

**STATE OF SOUTH CAROLINA**  
**CITY OF CLEMSON**

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)  
) **INFRASTRUCTURE  
REIMBURSEMENT AND DEVELOPMENT  
AGREEMENT**  
(University House Clemson Project)

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THIS AGREEMENT made this \_\_\_\_ day of July, 2015 by and between City of Clemson hereinafter called the “City”, and University House Clemson, L.L.C., a Delaware limited liability company, , hereinafter called the “Developer”, the developer of the “University House Clemson” mixed-use development project.

**WITNESSETH:**

**SECTION 1: COLLEGE AVENUE STORMWATER DRAINAGE AND SIDEWALK CONSTRUCTION AND WATER LINE CONSTRUCTION – FOR SUPPORT OF DUKES CENTER MIXED-USE DEVELOPMENT PROJECT:**

1. The City of Clemson has been requested to relocate a storm water drainage line that serves Downtown Clemson, on College Avenue and extending from Earle Street to Strode Circle, which will allow the University House Clemson Project, a mixed-use redevelopment project, to be constructed. The estimated cost of this storm water drainage line construction project, the (the “Drainage Line Project”) is \$500,000, of which the Developer will contribute \$300,000 in support of the relocation of the storm water line.
2. Due to the location of this project and time sensitive nature of closing a travel lane on College Avenue, it is agreed that the City of Clemson will bid and award the Drainage Line Project, provide construction administration, and inspect the project.
3. It is agreed that the City shall utilize a modified procurement process, which will include the advertisement of a Request for Proposal document and will include a direct negotiation of certain components of the Drainage Line Project with potential contractors. Both parties understand that a large component of this Drainage Line Project will involve a pipeline boring process, which will limit the number of qualified contractors who have the capability and expertise of this type of storm water pipe installation. Attachment A to this agreement illustrates the components and construction format for this Drainage Line Project.
4. The Drainage Line Project will be bid and awarded in fall 2015, with an estimated start of construction date of December 4, 2015. The project is anticipated to take 45 construction days to complete.

5. The Developer shall deposit to a construction account held by the City of Clemson the amount of three hundred thousand dollars (\$300,000) on or before the date that the City provides a Notice to Proceed to the selected contractor(s). It is anticipated that a Notice to Proceed will be issued on or about November 20, 2015.
6. In the event that the Developer chooses to install an 8" water (including fire hydrants) line, which could extend from the University House Clemson project site along College Avenue to Strode Circle, the City agrees to include this work in conjunction and coordination with the Drainage Line Project. However, the Developer will pay one hundred percent (100%) of the costs associated with the installation of the water line, and shall deposit with the City of Clemson the construction bid costs for this component of the project immediately following the award of the contract by the Clemson City Council. It is anticipated that the water line project award will be concurrent with the storm sewer project, which is anticipated to occur in November 2015. The City Engineer's estimated cost for the water line project is seventy thousand dollars (\$70,000).
7. If the water line is installed, then at the completion of the project, a cost reconciliation of the estimated versus actual costs of installing the water line shall be completed. In the event the amount of the Developer's deposit exceeded the cost of the water line project, the City shall reimburse the amount of the cost differential to the Developer within thirty days (30 days) after such cost reconciliation has been completed. In the event that the costs of installing the water line exceeded the deposit, the Developer shall pay said additional costs to the City within thirty (30) days of receipt of an invoice for the costs that exceeded the original bid. Although change orders for the water line installation are not anticipated, both parties understand that unforeseen or unanticipated events or conditions could occur during the installation of the water line.
8. The Developer agrees to provide at no cost to the City any easements, both temporary construction easements and permanent utility easements, which would be required for the project as defined in Attachment B.
9. In the event that existing curb and gutters, brick paver sidewalks, or other infrastructure of the City of Clemson are removed and/or damaged during the construction of the storm water drainage line or water line installation, the costs of repairing or replacing said existing infrastructure shall have costs equally allocated between the Drainage Line Project, the water line project and a sanitary sewer line project that will be constructed concurrently with this project (but not included in this agreement).

## **SECTION 2: INFRASTRUCTURE REIMBURSEMENT:**

That for and in consideration of the payments and agreements stated above:

1. The Developer proposes to assist financially in the construction of infrastructure improvements necessary to support the project identified as “University House Clemson” and desires to participate in the City’s Infrastructure Reimbursement Program as provided in Chapter 15, Article IV, Section 15-48 of the City of Clemson Code of Ordinances. All terms and conditions established by said ordinance shall govern the execution of this agreement.
2. The development shall be constructed in accordance with the following:
  - a. Plans and Specifications
  - b. Cost Estimate of Eligible Reimbursement Items
  - c. City Standards for Utilities

All plans and specifications shall be prepared and sealed by a Professional Engineer licensed in South Carolina and approved, as required by the City Engineer of the City of Clemson. Involvement in the Infrastructure Reimbursement Program does not in any way modify or suspend the development review process of the Dukes Center project established by the City of Clemson.

This agreement shall be binding for only the improvements submitted to and approved by the Clemson City Council as part of the request for reimbursement provided by the Developer in item 2c. of this Agreement. Any modifications made to the request submitted by the developer shall be noted herein and formally made a part of this agreement.

The City of Clemson shall rebate up to three hundred thousand dollars (\$300,000) of the actual costs related to completion of the Drainage Line Project mutually agreed upon by this document. The City shall also rebate up to seventy thousand dollars (\$70,000) for the installation of the water service line, fire hydrants, and miscellaneous appurtenance thereto. The City of Clemson shall have full authority and discretion to make the determination as to what costs are related specifically to the costs of the improvements and the City Council’s decision shall be final and binding on the parties. All documentation required to dedicate any improvement to the City of Clemson, including surveys and deeds, shall be provided to the City Engineer prior to the City Council’s consideration of the request. Upon an affirmative vote of the City Council accepting dedication of the improvement(s), the allowed costs will be added to the amount used in the calculation of the payments made under this agreement. All parties to this agreement hereby acknowledge that the final calculation of the related costs shall not exceed the amount otherwise established by this agreement. Any modifications to this amount shall require execution of a new written agreement. A description of the reimbursable improvements and estimated costs is attached to this agreement as Exhibit A.

The actual costs of completed improvements will be calculated at the completion of the construction project and infrastructure reimbursement payments to the Developer will be rebated annually not to exceed 50% (fifty percent) of City tax revenues actually collected that are directly attributable to the property taxes generated by the University House Clemson project and its improvements. Late fees and other payment penalties shall not be included in the calculation of the tax revenues received by the City for the purposes of this agreement. City taxes generated from any personal property associated with this project are not subject to inclusion in the calculation of payments. The payments will be made for approved project work begun by November 1, 2015 and be completed by November 1, 2016. The City shall make one payment per year based on the cumulative total of allowed expenses from the preceding calendar year. Infrastructure Reimbursement Payments shall be made on or about June 15th of each year for the duration of this agreement, following submittal of paid Pickens County tax receipts by the Developer for this development parcel.

The total amount to be reimbursed to the Developer shall not exceed the Developer's financial contribution for the improvements outlined in Section 1 (1.), and if applicable, Section 1(6.), and shall continue for up to a maximum of 10 years or until the reimbursement is complete, whichever occurs first.

3. This agreement shall be binding upon all parties hereto and is not transferrable. It is agreed by both parties to this agreement that the payments due to the Developer under this agreement are not assignable to a third party.

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

(Continue to Signature Page on next page)

**CITY OF CLEMSON**

(Seal)

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

**ITS:** Mayor

**Typed Name:** J.C. Cook, III

ATTEST:

\_\_\_\_\_

**Typed Name & Title:** Beverly A. Coleman  
City Clerk

**DEVELOPER: UNIVERSITY HOUSE CLEMSON, L.L.C.**

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

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

**Printed Name:** \_\_\_\_\_

**Address:** c/o University House Communities Group  
3890 W. Northwest Highway, Suite 601  
Dallas, TX 75220  
Attention: David M. Pierce

ATTEST:

By: \_\_\_\_\_

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

**EXHIBIT A**

**DESCRIPTION OF REIMBURSABLE IMPROVEMENTS AND  
ESTIMATED COSTS FOR THEIR INSTALLATION**

Storm Sewer drainage line replacement project on College Avenue, constructed with participation from the Developer of the University House Clemson and 8” Water Line Construction for fire protection and potable water service to University House Clemson:

Item 1. Contribution to Storm Sewer replacement project:	\$300,000
Item 2. Installation of new 8” water line, including fire hydrants, And other appurtenances related thereto:	<u>\$ 70,000</u>
<b>Total eligible project costs for Infrastructure Reimbursement:</b>	<b>\$370,000</b>

**Approved by City Council at July \_\_\_, 2015 regular meeting.**