



CAPITAL PARTNERS

MEMORANDUM

TO: Charles Ching
FROM: Rod Johnson
CC:
DATE: October 5, 2017
RE: Proposed Termination of PSA Agreement and Negotiation of City Hall Agreement

Charles,

Our several discussions in the past week have been about the increased cost to construct the new City Hall and the unsolved issue of the contractor providing a performance bond including the City's suggestion that the Developer provide the performance bond. We propose that both parties cease the negotiation of the City Hall Lease and to terminate the PSA for the existing City Hall Property.

As part of the termination, we would assign any and all rights that Capital Partners Development Company have to the plans and reports developed to date for the new City Hall. In ceasing the negotiation of the City Contact and termination of the PSA, both parties would reach a termination agreement that is satisfactory to both parties.

Let me know if you have any questions.

Rod Johnson