\_\_

\_\_\_\_\_  
Printed Name  
& Title: \_\_\_\_\_

(Signatures continue on following page)

**DEVELOPER: CCSHP CLEMSON, L.L.C.**

ATTEST for CCSHP Clemson, L.L.C.:

\_\_\_\_\_  
Printed Name  
& Title: \_\_\_\_\_

BY: \_\_\_\_\_

ITS: \_\_\_\_\_

Printed Name; \_\_\_\_\_

**DEVELOPER: 412 College Avenue, L.L.C.**

ATTEST for 412 College Avenue, L.L.C.:

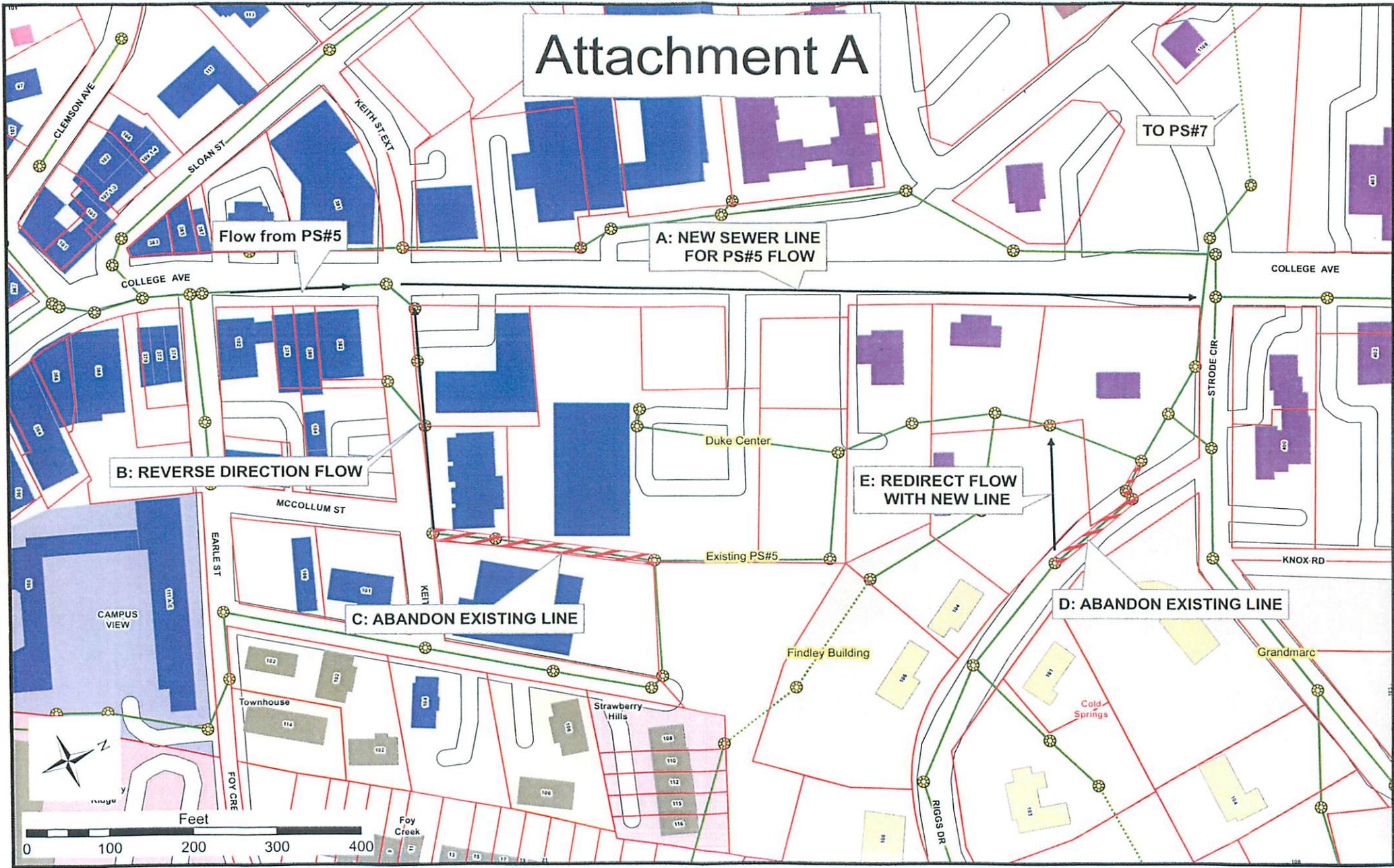
\_\_\_\_\_  
Printed Name  
& Title: \_\_\_\_\_

BY: \_\_\_\_\_

ITS: \_\_\_\_\_

Printed Name; \_\_\_\_\_

# Attachment A



Flow from PS#5

A: NEW SEWER LINE FOR PS#5 FLOW

TO PS#7

B: REVERSE DIRECTION FLOW

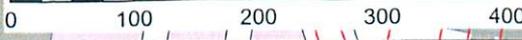
E: REDIRECT FLOW WITH NEW LINE

C: ABANDON EXISTING LINE

D: ABANDON EXISTING LINE



Feet



Duke Center

Existing PS#5

Findley Building

Strawberry Hills

Cold Springs

Townhouse

CAMPUS VIEW

Grandmarc

**Attachment B****Cost Allocation of Sewer Line Capacity Improvements**

<u>Project/Developer</u>	<u>Number of beds/ occupants</u>	<u>Percentage of total beds</u>	<u>Allocation Cost Share</u>
Earle Street Apartment - by CCSHP Clemson	730	41.95%	\$ 141,679
Grandmarc of Clemson - Davis Property Group	524	30.11%	\$ 101,698
University House Clemson - by University House Clemson, LLC	418	24.02%	\$ 81,126
412 College Avenue - by Todd Kennedy	68	3.91%	\$ 13,197
<b>Totals:</b>	<b>1,740</b>	<b>100.00%</b>	<b>\$ 337,700</b>