



MECKLENBURG COUNTY
OFFICE OF THE COUNTY MANAGER

VIA ELECTRONIC MAIL

December 13, 2023

Discovery Place, Inc.
301 North Tryon Street
Charlotte, North Carolina 28202
Attention: Catherine Wilson Horne, President & CEO

RE: Development Agreement for new Discovery Place Nature Museum

Dear Catherine:

Pursuant to that certain Project Development Agreement dated June 7, 2019, between Mecklenburg County ("County") and Discovery Place, Inc. ("DPI"), and the First Amendment dated March 10, 2021, to that Project Development Agreement wherein Mecklenburg County agreed to be responsible for the costs and expenses of the design and construction of the Project, on the condition that the County contribution would not exceed Sixteen Million Dollars (\$16,000,000), Discovery Place, Inc. agreed to be responsible for any and all costs in excess of the County contribution to complete the Project.

At the November 21, 2023 meeting, the Mecklenburg Board of County Commissioners authorized the County Manager to negotiate and execute a lease between the County and Discovery Place, Inc. for the lease of the new Discovery Place Nature Museum that will be located on a portion of Tax Parcel 151-041-01 at Freedom Park.

At the December 5, 2023 meeting, the Mecklenburg Board of County Commissioners approved an additional contribution to the Project of Ten Million Dollars (**\$10,000,000**), bringing the County's maximum contribution to the design and construction of the Project to a total of Twenty-Six Million Dollars (**\$26,000,000**).

Based upon the receipt of bids from subcontractors, Rodgers Builders, the selected Construction Manager at Risk for the Project, has proposed a Guaranteed Maximum Price (GMP) of Thirty-Six Million Three Hundred Eight Thousand Three Seventy-Eight Dollars (**\$36,308,378**) for construction of the New Building and related site improvements. The GMP Contract will be executed between Rodgers Builders and Mecklenburg County.

Based on total expenses already encumbered or paid by the County for the Project and estimated expenses beyond the GMP that the County will need to expend on the Project, the County shall contribute Twenty-One Million Five Hundred Ninety-Two Thousand Two Hundred Fifty-Three Dollars (**\$21,592,253**) toward the GMP, and DPI shall contribute Fourteen Million Seven Hundred Sixteen Thousand One Hundred Twenty-Five Dollars (**\$14,716,125**) toward the GMP. The contribution to the GMP by DPI shall be in the form of an initial reimbursement of \$100,000 paid to the County within 30 days of execution of the GMP Contract and a reimbursement of the remaining balance in the amount of \$14,616,125 paid to the County within 180 days of Substantial Completion of the Project. Substantial Completion shall be defined as the date of the AIA Certificate of Substantial Completion executed by the County, the architect of record, and the Construction Manager at Risk.

In addition to their GMP contributions, Discovery Place, Inc. shall have decision-making authority and be responsible for any and all additional costs in excess of the County's maximum contribution related to the design or construction of the New Building and site, including any estimated contingency costs, as required to complete the Project. If additional funds are required by the County in excess of the County's total contribution to compensate the Architect for additional services or to compensate the Construction Manager at Risk for change orders, DPI shall remunerate the County within 90 days of receipt of a written invoice from the County for such additional expenses. Any County savings as Owner per the terms of the Agreement Between Owner and Construction Manager, including contingencies, change orders, etc. will be savings credited by the County toward the reimbursement of the remaining balance due from DPI.

If DPI fails to reimburse the County for the full amount of its contribution (\$14,716,125) to the GMP Contract or pay for any required additional costs needed to complete the Project as outlined in this letter agreement and the Development Agreement, DPI shall be considered in default of the Development Agreement and the Lease Agreement, and the County shall have the right to terminate the lease and Discovery Place Inc.'s right of possession of the New Building, and recover all damages and remedies to which the County is entitled under law, including reimbursement of costs and attorney fees. DPI shall retain ownership of the assets permanently installed in the building by DPI and/or its contractors, and should DPI be in default as described above and the County takes possession of the New Building, the County will reimburse DPI for the full cost of exhibits and FFE installed by DPI and/or its contractors, less the unpaid remaining balance of the reimbursement owed by DPI, in order to take possession of the New Building. This action is a last resort should both parties fail to achieve a satisfactory resolution.

The parties agree that the terms of this letter shall be legally binding and will serve as a supplement to the Development Agreement and First Amendment between the parties. Other than as set forth in this letter, the terms of the Development Agreement and First Amendment to the Development Agreement remain in full force and effect. Any capitalized terms contained herein shall have the same definition and effect as per the Development Agreement and First Amendment.

The County agrees to support the Project to the extent contained herein and looks forward to a successful completion of the construction phase.

If the foregoing is acceptable to Discovery Place, Inc. please have a duly authorized representative of Discovery Place, Inc. countersign this letter in the space provided below and return such countersigned letter to the County.

[SIGNATURES ON FOLLOWING PAGE]

County of Mecklenburg

DocuSigned by:

Dena R. Diorio

5D875F12E92042B...

By: Dena R. Diorio

Title: County Manager

Discovery Place, Inc.

By: Catherine Wilson Horne


Title: President & CEO

County of Mecklenburg

By: Dena R. Diorio

Title: County Manager

Discovery Place, Inc.

DocuSigned by:

073C84E4C8614CC...

By: Catherine Wilson Horne

Title: President & CEO