

Amendment 9 to Council Resolution No. 103-2016

BY: Mary Kay Sigaty

Legislative Day No: 17
Date: November 7, 2016

Amendment No. 9

(This amendment would replace the DRRA attached to the resolution with the DRRA attached to this amendment)

1 Remove all of the Exhibits attached to the resolution and substitute the Exhibits attached
2 to this amendment.

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DEVELOPMENT RIGHTS AND RESPONSIBILITIES AGREEMENT
(Affordable Housing)

THIS DEVELOPMENT RIGHTS AND RESPONSIBILITIES AGREEMENT (this “Agreement”), made as of the _____ day of _____, 2016, by and between HOWARD RESEARCH AND DEVELOPMENT CORPORATION, its successors and assigns (“HRD”) and HOWARD COUNTY, MARYLAND, a body corporate and politic of the State of Maryland (“Howard County” or “County”); HRD and Howard County are hereinafter each referred to as a “Party” and collectively as the “Parties”.

RECITALS

1. On February 1, 2010, the Howard County Council approved the Downtown Columbia Plan, a General Plan Amendment (the “Downtown Columbia Plan”). The Downtown Columbia Plan envisions the evolution of Downtown Columbia as Howard County’s urban center with new development of 5,500 dwellings, 640 hotel rooms, 4.3 Million square feet of office and 1.25 Million square feet of retail uses. The Downtown Columbia Plan further envisions a full spectrum housing program for Downtown Columbia to be achieved through the creation of a Downtown Columbia Community Housing Foundation which would administer a housing fund to be created from contributions from the Downtown Columbia Community Developer (i.e., HRD), developer and property owner contributions, and other sources.

2. As part of the Downtown Columbia Plan, HRD and other property owners and developers in Downtown Columbia are required to provide various Community Enhancements, Programs and Public Amenities (“CEPPAs”), including CEPPAs aimed at achieving affordable housing. CEPPAs 10 and 11 require contributions from HRD to the Fund (as defined below) of \$1,500,000 each and CEPPAs 26 and 27 require additional contributions to the Fund, including one-time payments of between \$2,000.00 - \$9,000.00 for each new dwelling unit.

3. The Howard County Council adopted Bill 24-2012 effective September 3, 2012, which established the Downtown Columbia Community Housing Fund (“Fund”) for the purpose of providing affordable housing assistance as an amenity as described in the Downtown Columbia Plan and further providing for the recognition of a nonprofit entity as the Downtown Columbia Community Housing Foundation for purposes of administering the Fund. Bill 24-2012 also established mandatory contributions into the Fund by the Downtown Columbia Community Developer and property owners

4. On November 5, 2012, the County Council adopted Resolution 154-2012 recognizing the Columbia Downtown Housing Corporation (“CDHC”) as the Downtown Columbia Community Housing Foundation under the Downtown Columbia Plan.

5. Net New (as defined in Section 1.1.DD below) approved residential development includes (i) The Metropolitan comprised of 380 dwelling units and ground floor retail space; and (ii) Parcel C comprised of 437 total dwelling units and ground floor retail space, both of which were approved by final development plan FDP-DC-Warfield-1. Site development plan approval of The Metropolitan (SDP 13-007) reduced the number of Net New dwelling units remaining to be constructed in Downtown Columbia to 5,120 units, and site development plan approval of Parcel C

1 (SDP 14-024) further reduced the number of Net New dwelling units remaining to be constructed
2 to 4,683 units.

3 6. On or about October 8, 2013, HRD, as the designated Community Developer, in
4 order to permit construction and occupancy of The Metropolitan, contributed \$2,329,422.20 to the
5 Fund in accordance with the Downtown Columbia Plan, CEPPAs 10, 26 and 27, and Bill 24-2012.
6 On or about June 14, 2016, HRD contributed an additional \$2,498,103.63 to the Fund in
7 accordance with the Downtown Columbia Plan, CEPPAs 11, 26 and 27 and Bill 24-2012 in order
8 to permit construction and occupancy of Parcel C. To date, approximately \$4,827,525.83 in
9 contributions have been provided to the Fund by HRD.

10 7. On March 31, 2014, CDHC presented its Second Annual Report to the County
11 Council and County Executive in which CDHC advised that changes in legislation will be
12 necessary to realize the goals of the Downtown Columbia Plan for the development of a full
13 spectrum housing program in Downtown Columbia.

14 8. On October 29, 2014, the County Council adopted Resolution 120-2014 requesting
15 CDHC to consider whether legislative changes are necessary and appropriate to ensure the
16 Downtown Columbia Plan's vision for a full spectrum of affordable housing can be achieved and
17 to recommend any changes believed necessary and appropriate to the County Council and County
18 Executive.

19 9. On February 27, 2015, CDHC presented its recommendations to the County
20 Council and County Executive, which recommendations would have required 15% of future
21 residential development in Downtown Columbia to be affordable, providing up to 702 units of
22 affordable housing in Downtown Columbia at full residential build-out and serving households
23 with an average AMI of 60% of the Howard County AMI.

24 10. As Community Developer under the Downtown Columbia Plan, HRD objected to
25 CDHC's recommendations to the County Council and County Executive on the basis that the
26 adoption of such recommendations would only stifle future development in Downtown Columbia.
27 HRD suggested instead that a more nuanced approach be developed as a collaboration among
28 HRD, the County, CDHC and the Howard County Housing Commission ("Commission"), which
29 would actually "jump start" and maximize the potential to create affordable housing in Downtown
30 Columbia.

31 11. On June 8, 2015, at a public worksession of the County Council representatives of
32 HRD presented the County Council and representatives of CDHC and the Commission with an
33 alternative means of achieving a full spectrum of housing in Downtown Columbia, and after
34 discussion at this worksession, it was understood that HRD, CDHC and the Commission would
35 attempt to work towards a joint recommendation regarding affordable housing and to determine
36 what, if any, recommendations should be jointly made to the County Council and pursued.

37 12. Representatives of CDHC, HRD, the Commission and the Howard County
38 Executive met over a period of months during summer and fall 2015 to understand the various
39 perspectives and objectives of the parties, including, without limitation, achieving a full spectrum
40 of housing, the economic constraints affecting the ability of the private sector alone to meet this

1 objective, the existing requirements and recommendations of the Downtown Columbia Plan,
2 CEPPAs and Bill 24-2012, and the potential use of mechanisms such as low income housing tax
3 credits, PILOT, and land dedication and land exchanges to facilitate the creation of affordable
4 housing.

5 13. On September 8, 2015, representatives of CDHC, HRD, the Commission and the
6 Howard County Executive presented the County Council with a set of joint recommendations on
7 affordable housing in Downtown Columbia (the “Joint Recommendations”). The Joint
8 Recommendations describe a multi-faceted approach to achieve a full spectrum of housing by
9 encouraging private investment including, without limitation, recommendations for (i) Very Low
10 Income Units, Low Income Units, and Middle Income Units; (ii) an inclusionary program whereby
11 Affordable Units are included in each residential rental building going forward; (iii) land
12 exchanges, leases or contributions to facilitate development or redevelopment of a new Central
13 Library, the existing Central Library, a new transit center, Toby’s Dinner Theatre, the Banneker
14 Fire Station and the Temporary Fire Station Site, all of which (except for the new Central Library)
15 are anticipated to include additional Affordable Units earlier than would be delivered in the
16 development of the full residential buildout program, and in significant quantity, (iv) modification
17 of the Fund contribution mechanism; and (v) accompanying legislation to facilitate this approach.
18 Together the Joint Recommendations provide for the development of approximately 900
19 Affordable Units in Downtown Columbia at a full spectrum of household income levels at Full
20 Residential Build Out (defined in Section 1.1.T below).

21 14. HRD is, either itself or through its affiliates, engaged in the development,
22 construction, redevelopment and management of real estate and owns or controls the residential
23 development on parcels of real property in Downtown Columbia, including those parcels more
24 particularly described on Exhibit “A”, attached hereto and by this reference incorporated herein.

25 15. Maryland law, Land Use Article, § 7-301 *et seq.* of the Maryland Annotated Code
26 (“Land Use Article”), grants Howard County the authority to establish procedures and
27 requirements for the consideration and execution of Development Rights and Responsibilities
28 Agreements.

29 16. The Howard County Council adopted Council Bill No. 4-2010 on March 1, 2010,
30 effective May 4, 2010, creating Sections 16.1700 *et seq.* of the Howard County Code authorizing
31 Howard County to enter into Development Rights and Responsibilities Agreements (“County
32 Ordinance”).

33 17. The Howard County Council also adopted (i) ZRA-170 on _____, 2016,
34 effective _____, 20__, (ii) Council Bill No. _____ on _____, 20__, effective _____,
35 20__, and (iii) Council Bill No. _____ on _____, 20__, effective _____, 20__,

36 18. This Agreement is intended to constitute a Development Rights and
37 Responsibilities Agreement as provided for in the Land Use Article and the County Ordinance and
38 includes provisions intended to implement the Joint Recommendations adopted by HRD and
39 CDHC and endorsed by the Commission and the County.

40 19. On March 11, 2016 HRD petitioned Howard County to enter into this Agreement.

1 20. On March 16, 2016, Howard County reviewed this petition and determined to
2 accept this petition and initiate the process of considering a Development Rights and
3 Responsibilities Agreement.

4 21. The parties acknowledge and agree that HRD’s affordable housing obligations set
5 forth in this Agreement, when compared to the 10% and 13% MIHU requirements for Downtown
6 Columbia as provided in Section 5.1 and Exhibit G of this Agreement, will (a) provide for more
7 affordable dwelling units on the Property and in close proximity thereto, and provide additional
8 funds to further the affordable housing goals set forth herein, (b) serve lower income households,
9 and (c) provide the units at earlier stages of development; and, consequently, the affordable
10 housing goals in the Downtown Columbia Plan will be served to a greater extent by this
11 Agreement.

12 22. It is the intention of the parties that, subject to Section 8.1.C below, upon
13 performance of its obligations under this Agreement, HRD and its affiliates shall be deemed to
14 have satisfied all affordable housing obligations under the County Law for the term of this
15 Agreement with respect to the development by HRD and its affiliates of up to 5,500 Net New
16 Market Rate Dwelling Units.

17 NOW, THEREFORE, in consideration of the foregoing recitals, which are not merely
18 prefatory but are hereby incorporated into and made a part of this Agreement, and the mutual
19 covenants and agreements as set forth below, and for other good and valuable consideration, the
20 receipt and sufficiency of which the Parties hereby acknowledge HRD and Howard County
21 hereby agree as follows:

22 ARTICLE I
23 DEFINITIONS

24 1.1. Definitions. Unless otherwise defined in this Agreement, the following words,
25 when used in this Agreement, shall have the following meanings:

26 A. “APFO Approval” means approval by Howard County Department of
27 Planning and Zoning of applicable Adequate Public Facilities Ordinance tests for the Project or
28 any portion thereof in accordance with the provisions of Section 16.1100 *et seq.* of the Howard
29 County Code, and the applicable provisions of the Howard County Design Manual.

30 B. “Affordable Unit” means a rental dwelling unit that is any of a Middle
31 Income Unit, a Low Income Unit, or a Very Low Income Unit.

32 C. “Alternative Temporary Fire Station Site” shall have the meaning set forth
33 for such term in Section 4.4.A(v) below.

34 D. “AMI” means area median income.

35 E. “Balance of the Affordable Units” shall have the meaning set forth for such
36 term in Section 4.4.A(vii) below.

1 F. "Banneker Fire Station Site" means (i) the property and improvements
2 located at 5815 Banneker Road and more particularly identified as Lot No. 12 Columbia Town
3 Center Subdivision Section 1 as shown on Plat No. _____ recorded among the Land Records
4 comprised of approximately 1.551 acres, and (ii) 0.4 acres of land, which is a portion of the parcel
5 known as Open Space Lot 2, as shown on the Plat entitled "Columbia Town Center, Section 3,
6 Area 2, Parcel B and Lot 2 (A Resubdivision of Parcel Nos. 5, 6 and 7-B "Town Center – Section
7 3, Area 2 and Part of Liber No. 463 at folio 196")," recorded among the Land Records as Plat No.
8 10724, which is currently owned by the Columbia Association but which is anticipated to be
9 conveyed to HRD or its designee pursuant to that certain Land Swap Agreement dated December
10 9, 2015 by and between HRD and the Columbia Association (the "CA Parcel").

11 G. "CEPPAs" means the Community Enhancements, Programs and Public
12 Amenities identified in the Downtown Columbia Plan.

13 H. "County Law" or "Howard County Law" means the Code of Howard
14 County, Maryland and any other laws of Howard County including, without limitation, its zoning
15 regulations (including, without limitation, the off-street parking requirements), Planning, Zoning
16 and Subdivision and Land Development Regulations, resolutions, the Howard County Design
17 Manual, the Downtown Revitalization provisions of the NT District, the APFO standards
18 applicable to Downtown Revitalization, *PlanHoward 2030*, the Downtown Columbia Plan
19 (including, without limitation, CEPPAs, CEPPA flexibility and Development phasing), affordable
20 housing requirements, the Downtown Advisory Panel Act, the Howard County Green Buildings
21 Law, design criteria, the Downtown Columbia Policy for Downtown Community Commons dated
22 October 22, 2013, or any other provision having the force and effect of law which are in effect on
23 the Effective Date of this Agreement.

24 I. "Crescent" means that portion of the Property which is the subject of Final
25 Development Plan FDP-DC-Crescent-1, as the same may be amended from time to time.

26 J. "Crescent Area 3" means that portion of the Property within the Crescent
27 that is identified as Parcel D in FDP-DC-Crescent-1 as the same may be amended from time to
28 time.

29 K. "Development" means Development as defined in the Zoning Regulations.

30 L. "Downtown" or "Downtown Columbia" means Downtown Columbia as
31 defined in the Zoning Regulations.

32 M. "Downtown Columbia Community Housing Fund", "Housing Trust Fund"
33 or "Fund" means the Downtown Columbia Community Housing Fund established by Bill No. 24-
34 2012 effective September 3, 2012.

35 N. "Downtown Columbia Partnership" means the Downtown Columbia
36 Partnership established by Howard County Council Bill 24-2012.

37 O. "Downtown Columbia Plan" means the Downtown Columbia Plan
38 approved by the Howard County Council as Bill 58-2009.

1 P. "Downtown Revitalization" means a form of development required in
2 Downtown Columbia after the effective date of the Downtown Columbia Plan in compliance with
3 the applicable provisions of the Howard County Code and Zoning Regulations that must conform
4 with the recommendations of the Downtown Columbia Plan.

5 Q. "DPZ" means the Howard County Department of Planning and Zoning.

6 R. "Effective Date of this Agreement" means the last to occur of (i) the date
7 the last Party executes this Agreement; or (ii) the date the last piece of legislation contemplated
8 by Article V of this Agreement becomes effective.

9 S. "Existing Central Library Site" means the property and improvements
10 located at 10375 Little Patuxent Parkway and more particularly identified as Lot 5 Town Center
11 Section 1, Area 3 as shown on Plat No. 7989 recorded among the Land Records comprised of
12 approximately 3.2166 acres, less such portion thereof which may be required for a future public
13 right-of-way.

14 T. "Full Residential Build Out" means that point in time when a building
15 permit has been issued for the 5,500th Net New Market Rate Dwelling Unit within the Downtown
16 Columbia Plan area.

17 U. "Future Downtown Transit Center Site" means a suitable site for the
18 construction of a new transit center for Downtown Columbia identified by HRD pursuant to the
19 Downtown Columbia Plan, CEPPA 5.

20 V. "Land Records" means the land records of Howard County, Maryland.

21 W. "LIHTC" means federal low income housing tax credits administered
22 through Internal Revenue Code Section 42.

23 X. "LIHTC Project" means a residential or mixed-use development containing
24 Low Income Units.

25 Y. "Low Income Unit" means a unit as described in Internal Revenue Code
26 section 42(g)(2).

27 Z. "Market Rate Dwelling Unit" means a rental or for-sale dwelling unit
28 developed in the Downtown Columbia Plan area which is not an Affordable Unit.

29 AA. "Metropolitan" means the Metropolitan Downtown Columbia development
30 located within the Warfield Neighborhood in Downtown Columbia.

31 BB. "Middle Income Unit" means an Affordable Unit to be leased to tenants
32 who earn a maximum of eighty percent (80%) of the Howard County median income ("AMI")
33 (i.e. rental payment of 30% of gross income less a utility allowance) during the Restriction
34 Period.

1 CC. "New Central Library Site" means a site located within the Crescent in the
2 approximate location shown on Exhibit "C" attached hereto and incorporated herein or a
3 comparable site suitable for a New Central Library building as mutually agreed by the County and
4 HRD.

5 DD. "Net New" means the number of dwelling units that are permitted under
6 the Downtown Revitalization approval process after the effective date of the Downtown
7 Columbia Plan (including the dwelling units in The Metropolitan and Parcel C as described in
8 Recital 5 above, but excluding the dwelling units approved in SDP-05-90 (Little Patuxent
9 Square)) in excess of the number of dwelling units that are shown on a site development plan for
10 property located within Downtown Columbia that was approved prior to the effective date of the
11 Downtown Columbia Plan.

12 EE. "Parcel C" means the development approved by SDP 14-024 within the
13 Warfield Neighborhood in Downtown Columbia, as the same may be amended from time to time.

14 FF. "Planning Board" means the Planning Board for Howard County
15 Maryland.

16 GG. "Planning, Zoning and Subdivision and Land Development Regulations"
17 means Title 16 of the Howard County Code in effect on the Effective Date of this Agreement,
18 including without limitation the Adequate Public Facilities Act and, by reference, the Howard
19 County Design Manual.

20 HH. "Property" means the real property in Downtown Columbia currently
21 owned by HRD or its affiliates shown cross-hatched and colored yellow on Exhibit "A", as the
22 same may be subdivided into individual development parcels which are developed in whole or in
23 part with affordable housing as provided in this Agreement, and such additional property as
24 provided in Section 9.12 of this Agreement, as the same may be subdivided into individual
25 development parcels and/or combined for development under Section 9.12 and which are
26 developed in whole or in part with affordable housing as provided in this Agreement.

27 II. "Restriction Period" means the period of time that a unit located in
28 Downtown Columbia must remain as an Affordable Unit, which shall be, in the case of Middle
29 Income Units, a minimum of forty (40) years for any building which contains one or more Middle
30 Income Units, commencing with the first occupancy of a Middle Income Unit within such
31 building; in the case of Low Income Units, a minimum of forty (40) years for any building which
32 contains one or more Low Income Units, commencing with the first occupancy of a Low Income
33 Unit within such building; and in the case of Very Low Income Units, a minimum of forty (40)
34 years following the rent commencement date under the master lease for each building that
35 contains one or more Very Low Income Units as more particularly described in Section 4.2A
36 below.

37 JJ. "Subdivision Plat" means a final plat(s) of subdivision for the property or
38 any phase or portion thereof, prepared in accordance with the County Code and approved by DPZ
39 and/or the Planning Board.

1 road improvements to serve the project, and to convey any rights-of-way needed for the
2 construction of the road improvements as required by APFO.

3 2.4. Other Development Approvals and Permits. All sections of the Property shall be
4 required to obtain all applicable development approvals and all other applicable requirements of
5 the County Law for land development, including but not limited to site improvement plans (for
6 water, sanitary sewer, storm water management and storm drainage and sediment and erosion
7 control improvements), final development plans under the Downtown Revitalization process,
8 Subdivision Plat(s) including any required dedications of land consistent with the County Law,
9 building permits, and occupancy permits. Development of the Property shall also be required to
10 obtain all applicable Maryland or federal approval(s) and permits.

11 2.5. Master Plan Consistency. Howard County and the Planning Board have
12 determined that this Agreement is consistent with the Howard County General Plan and the
13 Downtown Columbia Plan.

14 2.6. Affordable Housing. The Parties agree that, in consideration of the County's
15 obligations contained in Section 8.1B, HRD agrees to provide affordable housing for HRD's
16 development in Downtown Columbia in accordance with this Agreement. HRD's compliance
17 with the terms of this Agreement shall fully satisfy and discharge any and all obligations of HRD,
18 its affiliates, successors and assigns, to provide, construct, fund, facilitate or otherwise create
19 affordable housing Downtown as a requirement in connection with the development by HRD, its
20 affiliates, successors and assigns, of up to 5,500 Net New Market Rate Dwelling Units Downtown
21 during the term of this Agreement. Provided HRD is in compliance with the DRRA, the County
22 will not unreasonably delay, condition, or withhold development approvals that are otherwise in
23 accordance with applicable laws, rules and regulations based on the status of affordable housing
24 construction Downtown.

25 2.7. Public Health, Safety and Welfare. Howard County has determined that
26 development of the Property in accordance with the Zoning Regulations and County Code and the
27 terms and provisions of this Agreement will ensure that the public health, safety and welfare of
28 the citizens of Howard County are protected.

29 ARTICLE III
30 DEVELOPMENT REVIEW

31 3.1. Timely Development Review. Howard County agrees, in accordance with County
32 Code, to ensure that the processing and review of development applications, including but not
33 limited to, APFO Approvals, final development plans, subdivision plans, site development plans,
34 issuance of building permits and occupancy permits, are performed in an efficient, timely manner,
35 without undue delay, consistent with the County's current development review process, and that
36 such processing and review will not be subjected to any delay or any moratorium except in
37 accordance with the terms of this Agreement.

38 3.2. Timely Submission of Documents. HRD agrees to use all commercially reasonable
39 efforts to submit and process plans and legal documents for the items set forth in Section 3.1
40 above in a timely and complete manner.

1 ARTICLE IV
2 IMPLEMENTATION OF THE DOWNTOWN COLUMBIA PLAN – AFFORDABLE
3 HOUSING IN DOWNTOWN COLUMBIA

4 4.1. Affordable Housing.

5 HRD agrees to facilitate the construction of 900 Affordable Units at or before Full
6 Residential Build Out in Downtown Columbia, in accordance with the following initiatives:

7 A. In conformity with Section 4.2 of this Agreement, HRD will designate at
8 least three percent (3%), but not more than seven percent (7%), of all Net New rental units in each
9 building containing rental units (excluding the Metropolitan and the units to be constructed on
10 Parcels C in the Warfield Neighborhood) (collectively, “the Metropolitan and Parcel C”) that is
11 constructed or otherwise provided on the Property as Very Low Income Units;

12 B. In conformity with Section 4.3 of this Agreement, HRD will ensure the
13 inclusion of at least an additional three percent (3%), and not more than seven percent (7%), of all
14 Net New rental units in each building containing rental units (excluding the Metropolitan and
15 Parcel C) that is constructed or otherwise provided on the Property as Middle Income Units;

16 C. In conformity with Section 4.4 of this Agreement, HRD will facilitate the
17 development of six LIHTC Projects in Downtown Columbia that are specifically designated to
18 provide affordable rental housing to tenants whose annual income does not exceed approximately
19 50% of the Howard County AMI (approximately 60% of the Baltimore, Maryland MSA’s AMI)
20 as more particularly set forth in Section 4.4 below.

21 4.2. Very Low Income Units.

22 A. In accordance with Sections 4.2B and 4.2C, HRD shall designate a
23 minimum of three percent (3%), but not more than seven percent (7%), of all Net New rental units
24 within each building containing rental units constructed or otherwise provided on the Property
25 (excluding the Metropolitan and Parcel C) to be Very Low Income Units in order to achieve
26 approximately 200 Very Low Income Units on the Property at or before Full Residential Build
27 Out. HRD shall lease such units in each building to the Commission for a period of at least forty
28 (40) years in accordance with the terms of a master lease for each building to be entered into by
29 and between HRD and the Commission and containing the terms set forth below, and the
30 Commission may then in turn lease the units to individual households holding Section 8 Vouchers
31 or at an income level of up to approximately 50% of the Howard County AMI. HRD shall lease
32 the units to the Commission at a rate equal to 95% of the Section 8 Voucher Payment Standard
33 (“VPS”) for Columbia, MD (100% minus a 5% allowance for vacancy), which VPS rates for
34 2016 are \$1,123 for an efficiency, \$1,363 for a one bedroom, \$1,713 for a two bedroom, and
35 \$2,195 for a three bedroom. The 95% of VPS payment to HRD will be guaranteed by the
36 Commission regardless of vacancy (unless caused by HRD) and will not be discounted by a utility
37 allowance. The lease rate shall be adjusted annually in accordance with adjustments in the VPS
38 for Columbia, MD, but in no event shall the lease rate be decreased by more than 3% annually or
39 by more than 10% cumulatively from the initial lease rate for each building. Units developed as
40 Very Low Income Units may include smaller square footages than Market Rate Dwelling Units

1 and other design elements to reduce development cost and increase affordability, in accordance
2 with the standards shown on Exhibit “B”. The rent commencement date under each master lease
3 with respect to a building under this Section 4.2A shall be the date that a use and occupancy
4 permit is issued for that building. At the end of the Restriction Period applicable to any given
5 building, the Very Low Income Units in that building shall be released from the master lease and
6 be re-leased as Market Rate Dwelling Units, unless HRD and the Commission agree, in each of
7 their sole and absolute discretion, to renew or extend the master lease for that building.

8 B. Within the first phase of development within the Crescent Area 3
9 development area, HRD will designate 3% of the Net New rental units within each building
10 containing rental units as Very Low Income Units.

11 C. In future Downtown Columbia development phases, affordable
12 designations will be made by HRD in accordance with the following schedule:

13 (i) For development up to and including the issuance of an occupancy
14 permit for the 1,877th Market Rate Dwelling Unit, at least three percent (3%) of all Net
15 New rental units in each building containing rental units (excluding the Metropolitan and
16 Parcel C) constructed or otherwise provided on the Property will be Very Low Income
17 Units.

18 (ii) For development from the issuance of an occupancy permit for the
19 1,878th Market Rate Dwelling Unit up to and including the issuance of an occupancy
20 permit for the 5,500th Market Rate Dwelling Unit, approximately five percent (5%) of all
21 Net New rental units in each building containing rental units (excluding the Metropolitan
22 and Parcel C) constructed or otherwise provided on the Property will be Very Low Income
23 Units, subject to Section 4.2.D below.

24 D. In HRD’s sole discretion, buildings in projects developed under 4.2.C(i)
25 above may include more than 3% Very Low Income Units, and buildings in projects developed
26 under 4.2.C(ii) above may include more than 5% Very Low Income Units, in which case the
27 number of surplus Very Low Income Units may be deducted from the future 5% requirement in
28 buildings in projects developed under 4.2.C(ii), so long as the number of Very Low Income Units
29 in each building is always equal to or greater than the 3% requirement, and provided that any
30 amount of Very Low Income Units in any one building in excess of 5% for buildings developed
31 under 4.2.(C)(i) and any amount of Very Low Income Units in any one building in excess of 7%
32 for buildings developed under 4.2.(C)(ii) shall not be credited against any future Very Low
33 Income Unit requirements and the Commission shall not be obligated to master lease such units in
34 excess of the 5% or 7% threshold, as applicable. Credits for excess units shall be in whole units
35 only. For example, if a 300 unit building developed under 4.2.C(i) contained 10 Very Low
36 Income Units (one unit more than required), then a corresponding 300 unit building developed
37 under 4.2.C(ii) could contain only 14 Very Low Income Units (one fewer than the 5%
38 requirement), and if a 295 unit building developed under 4.2.(C)(i) contained ten Very Low
39 Income Units, then one Very Low Income Units could be credited against the requirements for a
40 future building and HRD would not receive any additional fraction of a credit. Finally, if a 300
41 unit project developed under 4.2.(C)(i) contained 16 Very Low Income Units then the number of

1 excess units which could be applied against a 300 unit project developed under 4.2(C)(ii) would
2 be limited to 6 Very Low Income Units.

3 4.3. Middle Income Units.

4 A. In addition to the units provided in Section 4.2 and in accordance with
5 Sections 4.3B and 4.3C, HRD shall record in the Land Records a Declaration in the form attached
6 hereto as Exhibit "F" in order to designate a minimum of three percent (3%), but not more than
7 seven percent (7%), of all Net New rental units in each building containing rental units
8 constructed or otherwise provided on the Property (excluding the Metropolitan and Parcel C) to
9 be Middle Income Units in order to achieve approximately 200 Middle Income Units on the
10 Property at or before Full Residential Build Out. Units developed as Middle Income Units may
11 include smaller square footages than Market Rate Dwelling Units and other design elements to
12 reduce development costs and increase affordability, in accordance with the standards shown
13 on Exhibit "B". Such units shall be leased to households earning up to 80% of Howard County
14 AMI, adjusted for family size. Income qualification shall be performed by HRD or its designated
15 building manager, and an annual compliance certification for the purpose of verifying household
16 income for each leased Middle Income Unit shall be requested in writing by the County or the
17 Commission as its designee and must be provided in writing by HRD within thirty (30) days after
18 the request is received. Households leasing a Middle Income Unit may remain in the unit so long
19 as their income does not exceed 100% of Howard County AMI for more than one year, in which
20 case the building manager may either raise the rent to a market level and lease an alternative unit
21 to a qualifying household at the restricted rent level, or relocate the original household to another
22 unit and re-lease the Middle Income Unit to a qualifying household. HRD will execute and record
23 a binding covenant on each parcel of property on which a building containing rental units is to be
24 constructed, enforceable by CDHC, the Commission and the County, to require that the income
25 qualification program and restricted rent levels shall be maintained for the Restriction Period. At
26 the end of the Restriction Period, the units may, in HRD's sole and absolute discretion, be
27 released as Market Rate Units.

28 B. Within the first phase of development within Crescent Area 3, HRD will
29 designate 3% of the Net New rental units within each building containing rental units as Middle
30 Income Units.

31 C. In future Downtown Columbia development phases, affordable
32 designations will be made by HRD in accordance with the following schedule:

33 (i) For development up to and including the issuance of an occupancy
34 permit for the 1,877th Market Rate Dwelling Unit, at least three percent (3%) of all Net
35 New rental units in each building containing rental units (excluding the Metropolitan and
36 Parcel C) that is constructed or otherwise provided on the Property will be Middle Income
37 Units.

38 (ii) For development from the issuance of an occupancy permit for the
39 1,878th Market Rate Dwelling Unit up to and including the issuance of an occupancy
40 permit for the 5,500th Market Rate Dwelling Unit, approximately five percent (5%) of all
41 Net New rental units (excluding the Metropolitan and Parcel C) in each building

1 containing rental units that is constructed or otherwise provide on the Property will be
2 Middle Income Units, subject to Section 4.3.D below.

3 D. In HRD’s sole discretion, buildings in projects developed under 4.3.C(i)
4 above may include more than 3% Middle Income Units, and buildings in projects developed
5 under 4.3.C(ii) above may include more than 5% Middle Income Units, in which case the number
6 of surplus Middle Income Units may be deducted from the future 5% requirement in buildings in
7 projects developed under 4.3.C(ii), so long as the number of Middle Income Units in each
8 building is always equal to or greater than the 3% requirement, and provided that any amount of
9 Middle Income Units in any one building in excess of 5% for buildings developed under
10 4.3.(C)(i) and any amount of Middle Income Units in any one building in excess of 7% for
11 buildings developed under 4.3.(C)(ii) shall not be credited against any future Middle Income Unit
12 requirements. Credits for excess units shall be in whole units only. For example, if a 300 unit
13 building developed under 4.3.C(i) contained 10 Middle Income Units (one unit more than
14 required), then a corresponding 300 unit project developed under 4.3.C(ii) could contain only 14
15 Middle Income Units (one fewer than the 5% requirement), and if a 295 unit building developed
16 under 4.3.(C)(i) contained ten Middle Income Units, then one Middle Income Unit could be
17 credited against the Middle Income Unit requirement for a future building and HRD would not
18 receive any additional fraction of a credit. Finally, if a 300 unit project developed under 4.3.(C)(i)
19 contained 16 Middle Income Units then the number of excess units which could be applied
20 against a 300 unit project developed under 4.3(C)(ii) would be limited to 6 Middle Income Units.

21 4.4. Projects to be Developed Using Low Income Housing Tax Credits (“LIHTC”).
22 HRD will develop, or facilitate the development of as provided herein, up to six LIHTC Projects
23 in Downtown Columbia that are specifically designed to include not less than 500 Low Income
24 Units, as follows:

25 A. *Downtown Fire Station – Temporary and Existing Site.*

26 (i) The County has determined to redevelop the Banneker Fire Station
27 at its existing location at 5815 Banneker Road.

28 (ii) In accordance with CEPPA 9, HRD will lease the Temporary Fire
29 Station site on a short term basis not longer than thirty (30) months to Howard County for
30 a temporary relocation of the Banneker fire station (the “Temporary Fire Station”)
31 consisting of approximately one (1) acre located within Area 4 of the Crescent
32 approximately as shown on Exhibit “D” at no cost to the County while the Banneker Fire
33 Station site is being redeveloped (the “Lease”). HRD will Lease the site to Howard
34 County upon the County’s completion of construction documents and financing for the
35 Temporary Fire Station. Subject to the provisions below allowing for relocation of the
36 Temporary Fire Station site, HRD will record covenants, enforceable by CDHC and the
37 Commission, on the Temporary Fire Station Site (or any alternative site provided herein),
38 limiting the site’s development to the uses as contemplated below for the duration of the
39 Restriction Period. HRD agrees to extend the term of the Lease for an additional one
40 hundred eighty (180) days beyond the original 30-month term if, at the expiration of the
41 30-month term, construction on the Banneker Redevelopment (defined below) has
42 commenced and is being diligently pursued. Upon providing the Temporary Fire Station

1 Site to the County for the temporary fire station use, HRD will have irrevocably satisfied
2 its obligations regarding CEPPA 9 in full. HRD shall bear none of the costs of relocating
3 the fire station to the Temporary Fire Station Site, inclusive of the costs of any property or
4 other taxes levied against the Temporary Fire Station Site during the lease term during
5 which it is used for the Temporary Fire Station.

6 (iii) The parties acknowledge that Howard County intends to convey the
7 existing Banneker Fire Station site in fee simple to the Commission upon the
8 Commission’s completion of construction documents and financing for the Banneker
9 Redevelopment (defined below). HRD agrees to facilitate the conveyance of the CA
10 Parcel to the Commission at no cost to HRD. The parties acknowledge that the
11 Commission intends to construct a new fire station and residential development on the
12 Banneker Fire Station Site at no cost to HRD (the “Banneker Redevelopment”). The
13 Banneker Redevelopment is intended to include a residential project containing
14 approximately 100 Low Income Units designed for and restricted to occupancy by
15 households having at least one member who is 62 years of age or older (“Senior
16 Affordable Project”). The parties acknowledge that the conveyance of the Banneker Fire
17 Station site to the Commission is subject to County laws and procedures for disposition of
18 County property. At the time of conveyance of the Banneker Fire Station Site to the
19 Commission, the County will record a covenant on the Banneker Fire Station Site, running
20 with the land, and enforceable by the Commission and CDHC, restricting the development
21 of the Banneker Fire Station Site to the uses contemplated in this Section 4.4.A(iii) for the
22 duration of the Restriction Period.

23 (iv) Following the issuance of a certificate of occupancy for the
24 Banneker Redevelopment but in no event later than the expiration of the Lease, the
25 County shall remove the Temporary Fire Station and restore the Temporary Fire Station
26 Site to its original condition at no cost to HRD. Except as set forth below, the Temporary
27 Fire Station Site shall then be developed by HRD or a venture between HRD and the
28 Commission or other developer(s) with a mixed-income LIHTC Project containing
29 approximately 90 dwelling units, approximately 40 of which are Low Income Units (the
30 “F/S Mixed Income Project”). Alternatively, at any time HRD may convey the
31 Temporary Fire Station site to the Commission in fee simple for zero dollars additional
32 consideration. Additionally, HRD must promptly convey the Temporary Fire Station Site
33 to the Commission in fee simple for zero dollars additional consideration if HRD fails to
34 meet any of the following milestones after completion of construction and issuance of a
35 certificate of occupancy for the Banneker Redevelopment: (a) commence design within 1
36 year, (b) apply for financing within 2 years, or (c) close on its financing and commence
37 construction of the housing project on the Temporary Fire Station Site within 3 years.

38 (v) The parties further agree that the parcel described in Exhibit E
39 attached hereto (the “Alternative Temporary Fire Station Site”) is an acceptable alternative
40 site for the Temporary Fire Station Site, and that, notwithstanding anything to the contrary
41 in Section 4.4.E or elsewhere in this Agreement, HRD shall have the right, without the
42 approval of the County, the Commission or CDHC, to substitute the Alternative
43 Temporary Fire Station Site as the site for the Temporary Fire Station at any time prior to
44 the County’s completion of site development plans and a full set of schematic design

1 drawings for the Temporary Fire Station. HRD shall provide written notice to the County
2 of such substitution within three (3) business days of making such election. If prior to the
3 substitution of the Alternative Temporary Fire Station Site, the County has incurred third
4 party costs with respect to the Temporary Fire Station Site for work product that cannot be
5 re-used for the Alternative Temporary Fire Station Site, then HRD shall reimburse the
6 County for such costs.

7 (vi) If HRD is involved in the redevelopment of the Temporary Fire
8 Station Site, or any alternative site pursuant to Section 4.4.E below or this Section 4.4.A,
9 HRD may seek 70% (9% Allocation) LIHTC allocations for the affordable housing
10 portions of these projects, and if so then the County shall assist HRD in obtaining the
11 70%/9% LIHTC. HRD and/or the Commission may also seek 30% (4% Allocation)
12 LIHTC, in which case the County shall assist HRD and/or the Commission in obtaining
13 tax-exempt bond financing in conjunction with the 4% LIHTCs.

14 (vii) At any time after the County's issuance of a certificate of
15 occupancy for one of the projects described in this Section 4.4.A on the Temporary Fire
16 Station Site or any alternative site pursuant to Section 4.4.E below or this Section 4.4.A,
17 within ten (10) days after HRD's request, the County shall execute and deliver to HRD a
18 Certificate of Compliance confirming that the requirements of this Section 4.4.A have
19 been satisfied. Alternatively, upon conveyance of the Temporary Fire Station Site to the
20 Commission under either scenario described in Section 4.4.A(iv) above, HRD shall be
21 relieved of any and all further obligations under this Section 4.4.A.

22 B. *Toby's Dinner Theatre Redevelopment.*

23 Within sixty (60) days after receiving written notice from the Commission that it
24 has reached a binding agreement with the owners of Toby's for the redevelopment of that facility,
25 HRD will transfer to the Commission in fee simple approximately 0.44 acres of land (the "Toby's
26 Adjacent Parcel"), at no cost, for the redevelopment of the Toby's Site with future contemplated
27 improvements consisting in concept of a new building for Toby's, a performing and visual arts
28 facility, a parking structure and approximately 200 dwelling units. If for any reason closing on
29 the construction loan for the contemplated redevelopment is not completed within ten (10) years
30 following the transfer, HRD shall have the option, in its sole discretion, to have the Toby's
31 Adjacent Parcel revert to HRD's ownership, at no cost to HRD, by giving written notice to the
32 owner of the Toby's Adjacent Parcel. This reverter right shall be included in the deed to the
33 Commission. Notwithstanding the preceding two (2) sentences, the 10-year deadline for closing
34 on the construction loan shall be extended for six (6) months if the low income tax credits for the
35 Toby's LIHTC project have been awarded and the construction financing has been applied for.
36 HRD will also record a suitable modification ("Modification") of any covenants restricting the
37 development of the site so it may be developed as contemplated herein, and further will not make
38 any other modification to such covenants except to facilitate the development contemplated
39 herein, inclusive of an affordable housing component, which Modification will be enforceable by
40 CDHC, the Commission and the County. The Parties acknowledge that any residential units
41 constructed on the site are intended to be developed by the Commission as part of a mixed income
42 project including approximately 45% Low Income Units. If the Commission fails to reach a
43 binding agreement with the owners of Toby's for the redevelopment described above within three

1 (3) years after the Effective Date of this Agreement, then HRD’s obligations under this Section
2 4.4.B shall terminate and HRD shall be free to develop the Toby’s Adjacent Parcel without
3 limitation (including, without limitation, any obligation to construct or designate Affordable Units
4 thereon), subject to applicable law.

5 C. Existing and New Library.

6 (i) Not later than the date that is eighteen (18) months after the
7 Effective Date of this Agreement (the “Library Election Deadline”), the County shall
8 notify HRD in writing whether the County elects to pursue a land swap agreement with
9 HRD (the “Library Land Swap Election”), whereby the County would (1) relocate the
10 Central Library to the New Central Library Site and (2) convey the Existing Central
11 Library Site to HRD for its redevelopment as a LIHTC Project in accordance with the
12 following general terms:

13 a. For zero dollars additional consideration, (1) HRD would
14 convey to the County the New Central Library Site (but with HRD retaining all air,
15 subsurface, and ground rights in and to the New Central Library Site to the extent
16 not required for the construction of the New Central Library (the “Library Site
17 Retained Area”)) and (2) the County would simultaneously convey the Existing
18 Central Library Site to HRD for redevelopment by HRD or a venture between
19 HRD and the Commission or other developer(s) as a mixed-income residential or
20 mixed-use project containing approximately 300 total units, including
21 approximately 45% Low Income Units. Alternatively, at any time after the
22 Existing Central Library Site has been conveyed to HRD, HRD may convey the
23 Existing Central Library Site to the Commission for zero dollars additional
24 consideration. Additionally, HRD must promptly convey the Existing Central
25 Library Site to the Commission in fee simple for zero dollars additional
26 consideration if HRD fails to meet any of the following milestones after the New
27 Central Library has been completed and a use and occupancy certificate has been
28 issued: (a) commence design within 1 year, (b) apply for LIHTC financing within
29 2 years, or (c) commence construction of a LIHTC Project on the Existing Central
30 Library Site within 3 years. Upon the conveyance of the Existing Central Library
31 Site to the Commission under either scenario described in the preceding two
32 sentences, HRD shall be relieved of all further obligations to provide the
33 Affordable Units contemplated under this Section 4.4.C.

34 b. HRD or the County would then construct a New Central
35 Library on the New Central Library Site using County funds. The development of
36 the New Central Library project shall be subject to County procurement code, as
37 applicable. The New Central Library may incorporate a Pre-K instructional use
38 (not to exceed 3,000 square feet) with associated outdoor space. Parking for the
39 New Central Library shall also be constructed using County funds or alternatively
40 may be provided in a public parking garage financed and owned by the County
41 through, for example, tax increment financing. The New Central Library shall be
42 structurally and operationally compatible with HRD’s utilization of the air,
43 subsurface and ground rights retained by HRD on the New Central Library Site

1 (i.e., the Library Site Retained Area), and HRD shall provide prior approval of the
2 County’s plans for the New Central Library to make the site compatible.

3 c. As stated in Section 4.4.C(i)a. and b. above, HRD shall
4 retain the Library Site Retained Area. In addition, a portion of the Library Site
5 Retained Area located above the New Central Library (“Library Air Rights”) shall
6 be reserved for development by HRD or a venture between HRD and the
7 Commission or other developer(s) as a mixed-income residential project
8 containing approximately 100 residential units, including approximately 55 Market
9 Rate Dwelling Units and approximately 45 Low Income Units (“New Library
10 Residential Project”). HRD shall work in good faith with the County to design and
11 then construct the new building that will contain the New Central Library and the
12 New Library Residential Project above following conveyance of the New Central
13 Library Site pursuant to this Agreement. Furthermore, following conveyance of the
14 New Central Library Site pursuant to this Agreement, HRD shall (i) commence
15 design of the New Library Residential Project within 1 year, (ii) apply for LIHTC
16 financing for the New Library Residential Project within 2 years, and (iii)
17 commence construction of the New Library Residential Project within 3 years,
18 provided however that in the event of any delay resulting from the
19 planning, design, construction or financing of the New Central Library or
20 coordination therewith, such milestones shall be extended on a day-for-day basis.
21 In the event that HRD fails to meet any of the aforementioned milestones as
22 extended after the New Central Library Site has been conveyed, then HRD must
23 promptly convey the Library Air Rights to the Commission in fee simple for zero
24 dollars additional consideration. Alternatively, at any time after the New Central
25 Library Site has been conveyed to the County, HRD may convey the Library Air
26 Rights to the Commission for zero dollars additional consideration. Upon the
27 conveyance of the Library Air Rights to the Commission under either scenario
28 described in the preceding two sentences, HRD shall be relieved of all further
29 obligations under this Section 4.4.C(i)b. To the extent that structural upgrades are
30 required in order for the residential developer under this section (whether HRD or
31 the Commission) to utilize the air or subsurface property rights, the residential
32 developer shall pay for such upgrades on a prorated basis. Prior to construction of
33 the New Central Library, HRD and the County shall execute and record a
34 reciprocal easement agreement or mixed-use condominium regime in
35 commercially reasonable form, providing for shared access, support and such other
36 terms as are customary in mixed-use projects where there is a similar vertical
37 and/or horizontal division of property;. The County acknowledges that HRD shall
38 have the right to construct additional Market Rate Units in the Library
39 Site Retained Area so long as HRD satisfies its obligations under this Section
40 4.4.C.

41
42 d. At the time of conveyance of the Existing Central Library
43 Site to HRD, the County will record a covenant on the Existing Central Library
44 Site, running with the land, and enforceable by the Commission and CDHC,
45 restricting the development of the Existing Central Library Site to the uses
46 contemplated in this Section 4.4.C(i) for the duration of the Restriction Period. At

1 the time of conveyance of the Existing Central Library Site to HRD, HRD will
2 record a covenant on the Library Air Rights, running with the land, and
3 enforceable by the Commission and CDHC, restricting the development of the
4 Library Air Rights to the uses contemplated in this Section 4.4.C(i) for the duration
5 of the Restriction Period. After the conveyance of the Existing Central Library
6 Site to HRD and while the New Central Library is being constructed, HRD shall
7 lease back the Existing Central Library Site to the County, for a rent of One Dollar
8 per year, until such time as the certificate of occupancy for the New Central
9 Library is issued.

10 Notwithstanding anything to the contrary above, the County shall not exercise the
11 Library Land Swap Election unless the Howard County Council has adopted a
12 resolution approving the land swap and the terms of this Section 4.4C.

13 (ii) If the County has timely exercised the Library Land Swap Election,
14 then the Parties shall negotiate and execute the land swap agreement within ninety (90)
15 days after such election and HRD shall convey the New Central Library Site to the County
16 within thirty (30) days after both of the following conditions have been satisfied
17 (collectively, the “Library Land Swap Conditions”): (1) the County shall have placed the
18 New Central Library in the County’s CIP Budget, which CIP Budget shall provide for the
19 appropriation of 100% of the construction costs for the New Central Library and
20 commencement of construction no later than two (2) fiscal years thereafter, and (2) the
21 County shall have established a schedule for the development of the New Central Library
22 providing for commencement of construction no later than July 1, 2022.

23 (iii) If the County fails to timely exercise the Library Land Swap
24 Election, or if the County does timely exercise the Library Land Swap Election but the
25 Library Land Swap Conditions have not been satisfied within twelve (12) months after the
26 Library Land Swap Election is exercised, then HRD shall have the right, at its sole option,
27 to (1) continue to keep the New Central Library Site available for a land swap for the New
28 Central Library once County funding is in place and a development schedule has been
29 established, or (2) propose an alternative, comparable site for the New Central Library,
30 subject to reasonable approval by the County. If HRD has kept the New Central Library
31 Site available for a land swap under (1) above for at least 12 months and the County has
32 failed to act, or if HRD has proposed an alternative site under (2) above but the County
33 does not approve the alternative site proposed by HRD within six (6) months after HRD
34 proposes the alternative site, then HRD shall have the right, in lieu of (1) or (2) above, to
35 promptly convene a meeting of HRD, the County, the Commission and CDHC to meet
36 and work together diligently and in good faith to develop an alternative for the 135
37 Affordable Units anticipated to be constructed on the Existing Central Library Site. By
38 mutual agreement of the Parties, the Commission and CDHC, a possible alternative for the
39 additional Affordable Units could include, but is not limited to, increasing the percentage
40 of Very Low Income Units, Low Income Units, and/or Middle Income Units in future
41 market rate projects, increasing the number of Low Income Units on any of the
42 undeveloped LIHTC Project sites, establishing new LIHTC Project site(s), or other means
43 mutually agreed upon by the Parties. If HRD elects to pursue an alternative plan as
44 described above, the County, the Commission and CDHC shall meet with HRD and

1 diligently work together, reasonably and in good faith, to develop an alternative plan. If
2 an alternative plan is not developed by the time that a certificate of use and occupancy is
3 issued for the 3,500th Market Rate Dwelling Unit approved after the date of this
4 Agreement, then HRD agrees that it will not draw building permits or commence
5 construction on any additional Market Rate Dwelling Units above the 3,500th Market Rate
6 Dwelling Unit until an alternative plan is agreed upon, so long as the County, the
7 Commission and CDHC have acted reasonably, diligently and in good faith in working
8 with HRD in developing the alternative plan.

9 (iv) At such time as there may be agreement, as provided in this Section
10 4.4C(iii), on an alternative site for the New Central Library or an alternative plan for the
11 135 Affordable Units anticipated to be constructed on the Existing Central Library Site,
12 HRD shall thereafter have the right to develop the New Central Library Site free of all
13 limitations (including, without limitation, any obligation to construct or designate
14 Affordable Units thereon), but subject to applicable law.

15 (v) If HRD is involved in the redevelopment of the Existing Central
16 Library Site, HRD may seek 70% (9% Allocation) LIHTC allocations for the affordable
17 housing portion of this project, and if so then the County shall assist HRD in obtaining the
18 70%/9% LIHTC. HRD or any of the other Parties may also seek 30% (4% Allocation)
19 LIHTC, in which case the County agrees to assist the Parties in obtaining tax-exempt bond
20 financing in conjunction with the 4% LIHTCs.

21 D. *Future Downtown Transit Center Site.*

22 The Downtown Columbia Plan envisions a new transit center as part of the redevelopment of
23 Downtown Columbia. The December 2011 Nelson Nygaard transit study (“Study”) provided to
24 the County by HRD in satisfaction of CEPPA 5 recommended locating the new transit center in
25 the Symphony Overlook Neighborhood, generally between the Mall and the Corporate Center
26 buildings. In accordance with CEPPA 14, HRD, in cooperation with the Howard County Office
27 of Transportation, will identify the site (the “Transit Center Site”) prior to approval of the first
28 SDP in the Symphony Overlook Neighborhood and will provide the Transit Center Site to the
29 County by fee simple transfer at no cost or by long term lease of at least 99 years for a nominal
30 sum for the County’s construction of a new transit center, provided, however, HRD shall retain all
31 subsurface, ground and air rights in and to the Transit Center Site to the extent not required for the
32 construction of the new transit center (the “Transit Site Retained Area”), In addition, a portion of
33 the Transit Site Retained Area located above the new transit center (“Transit Center Air Rights”)
34 shall be reserved for development by HRD or a venture between HRD and the Commission or
35 other developer(s) as a mixed-income residential project containing approximately 200 residential
36 units, including approximately 110 Market Rate Dwelling Units and approximately 90 Low
37 Income Units (“Transit Center Residential Project”).

38 HRD shall work in good faith with the County to design the new building that will contain the
39 transit center and the Transit Center Residential Project following definitive identification of the
40 Transit Center Site pursuant to CEPPA 14. Furthermore, following definitive identification of the
41 Transit Center Site pursuant to CEPPA 14, HRD shall (i) commence design of the Transit Center

1 Residential Project within 1 year, (ii) apply for LIHTC financing for the Transit Center
2 Residential Project within 2 years, and (iii) commence construction of the Transit Center
3 Residential Project on the Transit Center Site within 3 years, provided however that in the event
4 of any delay resulting from the planning, design, construction or financing of the transit center or
5 coordination therewith, such milestones shall be extended on a day-for-day basis. In the event that
6 HRD fails to meet any of the aforementioned milestones as extended after the Transit Center
7 Site has been definitively identified, then HRD must promptly convey the Transit Center Air
8 Rights to the Commission in fee simple for zero dollars additional consideration. Alternatively,
9 at any time after the Transit Center Site has been definitively identified to the County, HRD may
10 convey the Transit Center Air Rights to the Commission for zero dollars additional consideration.
11 Upon the conveyance of the Transit Center Air Rights to the Commission under either scenario
12 described in the preceding two sentences, HRD shall be relieved of all further obligations under
13 this Section 4.4.D. HRD will transfer or lease the Transit Center Site to Howard County upon the
14 County's completion of construction documents and financing for the transit center. All costs
15 associated with the conveyance, excluding attorney's fees, but including recording fees, title
16 insurance, transfer and recordation taxes, if any, any other settlement costs shall be paid by the
17 County. HRD will record a covenant on the site prior to its conveyance, enforceable by CDHC,
18 the Commission and the County, limiting its development to the uses as contemplated herein for
19 the duration of the Restriction Period. The Transit Center Site will be within the Symphony
20 Overlook Neighborhood generally consistent with the location identified in the Study unless
21 otherwise identified by mutual agreement of the Parties. HRD will retain all air and subsurface
22 development rights which are not needed for the County's construction of the transit center, and
23 the County's construction of the transit center shall be at no cost to HRD, except that, to the
24 extent that structural upgrades are required in order for the residential developer (whether HRD or
25 the Commission) to utilize the air or subsurface property rights, the residential developer shall pay
26 for such upgrades on a prorated basis. The transit center must be structurally and operationally
27 compatible with the residential developer's utilization of the air and subsurface rights retained by
28 the residential developer on the Transit Center Site, and the residential developer shall provide
29 prior approval of the County's plans to make the site compatible. Prior to the County's
30 commencement of construction on the Transit Center Site, the residential developer and the
31 County shall execute a reciprocal easement agreement or mixed-use condominium regime in
32 commercially reasonable form, providing for shared access, support and such other terms as are
33 customary in mixed-use projects where there is a similar horizontal or vertical division of
34 property. The residential developer and the County shall cooperate with one another in their
35 development activities on the Transit Center Site so that neither party unreasonably interferes
36 with the other party's development thereof. The County acknowledges that HRD shall have the
37 right to construct additional Market Rate Units in the Transit Site Retained Area so long as HRD
38 satisfies its obligations under this Section 4.4.D. HRD's provision of a site for a new transit
39 center as described herein will be deemed to have irrevocably satisfied CEPPA 14.

40
41 E. *Relocation of LIHTC Sites.*

42 Notwithstanding anything to the contrary in this Agreement, HRD, after the imposition of the
43 covenants on either the Transit Center Site or the Temporary Fire Station Site, as provided for
44 herein, may propose a comparable substitute location for the applicable LIHTC Project, subject to
45 the approval of the County, the Commission and CDHC (the "Covenant Parties"). Upon receipt
46 of any such proposal from HRD, the Covenant Parties agree to work diligently and in good faith

1 with HRD to consider such comparable substitute location for the applicable LIHTC
2 Project. If all of the Covenant Parties approve the alternative location proposed by HRD then the
3 relocated LIHTC project shall be developed on the approved alternative site, and the Covenant
4 Parties shall release the covenants from the original site upon the placement of comparable
5 covenants on the approved alternative site. HRD shall then be free to develop the applicable
6 original site previously identified for such LIHTC Project free of all limitations contained in the
7 original covenants (but subject to applicable law and this DRRA). If the Covenant Parties do not
8 approve an alternative site proposed by HRD for a LIHTC Project, then the applicable LIHTC
9 Project shall be developed on the original site in conformance with the applicable recorded
10 covenants.

11 F. *LIHTC Unit Counts, Declaration of Covenants.*

12 The parties acknowledge that unit counts for the LIHTC Projects listed in this Agreement are
13 based on approximate site areas and an assumed density similar to the Metropolitan project
14 recently completed Downtown of approximately 100 units per acre. All LIHTC Project sites will
15 require development approvals from the County. To the extent that any of HRD or its Affiliates
16 acts as the developer of any of the LIHTC Project sites, it shall use commercially reasonable
17 efforts to design to and obtain approval for the unit counts contained herein and the densities
18 feasible for the sites. In the event that either of the Temporary Fire Station or Existing Library
19 sites are not conveyed directly to the Commission, then the number of Low Income Units to be
20 provided and/or facilitated by HRD and the percentage of Low Income Units on each LIHTC
21 Project site developed shall be the number and percentage ultimately approved by the Planning
22 Board on the LIHTC Project sites identified herein. The limits on income and identity of the units
23 subject to restriction shall be specified in recorded declarations filed by the County or HRD which
24 restrictions shall continue for the duration of the Restriction Period. At the end of the Restriction
25 Period, the units may be released as Market Rate Units. In the event that one of the LIHTC
26 Project sites is developed with less than the number of Low Income Units anticipated in this
27 Agreement, the difference between the expected number of Low Income Units and the actual
28 number of Low Income Units on the site shall constitute a “Low Income Unit Shortfall”. The
29 Parties, in consultation with the Commission and CDHC, shall make up any Low Income Unit
30 Shortfall by providing for additional Low Income Units through any combination of (i) additional
31 air rights above the New Central Library Site, (ii) additional air rights above the Transit Center
32 Site, (iii) enlarging and/or providing additional air rights on the Temporary Fire Station Site, (iv)
33 building additional Low Income Units on the Existing Library Site, or (v) providing for additional
34 Low Income Units elsewhere in Downtown Columbia at a location mutually agreed upon by the
35 Parties, the Commission and CDHC. Air rights provided to make up a Low Income Unit Shortfall
36 shall provide for both Low Income Units and Market Rate Dwelling Units so that each mixed-
37 income project described in this Section 4.4 contains approximately 45% Low Income Units.

38 G. *Commission Additional Rights*

39 (i) *Purchase Right.* To the extent that any of HRD or its Affiliates acts
40 as the developer of any of the LIHTC Project sites, it shall agree to grant to the
41 Commission a right to purchase the LIHTC Project at fair market value at the end of the
42 initial 15-year tax credit period applicable to the LIHTC Project and again at the end of
43 the Restriction Period applicable to the LIHTC Project (the “Purchase Option”). If the

1 Commission desires to exercise the Purchase Option, the Commission shall give notice to
2 HRD of its election during the 120-day period immediately prior to the expiration of the
3 applicable 15-year tax credit period (the “First Exercise Window”) or during the 120-day
4 period immediately prior to the expiration of the applicable Restriction Period (the
5 “Second Exercise Window”), as applicable. If the Commission fails to exercise the
6 Purchase Option during the First Exercise Window, then the Purchase Option shall not be
7 exercisable until the Second Exercise Window. If the Commission fails to exercise the
8 Purchase Option during the Second Exercise Window, then the Purchase Option shall
9 forever terminate. Furthermore, if the Commission does timely exercise the Purchase
10 Option (during either the First Exercise Window or the Second Exercise Window) but
11 fails to close in accordance with its contract with HRD, then the Commission’s Purchase
12 Option shall forever terminate. In either case, the fair market value shall be determined by
13 an independent 3rd party appraiser.

14 (ii) *Exclusive Negotiating Period.* To the extent that any of HRD or its
15 Affiliates acts as the developer of any of the LIHTC Project sites, in the event that it elects
16 to partner with a third-party affordable housing developer, it shall first enter into a 90 day
17 exclusive negotiating period with the Commission and shall negotiate in good faith to
18 enter into a partnership with the Commission for the development of such site. If terms of
19 a partnership agreement for the development of such site are not agreed upon within such
20 90 day period, then HRD may pursue partnership discussions with other third-party
21 affordable housing developers and shall have no further obligations to the Commission
22 under this Section 4.4.G(ii).

23 H. *Gap Financing.* HRD shall establish a fund in an amount not to exceed
24 \$3,200,000 (the “HRD Fund”) for the following purposes:

25 (i) to loan up to \$2,800,000 to the Commission to develop affordable
26 housing in or near Downtown Columbia, with a simple interest rate not to exceed 2%,
27 which interest and principal payments shall be deferred and are required only to the extent
28 that there is available cash flow after payment of all operating expenses, capital reserves,
29 deferred developer fee and senior debt service, until maturity or the property is sold or
30 refinanced, at which point all remaining unpaid principal and accrued interest shall be
31 repaid, unless extending the loan or a portion thereof is necessary to ensure the economic
32 viability of the project on which the loan is placed, and

33 (ii) to provide “gap financing” for the LIHTC projects described in this
34 Section 4.4, subject to the terms and conditions set forth in this Section 4.4.H below. To
35 the extent that, following commercially reasonable efforts by the Commission to secure all
36 traditional sources of financing for LIHTC projects, the funding available for the
37 development of any of the LIHTC projects remains less than the amount needed to make
38 the project financially feasible, then HRD shall provide a loan to the project so as to
39 finance the “gap,” subject to the following:

40 a. To the extent it has funds available from the Fund, the
41 CDHC shall commit to provide a loan of up to \$10,000 for each Affordable Unit in

1 the project, which loan shall be provided by CDHC on a pari passu basis with
2 HRD's gap financing as described in Section 4.4.H(ii)(b) below; and

3 b. HRD's loan shall not exceed \$6,400 for each Affordable
4 Unit in the project and shall be provided on a pari passu basis with CDHC's loan,
5 as described in Section 4.4.H(ii)(a) above (i.e., for every \$1.00 in a gap financing
6 loan that CDHC provides to the LIHTC project, HRD will provide \$0.64 in a gap
7 financing loan to that LIHTC project (not to exceed \$6,400 per Affordable Unit
8 from HRD); and

9 c. HRD's and CDHC's financing shall be made
10 simultaneously, in pari passu as to each project, based on their respective
11 percentage of contribution set forth in (a) and (b) above, with identical terms as to
12 interest and repayment, the repayment of principal and/or interest of which shall be
13 deferred as necessary in order to make the project financially feasible and to pay
14 any deferred developer fee, and which shall provide for no less than a 30 year, and
15 up to a 40-year maturity, and the return of capital plus a modest return not to
16 exceed 2% per annum, payable at the time of sale or refinance of the project,
17 unless extending the loan or a portion thereof is necessary to ensure the economic
18 viability of the project on which the loan is placed. Notwithstanding that the HRD
19 and CDHC loan terms are to be identical, CDHC may in its discretion elect to
20 waive all or a portion of CDHC's repayment terms (but HRD shall not be required
21 to waive any repayment terms of HRD's loan).

22 d. HRD's financing under this Section 4.4.H(ii) shall be made
23 available only to the extent that the HRD Fund is not utilized for the affordable
24 housing provided under Section 4.4.H(i) above.

25 (iii) HRD's aggregate financial responsibility under this paragraph H
26 shall not exceed \$3,200,000.

27 (iv) HRD may, at its sole option and at any time during the term of this
28 Agreement, deliver the remaining balance of the HRD Fund to CDHC for its use in
29 supporting the goals of the Downtown Columbia Plan of providing affordable housing
30 opportunities for households of eligible income. Furthermore, in the event that HRD
31 makes the loan to the Commission described in Section 4.4.H(i) above, within 30 days
32 after the closing on such loan, HRD shall deliver the remaining balance of the HRD Fund
33 to CDHC for its use in supporting the Downtown Columbia Plan affordable housing goals.

34 I. *Environmental.* The documentation for, or contract of, the transfer of a
35 LIHTC Project site or any portion thereof under this Agreement shall provide for the customary
36 period for evaluating and for addressing the existing environmental conditions on the site prior to
37 the closing on the site so that the site can be made suitable for residential development in
38 accordance with such document's or contract's terms.

39 J. *Restrictive Covenants.* To the extent that HRD is the beneficiary of any
40 restrictive covenants on any LIHTC sites described in this Section 4.4 or on any sites to be

1 developed by the Commission using the loan described in Section 4.4.H(i), HRD shall modify or
2 terminate such covenants as necessary to permit the development of projects inclusive of
3 affordable housing as contemplated herein.

4 4.5 For Sale Units.

5 The realization of the 400 inclusionary units (i.e., the 200 Very Low Income Units described in
6 Section 4.2 and 200 Middle Income Units described in Section 4.3) assumes that of the 5,500 Net
7 New Market Rate Dwelling Units, 322 of these units will be for-sale Market Rate Dwelling Units
8 which pay the CEPPA #26 fees to CDHC. As more particularly set forth below, to the extent that
9 HRD develops more than 322 for-sale Market Rate Dwelling Units, HRD shall provide additional
10 Very Low Income Units and Middle Income Units in its new buildings containing rental Market
11 Rate Dwelling Units as set forth below (the "For Sale Offset Units") in lieu of paying the CEPPA
12 #26 fees that would otherwise be applicable to such excess for-sale Market Rate Dwelling Units,
13 as follows:

14
15 A. The number of For Sale Offset Units required shall be calculated as
16 follows:

17
18 (i) For each for-sale unit developed in excess of the 322nd for-sale Net
19 New Market Rate Unit at or before reaching the 1,877th unit threshold described in Section
20 4.2.C(i) and 4.3.C(i) above, 0.03 Very Low Income Units and 0.03 Middle Income Units shall be
21 required.

22 (ii) For each for-sale unit developed in excess of the 322nd for-sale Net
23 New Market Rate Unit after reaching the 1,877th unit threshold described in Section 4.2.C(i) and
24 4.3.C(i) above, 0.5 Very Low Income Units and 0.05 Middle Income Units shall be required.

25 B. To the extent that HRD has developed surplus Very Low Income Units or
26 Middle Income Units and has such credits available as described in Sections 4.2.D and 4.3.D,
27 these units may be used to satisfy the requirements for For Sale Offset Units. To the extent that
28 such surplus Very Low Income Units or Middle Income Units are not available, HRD shall
29 include additional Very Low Income Units or Middle Income Units in its next building containing
30 rental Market Rate Dwelling Units to satisfy the requirements for For Sale Offset Units, up to the
31 maximum percentage threshold of 5% and 7%, as applicable, as described in Sections 4.2.D and
32 4.3.D, and shall continue to include the maximum percentages of Very Low Income Units or
33 Middle Income Units, as applicable, in each subsequent building containing rental Market Rate
34 Dwelling Units until the For Sale Offset Unit requirement is satisfied.

35 C. For example, should HRD propose a 100 unit for-sale Market Rate
36 Dwelling Unit project, after 322 for sale Net New Market Rate Units have already been
37 developed, and after the 1877th unit threshold described in Section 4.2.C(i) and 4.3.C(i) has been
38 passed, then HRD would be required to provide five (5) additional Very Low Income Units and
39 five (5) additional Middle Income Units. If HRD had not previously developed surplus Very Low
40 Income Units or Middle Income Units as described in Sections 4.2.D and 4.3.D and/or did not
41 have those credits available, then HRD would be required to include the additional For Sale
42 Offset Units in its next building containing rental Market Rate Dwelling Units. If HRD's next

1 building containing rental Market Rate Dwelling Units was a 300 unit project, it would then need
2 to provide twenty (20) Very Low Income Units and twenty (20) Middle Income Units in the
3 building to meet both the baseline inclusionary requirement plus the For Sale Offset Unit
4 requirement. Fractional For Sale Offset Unit count requirements shall be rounded up if greater
5 than or equal to 0.5 units, and rounded down if less than 0.5 units.

6 D. For-sale Market Rate Dwelling Unit projects which meet, or which will be able to
7 meet, the affordable housing requirement by providing For Sale Offset Units in buildings
8 containing rental Market Rate Dwelling Units shall not be required to pay the CEPPA #26
9 affordable housing fees.

10
11 ARTICLE V
12 AGREEMENT CONTINGENT ON LEGISLATION
13

14 5.1. Agreement Contingent on Approval of Legislation. No obligation shall be created
15 on any Party hereto unless and until the effective date of all legislation addressed substantially in
16 the form attached to this Agreement as Exhibit "G".

17 ARTICLE VI
18 SURVIVAL AND TRANSFER OF OBLIGATION

19 6.1 Nature, Survival, and Transfer of Obligations. HRD agrees that this Agreement
20 shall run with the land and be binding upon and inure to the benefit of HRD and its affiliates, and
21 their respective successors and assigns, and upon any and all successor owners of record of all or
22 any portion of the Property (except owners of an individual condominium dwelling unit improved
23 as part of the Project and pursuant to a validly issued building permit). To assure that all such
24 successors, assigns, and successor owners have notice of this Agreement and the obligations
25 created by it, HRD agrees that it shall:

26 A. Have this Agreement recorded among the Land Records within twenty (20)
27 days after the Effective Date of this Agreement;

28 B. Incorporate, by reference, this Agreement into any and all real estate sales
29 contracts entered into after the Effective Date of this Agreement for the sale of all or any portion
30 of the Property; and

31 C. Prior to the transfer of all or any portion of the Property (except the transfer
32 of an individual condominium dwelling unit solely for use as a private residence), or any
33 equitable interest therein, require the transferee to execute an enforceable written agreement, in a
34 form reasonably satisfactory to Howard County, binding transferee to this Agreement.

35 6.2 Binding Upon Successors and Assigns. The Parties agree that all obligations
36 assumed by it under this Agreement shall be binding on it, its agencies, employees, and
37 governmental units, and its and their respective successors and assigns.

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ARTICLE VII
BREACH AND REMEDIES

3 7.1 Disputes. This Agreement shall be governed by the law of the state of Maryland,
4 without regard to its choice of law rules, and the parties hereby agree to venue in and the
5 exclusive jurisdiction of the Circuit Court of Maryland for Howard County.

6 Each party knowingly, voluntarily and intentionally waives its right to a trial by jury to the
7 fullest extent permitted by law in all actions and other legal proceedings arising out of or relating
8 to this agreement and the transactions contemplated hereby. This waiver applies to all actions and
9 other legal proceedings, whether sounding in contract, tort or otherwise.

10 7.2 Breaches by HRD. If HRD shall fail or refuse to perform any of its obligations as
11 required, then after sixty (60) days from receipt of written notice provided to HRD by Howard
12 County indicating the nature of the default and if HRD has not commenced action to cure the
13 default and diligently pursued the same, the County may seek equitable relief to enforce the terms
14 and conditions of this Agreement either through a decree for specific performance or an
15 injunction. Should the remedies of specific performance or injunction not be available to Howard
16 County because of actions of HRD, then Howard County shall be entitled to bring a legal action
17 for damages. In all events, this Agreement shall not be terminated except as provided in Section
18 9.5 below.

19 7.3 Breaches by Howard County. If Howard County shall fail or refuse to perform any
20 of its obligations as required, then after sixty (60) days from receipt of written notice provided to
21 Howard County by HRD indicating the nature of the default and if Howard County has not
22 commenced action to cure the default and diligently pursued the same, HRD may seek equitable
23 relief to enforce the terms and conditions of this Agreement either through a decree for specific
24 performance or an injunction. Should the remedies of specific performance or injunction not be
25 available to HRD because of actions of Howard County, then HRD shall be entitled to bring a
26 legal action for damages. Notwithstanding the foregoing, this term is not intended to waive any
27 applicable immunities.

28
29

ARTICLE VIII
EFFECT OF DEVELOPMENT REGULATIONS

30 8.1 Effect

31 A. HRD must comply with all federal, Maryland and local laws existing on the
32 Effective Date of this Agreement.

33 B. (i) Except as provided in Section 8.1.C herein, the laws, rules,
34 regulations and policies which govern the Development, use, density and intensity of the Property
35 shall be Howard County Law in force on the Effective Date of this Agreement, excluding any
36 State or Federally mandated requirements and any Howard County Law relating to the safety of
37 the public.

38 (ii) With respect to any Development Rights Property against which this
39 Agreement is recorded pursuant to Section 9.12 below, the laws, rules, regulations and policies

1 which govern the use, development, density or intensity of such property shall be Howard County
2 Law in force on the date that this Agreement is recorded in the Land Records against such
3 property, except that the affordable housing obligations, if any, for the development of such
4 property shall be established by this Agreement.

5 C. If Howard County determines that compliance with a law(s) enacted or
6 adopted after the Effective Date of this Agreement is essential to ensure the health, safety or
7 welfare of residents of all or part of Howard County, this Agreement may not prevent Howard
8 County from requiring HRD to comply with those laws, rules, regulations and policies. In such
9 event, HRD shall have the right, at its sole election, to terminate this Agreement, in which event
10 HRD and the County shall be relieved of all remaining obligations under this Agreement.

11 8.2 Approvals Required. HRD shall obtain all approvals necessary under any provision
12 of Maryland or federal law before proceeding with development of the Property. This Agreement
13 does not address any approvals required by Maryland or federal law, and HRD shall be
14 responsible for obtaining any approvals required by local, Maryland, or federal law.

15 8.3 Fees. HRD shall pay all fees (specifically including but not limited to excise taxes,
16 surcharges and water and sewer connection fees) required by the County at the time of the
17 Effective Date of this Agreement at the rate in effect at the time the fee is due. Nothing in this
18 Agreement shall be construed as a waiver or reduction of any such fee except as provided herein.

19 8.4 Growth Control Delay. In the event that a “Growth Control Delay” (as hereinafter
20 defined) is imposed, then any deadline concerning (i) HRD’s obligation to construct, install, fund
21 or post financial guarantees for the infrastructure improvements required pursuant to any
22 development approval for the development of all or a portion of the Property in accordance with
23 the phasing requirements set forth therein shall be extended for one (1) additional day for each
24 day during which such Growth Control Delay exists, and the development shall not be subjected
25 to any additional regulation, legislation, limitation, phasing, contributions, penalties or delay in
26 construction, or issuance of zoning certificates/building permits solely as a result of the Growth
27 Control Delay. Any deadlines placed on the County under this Agreement shall likewise be
28 extended reciprocally in the event that a Growth Control Delay is imposed. The term “Growth
29 Control Delay” shall mean any and all delays caused during APFO Approval and/or the
30 implementation or declaration by the United States Government, State of Maryland, Howard
31 County, and/or any agency, department, division and/or branch thereof for purposes of a
32 limitation, prohibition, restriction and/or phasing upon the review, recording, development and
33 construction as intended by HRD, which is deemed to be essential to ensure the public health,
34 safety, and welfare of County residents as determined in accordance with Section 8.1.C above.

35 ARTICLE IX
36 MISCELLANEOUS

37 9.1 Time of Essence. Time is of the essence in the performance of all terms and
38 provisions of this Agreement.

1 9.2 Term.

2 A. This Agreement shall constitute covenants running with the land and shall
3 run with and bind the Property. This Agreement shall terminate and be of no further force or
4 effect forty (40) years after the Effective Date, unless extended by an amendment to this
5 Agreement complying with all procedures required in this Agreement, the County Ordinance and
6 Maryland Law, unless extended pursuant to Section 9.5 below, unless terminated pursuant to
7 Section 8.1 above or unless terminated by agreement of the Parties or as permitted by law;
8 provided that any recorded covenants or master leases provided for in this Agreement and entered
9 into during the term of this Agreement which, by their terms, extend beyond forty (40) years after
10 the Effective Date shall continue in accordance with their terms for the full term under any such
11 recorded covenant or master lease.

12 D. Nothing in this Agreement shall be construed to supersede the term(s) as
13 set forth in any other agreement(s) between any of the Parties, except with respect to the
14 obligation of HRD to provide or provide assistance for the provision of affordable housing units
15 within Downtown Columbia.

16 9.3 Notices. All notices and other communications in connection with this Agreement
17 shall be in writing and shall be deemed delivered to the addressee thereof (I) when delivered in
18 person on a business day at the address set forth below; (2) on the third business day after being
19 deposited in any main or branch United States post office for delivery by properly addressed,
20 postage prepaid, certified or registered mail, return receipt requested, at the address set forth
21 below; or (3) upon delivery by any commercial express or next day delivery service, properly
22 addressed and all charges prepaid, at the address set forth below.

23 Notices and communications to HRD shall be addressed and delivered to the following
24 address:

25 Galleria Tower One, 22nd Floor
26 13355 Noel Road
27 Dallas, Texas 75240
28 Attention: General Counsel
29 Telephone: (214) 741-7744
30 peter.riley@howardhughes.com

31 with a copy to:

32 John E. DeWolf, III
33 Senior Vice President
34 Howard Hughes Corporation
35 10480 Little Patuxent Parkway, Suite 400
36 Columbia, Maryland 21044

37 Notices and communications to Howard County shall be addressed and delivered to the
38 following address:

39 Howard County Executive

1 3430 Courthouse Drive
2 Ellicott City, MD 21043

3 With a copy to:

4 Howard County Solicitor
5 3430 Courthouse Drive
6 Ellicott City, MD 21043

7 Chair, Howard County Council
8 3430 Courthouse Drive
9 Ellicott City, MD 21043

10 Director, Department of Planning and Zoning
11 3430 Courthouse Drive
12 Ellicott City, MD 21043

13 By notice complying with the requirements of this Section, any Party shall have the right to
14 change the address or addressee or both for all future notices and communications to such Party,
15 but no notice of a change of address shall be effective until actually received.

16 9.4 Amendments. The Parties to this Agreement may amend the Agreement by mutual
17 consent in accordance with the applicable procedures of State and County law concerning
18 amendment of a Development Rights and Responsibilities Agreement. All amendments to this
19 Agreement shall be in writing and shall be executed by each of the Parties hereto.

20 9.5 Termination or Suspension. The Parties to this Agreement may terminate or
21 suspend the Agreement by mutual consent in accordance with the applicable procedures of State
22 and County law concerning termination or suspension of a Development Rights and
23 Responsibilities Agreement. If Howard County determines that a suspension or termination is
24 essential to ensure the public health, safety or welfare, as determined in accordance with Section
25 8.1.C above, Howard County may suspend or terminate this Agreement following a public
26 hearing. Any such unilateral termination or suspension of this Agreement by Howard County
27 shall not in any way affect the validity of any development approvals which have been obtained
28 for the Property (including, but not limited to, APFO Approvals, final development plan
29 approvals and site development plan approvals). Furthermore, if this Agreement is suspended
30 under this Section 9.5, then the term of this Agreement as set forth in Section 9.2 above shall be
31 extended by the same number of days that this Agreement is suspended.

32 9.6 Authority to Execute.

33 A. The Parties hereby acknowledge and agree that all required notices,
34 meetings, and hearings have been properly given and held by Howard County with respect to the
35 approval of this Agreement and agree not to challenge this Agreement or any of the obligations
36 created by it on the grounds of any procedural infirmity or any denial of any procedural right.
37 Each of the Parties hereby warrants and represents to the other Parties that the persons executing
38 this Agreement on its behalf have been properly authorized to do so. Each of the Parties agrees

1 not to challenge this Agreement of any of the obligations created by it on grounds that any of the
2 other Parties lacked authority to enter into all or a portion of this Agreement.

3 B. HRD hereby warrants and represents to the other Parties that (i) it or its
4 affiliates is the fee simple, record owners of the Property; (ii) that it has the right, power and
5 authority to enter into this Agreement and to agree to the terms, provisions, and conditions set
6 forth herein and to bind the Property as set forth herein, (iii) that all legal actions needed to
7 authorize the execution, delivery and performance of this Agreement have been taken, and (iv)
8 that it has been duly represented by attorneys.

9 9.7 Governing Law. This Agreement shall be governed by and construed in
10 accordance with the laws of the State of Maryland.

11 9.8 Consent to Jurisdiction. The Parties irrevocably consent to the jurisdiction of the
12 Circuit Court for Howard County, Maryland.

13 9.9 Remedies Cumulative. Each right, power and remedy of a Party provided for in
14 this Agreement, or any other agreement between the Parties, now or hereafter existing, shall be
15 cumulative and concurrent and in addition to every other right, power or remedy provided for in
16 this Agreement or any other agreement between the Parties, now or hereafter existing.

17 9.10 Severability. In case any one or more of the provisions contained in this
18 Agreement shall for any reason be held invalid, illegal or unenforceable in any respect, such
19 invalidity, illegality, or unenforceability shall not affect any other provision of the Agreement,
20 and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had
21 never been contained in this Agreement. If this Agreement is determined to be invalid in its
22 entirety by a court of competent jurisdiction, and all appeals for such determination have been
23 exhausted or the time for filing any such appeals has expired, then HRD shall have the right to
24 unilaterally record a termination of this Agreement in the Land Records.

25 9.11 Interpretation. All headings are inserted in this Agreement only for convenience
26 and ease of reference and are not to be considered in the construction or interpretation of this
27 Agreement. Unless the context clearly requires otherwise: (a) words such as “include”,
28 “including”, or “such as” shall be interpreted as if followed by the words “without limitation”;
29 and (b) any reference to an Article, Section, or other subdivision, or Exhibit, is intended to refer to
30 an Article, Section, or other subdivision, or Exhibit, of this Agreement. In the event of any
31 inconsistency between the text of this Agreement and any Exhibit attached hereto, the text shall
32 govern.

33 9.12 Recordation. HRD shall record this Agreement in the Land Records against the
34 Property identified and shown cross-hatched and colored yellow on Exhibit A attached hereto
35 within 20 days after the day on which the parties execute this Agreement. In addition, at any time
36 during the term of this Agreement, HRD shall have the right to record this Agreement against (a)
37 other property in Downtown Columbia that is shown on Exhibit A hereto and which HRD or its
38 affiliates have under contract or have residential development rights to as of the Effective Date of
39 this Agreement (such property being shown with diagonal hatching and colored blue on Exhibit A
40 hereto) (the “Development Rights Property”). Upon recordation of this Agreement against such

1 additional property, the additional property shall be deemed a part of the Property and shall be
2 subject to the terms of this Agreement, and HRD shall provide the County with a copy of the
3 recorded Agreement promptly after such recordation. Notwithstanding the preceding sentence, the
4 Development Rights Property shall be subject to the County Law in effect at the time of
5 recordation and not the County Law in effect on the Effective Date of this Agreement, except that
6 the affordable housing obligations, if any, for the development of such property shall be
7 established by this Agreement. Notwithstanding anything to the contrary in this Section, if HRD
8 records this Agreement against any real property on Exhibit A in which HRD or its affiliates hold
9 merely an equitable interest at the time of such recordation but fails to acquire fee ownership
10 thereof within three (3) years after such recordation, then such property shall be deemed
11 automatically released from this Agreement on the expiration of such three (3)-year period.

12 HRD may acquire other property in Downtown Columbia that is not identified on Exhibit
13 A hereto as either the Property or the Development Rights Property, but which is combined for
14 development with property that is identified on Exhibit A hereto as either the Property or the
15 Development Rights Property (“Adjoined Property”). In the case of a site which is comprised (i)
16 partially of Adjoined Property and (ii) partially of property identified on Exhibit A (whether such
17 property is currently owned by HRD or is a Development Rights Property), as shown on a Site
18 Development Plan approved by the Planning Board (a “Combined Site”), the requirement to
19 develop affordable Net New rental units shall be as follows:

20 (i) a percentage of the Net New rental units on the Combined Site,
21 which percentage shall be derived by dividing the acreage of the property identified on
22 Exhibit A (whether such property is currently owned by HRD or is a Development Rights
23 Property) within the Combined Site by the total acreage of the Combined Site, shall be
24 subject to the requirements applicable for Very Low Income Units and Middle Income
25 Units; and

26 (ii) a percentage of the Net New rental units on the Combined Site,
27 which percentage shall be derived by dividing the acreage of the Adjoined Property within
28 the Combined Site by the total acreage of the Combined Site, shall be subject to the MIHU
29 requirements under the Howard County Zoning Regulations for Downtown Columbia.
30 For example, if Adjoined Property consisting of 1 acre were combined with property
31 identified on Exhibit A consisting of 2 acres, and 300 Net New rental units were
32 constructed, then (i) 100 of the Net New rental units would be subject to the MIHU
33 requirements applicable to a new 100 unit rental project constructed in Downtown
34 Columbia, without regard to the provisions of the Agreement and (ii) 200 of the Net New
35 rental units would be subject to the provisions of Section 4.2 and 4.3 of this Agreement.

36 9.13 Appeals. Both Maryland law and the Howard County Law may allow any person
37 aggrieved by this Agreement to file an appeal. If the effect of the decision in such Appeal revises
38 this Agreement in any way, any Party to this Agreement may terminate the Agreement by
39 providing notice to all Parties within thirty (30) days of the date that the decision in the appeal
40 becomes final and all appeals thereof have been finally determined.

41 9.14 No Obligation to Approve. This Agreement shall not be interpreted or construed
42 to impose any legal obligation on Howard County or any of its boards, agencies, commissions or

1 employees to approve any development, use, density or intensity other than as provided
2 specifically in this Agreement.

3 9.15 No Third Party Beneficiary Status. The Parties specifically agree that this
4 Agreement is not intended to create in the public or any member thereof, nor in the Commission,
5 CDHC or any other person or entity, third party beneficiary status in connection with the
6 performance of the obligations under this Agreement. To the extent that any provision of this
7 Agreement is for the benefit of CDHC or the Commission, such provision shall be deemed to be a
8 benefit to Howard County and enforceable by Howard County.

9 9.16 Lien holders. All persons with a lien interest in the Property have executed this
10 Agreement, and those lien holders with a power of sale have subordinated such liens to the
11 position of Howard County under this Agreement.

12 9.17 Represented by Counsel. Each party acknowledges that such party and its counsel,
13 after negotiation and consultation, have reviewed and revised this Agreement. As such, the terms
14 of this Agreement shall be fairly construed and the usual rule of construction, to wit, that
15 ambiguities in this Agreement should be resolved against the drafting party, shall not be
16 employed in the interpretation of this Agreement or any amendments, modifications or exhibits
17 hereto or thereto.

18 9.18 Further Assurances. Within 15 days after a party's request, the other party shall
19 execute such further assurances of this Agreement as may be necessary or desirable to effectuate
20 the intent and purposes of this Agreement. Without limiting the generality of the preceding
21 sentence, in each instance under Section 4.4 in which HRD has proposed, and the County has
22 approved, a substitute site for a LIHTC Project, the County shall execute and deliver to HRD,
23 within ten (10) days after HRD's request, a recordable release of the previously designated site
24 from the obligations of this Agreement, the form of which shall be reasonably acceptable to HRD.

25 EXHIBITS:

- 26 A – The Property
- 27 B – Downtown Columbia Affordable Housing Guidelines
- 28 C – New Central Library Site
- 29 D – Temporary Fire Station Site
- 30 E – Alternative Temporary Fire Station Site
- 31 F – Middle Income Declaration of Covenants
- 32 G – Legislation Referenced in Article 5.1

33 [SIGNATURE PAGE FOLLOWS]

1 IN WITNESS WHEREOF, the Parties have hereunto set their hands on the date first
2 above written.

WITNESS/ATTEST

HOWARD RESEARCH AND
DEVELOPMENT CORPORATION

3
4 _____

_____ (SEAL)

5 _____

_____ (SEAL)

ATTEST:

HOWARD COUNTY, MARYLAND

6
7 _____
8 _____
9 Chief Administrative Officer

BY: _____ (SEAL)
Allan H. Kittleman
Howard County Executive

10

1 APPROVED AS TO FORM AND LEGAL SUFFICIENCY

2 this ___ day of _____ 2016.

3 _____

4 Gary Kuc

5 County Solicitor

6 *[Notaries on Following Pages]*

7

1 STATE OF MARYLAND,

2 _____ COUNTY, TO WIT:

3 I HEREBY CERTIFY that on this day of 2016, before me, the subscriber, a Notary Public
4 of the State of Maryland, in and for the County aforesaid, personally appeared
5 _____, representative for HOWARD RESEARCH AND
6 DEVELOPMENT CORPORATION, personally known to me or proven to be the individual
7 named herein and executed this Agreement for the purposes stated therein.

8 AS WITNESS my Hand and Notarial Seal.

9 _____
10 Notary Public

11 My Commission Expires: _____

12 STATE OF MARYLAND,

13 _____ COUNTY, TO WIT:

14 I HEREBY CERTIFY that on this day of 2016, before me, the subscriber, a Notary Public
15 of the State of Maryland, in and for the County aforesaid, personally appeared ALLAN H.
16 KITTLEMAN, the County Executive for HOWARD COUNTY, MARYLAND, who
17 acknowledged the same to be the act of the County and that he executed the foregoing Agreement
18 for the purposes therein contained by signing in my presence the name of Howard County,
19 Maryland as County Executive.

20 AS WITNESS my Hand and Notarial Seal.

21 _____
22 Notary Public

23 My Commission Expires: _____

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ATTORNEYS' CERTIFICATION

THIS IS TO CERTIFY that the undersigned are members, in good standing, of the Bar of the Court of Appeals of Maryland, and that the within instrument was prepared by the undersigned or under their supervision.

Upon Recordation Please Return To:
Todd D. Brown, Esq.
Shulman, Rogers, Gandal, Porody & Ecker, P.A.
12505 Park Potomac Avenue
6th Floor
Potomac, MD 20854

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LIENHOLDER CONSENTS AND SUBORDINATION OF INTERESTS

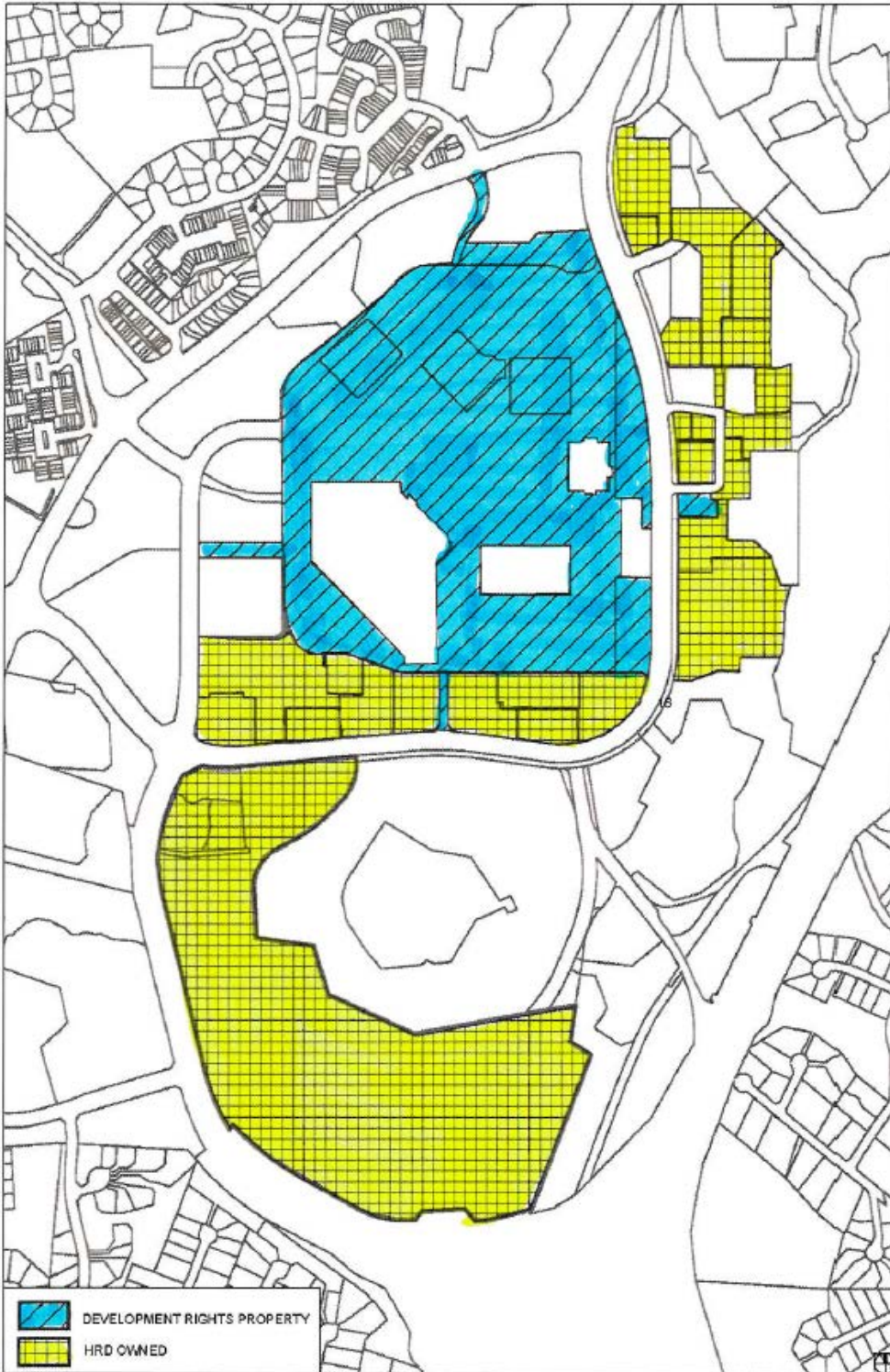
The undersigned lienholder does hereby consent to the aforesaid Agreement, and by the signature of its Trustee, does hereby agree that such instrument shall be subordinate to and shall survive any sale under its Deed of Trust dated _____ and recorded among the Land Records of Howard County, Maryland in Liber ___ folio ___.

WITNESS:

Exhibit "A"

The Property

EXHIBIT A



HRD Owned Property:

Tax Map

Parcel #

To be inserted at time of execution

Development Rights Property:

Tax Map

Parcel #

To be inserted at time of execution

EXHIBIT A
PROPERTY DESCRIPTION

THE PROPERTY: _____
(Subdivision Name)

This property was acquired by _____ on _____ (date).
The Deed is recorded at Liber _____ Folio _____.

**Exhibit “B”
Downtown Columbia Affordable Housing Guidelines**

The guidelines below apply to the Middle Income (80% AMI) and Very Low Income (30% AMI) units (jointly termed “Affordable Units”) in all HRD market rate buildings to be developed in Downtown Columbia, unless otherwise stated.

1. Location

The location of affordable units in each building shall not be congregated into one area of the building, and shall be dispersed to the extent possible taking into consideration design constraints. Affordable Units may be stacked vertically.

2. Unit Mix

The unit mix of the Affordable Units in each building shall be similar to the overall unit mix of the building within 30% of the unit mix percentage for each unit type. The table below provides two examples of permissible unit quantities in a 300-unit building which provides 6% Affordable Units (3% Middle Income and 3% Very Low Income Units):

	Total Building		Scenario One			Scenario Two		
Unit Type	Total Quantity	Unit Mix	Quantity AUs	%(max)	Relative Ratio	Quantity AUs	% (min)	Relative Ratio
Studio	45	15%	3	16.7%	+11%	2	11.1%	(-26%)
1bd	135	45%	9	50%	+11%	7	38.9%	(-14%)
2bd	90	30%	4	22.2%	(-26%)	7	38.9%	+30%
3bd	30	10%	2	11.1%	+11%	2	11.1%	+11%
Total	300	100%	18	100%		18	100%	

3. Unit Size

The minimum gross floor area for Affordable Units shall be:

- Studio/Efficiency: 350 square feet
- 1 Bedroom Unit: 500 square feet
- 2 Bedroom Unit: 650 square feet
- 3 Bedroom Unit: 850 square feet

If market rate units for a particular unit type in a project are smaller than the minimums listed above (i.e. a market rate micro-unit of 300 square feet), then the affordable units of that type may be the same square footage as the market rate.

In addition to the minimum square footages listed above, the minimum gross floor area for Affordable Units shall be no less than 80% of the minimum gross floor area for each market rate unit type in each particular project. The table below provides two examples of minimum permissible unit sizes within individual sample projects:

Unit Type	Scenario One (Smaller Units)			Scenario Two (Larger Units)		
	Market Rate Unit Size (min)	AU Unit Size (min)	% of Market Rate	Market Rate Unit Size (min)	AU Unit Size (min)	% of Market Rate
Studio	400	350	87.5%	500	400	80%
1bd	550	500	90.9%	650	520	80%
2bd	850	680	80%	900	720	80%
3bd	1,000	850	85%	1,200	960	80%

4. Occupancy

The minimum and maximum occupancy levels for each unit type shall be:

<u>Unit Type</u>	<u>Min</u>	<u>Max</u>
Studio/Efficiency:	1	2
1 Bedroom Unit:	1	2
2 Bedroom Unit:	2	4
3 Bedroom Unit:	3	6

5. Rental Rates

The rental rates for the Very Low Income units shall be 95% of the Section 8 Voucher Payment Standard, to be master leased by the Housing Commission. There shall be no discount from these rent levels for utility allowances. A portion of the annual commercial payments to the CDHC housing fund of \$0.05/sf from new downtown commercial development shall be made available to the Housing Commission (as master lessee) to subsidize the utility costs of the tenants, at a level to be mutually agreed upon between CDHC and the Commission.

The rental rates for the Middle Income units shall be based on the Howard County median income (family of four), adjusted for household size, then adjusted at 80% of the median income, with the annual rent calculated at 30% of the income, less a utility allowance.

For example, in 2015, the following rent schedule would apply:

Median Income (family of 4): \$109,476

Unit Type	Occupancy Base	Household Adjustment	Adjusted Income	Income at 80% AMI	Annual Max Rent	Monthly Max Rent*
Studio/Eff	1.0	70%	\$76,633	\$61,306	\$18,392	\$1,533
1 Bedroom	1.5	75%	\$82,107	\$65,686	\$19,706	\$1,642
2 Bedroom	3.0	90%	\$98,528	\$78,822	\$23,647	\$1,970
3 Bedroom	4.5	104%	\$113,855	\$91,084	\$27,325	\$2,277

*The Monthly Maximum Rent for each unit type shall be charged regardless of the actual number of occupants. Does not include utility charges and service fees that are paid by the owner.

6. Eligibility Income Limits

Middle Income Unit applicants shall be subject to maximum income limits by household size assuming the following household size adjustments to the median area income (at 80%):

- 1 person: 70%
- 2 persons: 80%
- 3 persons: 90%
- 4 persons: 100%
- 5 persons: 108%
- 6 persons: 116%

7. Quantity of Bathrooms

The minimum number of bathrooms (including toilet, sink, shower or tub) for any affordable unit shall be:

Studio/Efficiency:	1
1 Bedroom Unit:	1
2 Bedroom Unit:	1
3 Bedroom Unit:	2

8. Bedrooms

The minimum bedroom size shall be 100 square feet, subject to applicable code requirements.

9. Unit Finishes

The unit finish packages (i.e. countertops, flooring, cabinetry, appliances, fixtures, etc.) shall be the same as one or more of the finish packages for the market rate units in the building.

Unit entries of affordable and market rate units shall be identical, such that an affordable unit is not discernible from a market rate unit in the building corridors.

10. Additional Fees

Additional fees charged for market rate unit and affordable unit applicants and tenants shall be the same. Fees may include, but are not limited to: application fees, parking space fees, pet fees, storage space rental fees, amenity fees, guest passes (for pool use), lost key fees and amenity rental fees. Security deposit requirements are subject to applicant credit standing and income qualification.

Exhibit "C"

New Central Library Site



Parcel C-1: New Central Library Site

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 Suite 300
 Baltimore, MD 21224
 T 410.276.7470
 F 410.276.7471
 www.jp2architects.com

Library Highlight Plan
 26 February 2016

Merriweather District
 Columbia, MD

client

Howard Hughes
 HOWARD HUGHES CAPITAL
Howard Hughes Corp.
 10221 Winopin Circle
 Suite 300
 Columbia, MD 21044
 410.964.4800

**Exhibit C-2 - New Central Library Site
 Ground Level Plan**



Ground Level - PHASE 1
 Scale: 1" = 120'-0"



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2883 O'Donnell Street
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www.jp2architects.com

Library Highlight Plan
26 February 2016

Merrivether District
Columbia, MD

client

Howard Hughes
CORPORATE REAL ESTATE SERVICES
Howard Hughes Corp.
10221 Winopin Circle
Suite 300
Columbia, MD 21044
410.964.4800

Exhibit C-3 - New Central Library Site
Upper Level Plans



Upper Level - PHASE 1
Scale: 1" = 120'-0"

Exhibit "D"

Temporary Fire Station Site



Parcel D-1: Temporary Fire Station Site

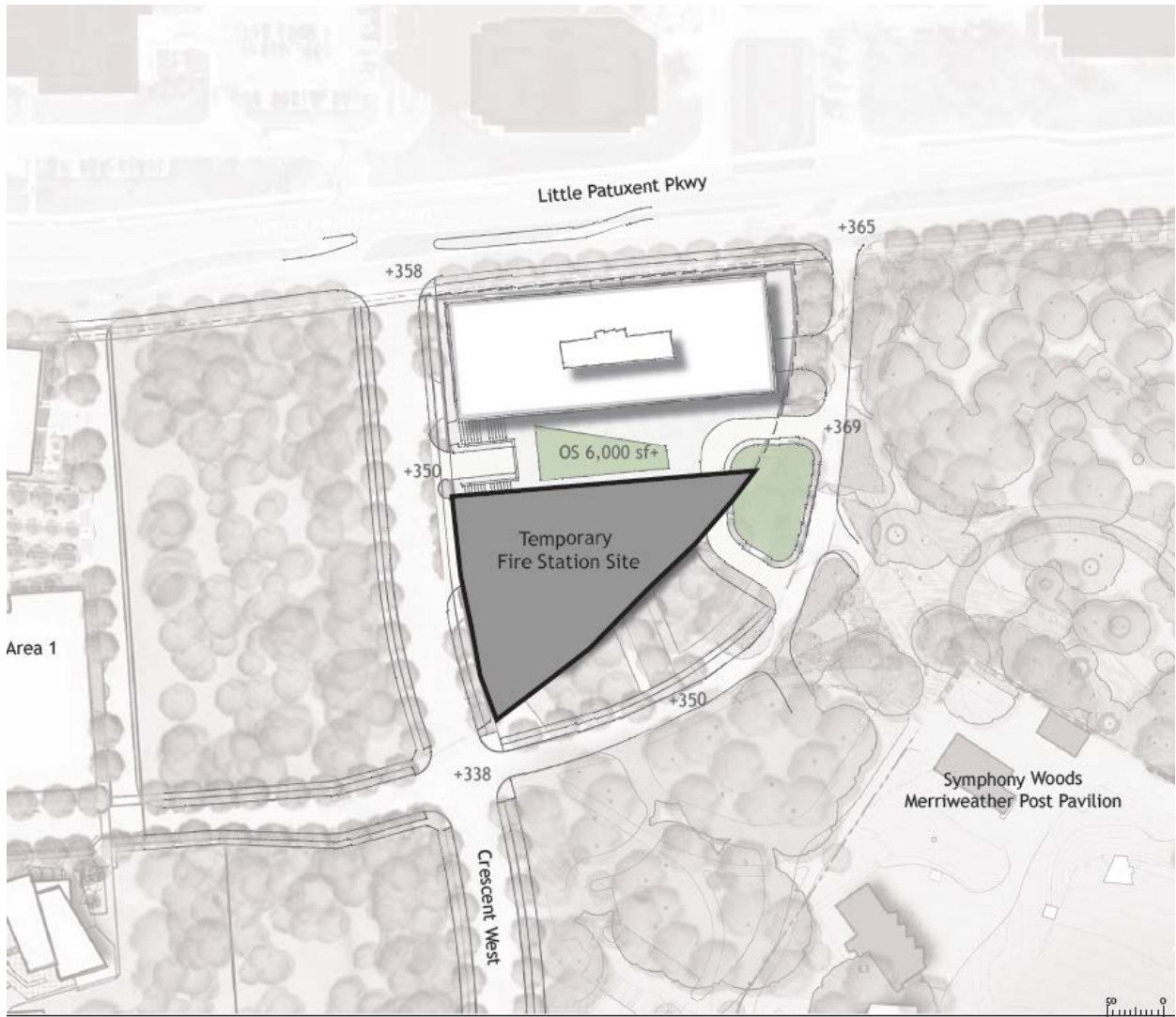


Exhibit D-2

**Temporary Fire Station Site
Enlarged Site Plan**

Exhibit "E"

Alternative Temporary Fire Station Site



Parcel E: Alternative Temporary Fire Station Site

Exhibit “F”

Middle Income Declaration of Covenants

**DOWNTOWN COLUMBIA
DECLARATION OF COVENANTS
MIDDLE INCOME UNITS**

THIS DECLARATION OF COVENANTS (“Declaration”), made this ___ day of _____ 201_, hereinafter set forth by Howard Research and Development Corporation, owner (hereinafter referred to a “Declarant”).

NOW, THEREFORE, Declarant hereby declares that the Property described hereinafter shall be held, sold and conveyed subject to the following covenants, conditions and restrictions:

ARTICLE I

Declarant and Howard County, Maryland, are parties to a Development Rights and Responsibilities Agreement (Affordable Housing) which provides for the reservation of certain Affordable Units for rent within the residential properties being developed in the Downtown Columbia redevelopment in Howard County. One category of Affordable Units contemplated by such Agreement is those designated as “Middle Income Units.”

Declarant is the owner of the Property set forth and described in Exhibit “A” attached hereto. The units in the Property that are the subject of this Declaration of Covenants, and are hereinafter referred to as the Middle Income Units (“MIU”s) are the following units offered for lease and located in the property located at _____, Columbia, Maryland ____ (the “Property”): [INSERT NUMBERS FOR UNITS TO BE SUBJECT TO RENTAL RESTRICTIONS].

ARTICLE II

For a period of forty (40) years commencing on the date of the first occupancy of any unit within each building located on the property encumbered by this Declaration, commencing as each building is occupied, or such other period as established by law (the “Restriction Period”), the MIUs and the improvements thereon and those that may subsequently be made to the MIUs must be leased to households comprised of individuals or families earning no more than eighty percent (80%) of the area median income of persons living in Howard County, Maryland, as published by _____ (“Median Income Limit”) The County shall monitor and notify Declarant and any subsequent owners of the Property which is subject to these Declarations of any revisions to the dollar amount of the Median Income Limit in order to assure compliance.

ARTICLE III

Declarant and any other lessor of the MIUs shall lease the MIUs to lessees who must agree to occupy the MIU as their primary residence during the Restriction Period. The Declarant and any

other lessors of an MIU, except for the Howard County Housing Commission and other housing development agencies or non-profit corporations approved by the County Executive, are not permitted to lease or rent the MIUs to other parties during the Restriction Period. This restriction may be waived by the County to allow a temporary rental of the MIU for good and sufficient cause. Further, if the income of the lessee of an MIU exceeds the Median Income Limit in any year after a lease for such MIU is signed, the Declarant or any subsequent lessor of the MIU may continue to lease to such lessee a unit on the Property provided (i) the income of that lessee does not exceed one hundred percent (100%) of the area median income of persons living in Howard County, Maryland, for more than one year, or (ii) the Declarant or any subsequent lessor of the MIU either relocates such lessee to another non-restricted unit on the Property or subjects another unit on the Property to these Declarations.

ARTICLE IV

Declarant, its heirs, assigns, and successors, hereby irrevocably assigns, transfers, and conveys unto Howard County, Maryland, the Howard County Housing Commission, and to Columbia Downtown Housing Corporation all of its right, title, interest, or obligation to enforce and maintain in full force and effect, the terms, conditions, and requirements of this Declaration of Covenants.

ARTICLE V

Any of the Declarant, Columbia Downtown Housing Corporation, the Howard County Housing Commission, or Howard County, Maryland, may enforce these Covenants by a proceeding, at law or in equity, against any person or persons violating or attempting to violate intentionally or otherwise, any covenant or restriction herein contained, either to restrain any violation hereof or to recover damages or monies, or to proceed against the land or the MIUs to enforce any lien or obligation created by or resulting from these Covenants.

ARTICLE VI

These Covenants are binding upon the MIUs, upon the Declarant, the lessees and purchasers of the MIUs, upon the Declarant's and the MIU lessees' and purchasers' heirs, successors, and assigns, and upon all transferees and transferors of the title to the MIUs during the Restriction Period and until the fulfillment of all other provisions contained herein.

ARTICLE VII

The original deed of conveyance from the Declarant, its heirs, assigns or successors, and all subsequent transfers, assignments, and deeds of conveyance out by subsequent Purchasers of the MIU, must, during the term of these Covenants, be a two-party deed that contains conspicuous language specifically reciting that the MIU is subject to these Covenants, referencing the date of recordation of these Covenants among the land records of Howard County, Maryland, including the Liber and Folio reference. Notice must also be included in any contract of sale for an MIU that fully and completely discloses the rental restrictions and controls established herein. All subsequent purchasers of an MIU must likewise provide such notice in contracts of sale.

ARTICLE VIII

These Covenants cannot be terminated without the written consent of the County, the Howard County Housing Commission, and the Columbia Downtown Housing Corporation except by the expiration of the Restriction Period defined in Article II. A termination statement, executed by the County Executive of Howard County will be recorded among the land records of Howard County, Maryland.

ARTICLE IX

If any default occurs and is continuing, Howard County, the Howard County Housing Commission, or Columbia Downtown Housing Corporation may apply to any state or federal court having jurisdiction for specific performance of the Declaration of Covenants, for an injunction against any violation of this Declaration of Covenants, or for such other relief at law or in equity as may be appropriate and consistent with applicable requirements of the Declaration of Covenants. No remedy conferred upon or reserved to the County, the Howard County Commission, or Columbia Downtown Housing Corporation by this Declaration of Covenants is intended to be exclusive of any other available remedy or remedies, but each and every such remedy is cumulative and is in addition to every other remedy given under this Declaration of Covenants, existing at law or in equity. No delay or omission to exercise any right or power accruing upon any failure to perform under this Article will impair any such right or power or will be construed to be a waiver thereof. If, upon or after the occurrence of any default hereunder, Howard County, the Howard County Housing Commission, or Columbia Downtown Housing Corporation incurs expenses for the enforcement or performance or observance of any obligation or agreement on the part of others contained herein, Howard County, the Howard County Housing Commission, or Columbia Downtown Housing Corporation must be reimbursed upon demand by the party or parties for reasonable expenses paid to third parties.

JURATS APPEAR ON FOLLOWING PAGE

IN WITNESS WHEREOF, Declarant Howard Research and Development Corporation has caused these presents to be executed by _____ its _____, and its corporate seal to be affixed hereto, and does appoint _____ its true and lawful attorney-in-fact to acknowledge and deliver these presents.

DECLARANT:
HOWARD RESEARCH AND
DEVELOPMENT CORPORATION

BY: _____
Name: _____
Title: _____

STATE OF MARYLAND
COUNTY OF HOWARD:

I HEREBY CERTIFY that on this _____ day of _____, 20____, personally appeared _____ (name), _____ (title) of Howard Research and Development Corporation, who is personally well known to me, or proven to be, the person named as attorney-in-fact as aforesaid, and by virtue vested in him as aforesaid, acknowledged the same to be the act and deed of Howard Research and Development Corporation, the Declarant herein, for the purposes herein contained.

WITNESS my hand and seal this _____ day of _____, 20____.

My Commission Expires: _____

NOTARY PUBLIC

Exhibit G-1

Council Bill No. -2016 (ZRA 170)

Exhibit G-2

Council Bill No. ___-2016 (An amendment to the Downtown Columbia Plan)

Exhibit G-3

Council Bill No. ___-2016 (An amendment to *PlanHoward 2030*)

Exhibit G-4

Council Bill No.____-2016 (An amendment to the County Code)