

September 10, 2020

Mr. Denis Dowdle, Principal
Madison WG Holdings, LLC
667 Boylston Street, Suite 201
Boston, MA 02116

Re: First Amendment to Amended and Restated Letter of Intent/
Expression of Objectives Green Island Redevelopment Project

Dear Mr. Dowdle:

This First Amendment (“**Amendment**”) to the October 31, 2019 Amended and Restated Letter of Intent (“**Letter**”) is written to reflect our agreement on changes to the shared objectives and understandings of Madison WG Holdings, LLC (“**Madison**”) and the City of Worcester (the “**City**”, together with Madison, the “**Parties**”) concerning the redevelopment of the Site. This Amendment details the adjustments to the Development Project resulting from the tragic COVID-19 pandemic that we are all dealing with during these challenging times. Capitalized terms used in this Amendment and not otherwise defined have the meaning ascribed to them in our Letter.

We first confirm our joint commitment to completing the Project in a manner that mirrors as closely as possible the original vision, modified only by the agreements expressed in this Amendment. As of today, great progress continues to be made on the Ballpark Project, which continues to take shape on the Ballpark Site. We also appreciate the work and great progress that your team has achieved, inclusive of putting together the private equity needed for the Development Project, and for the detailed explanation of the Opportunity Zone structure and other information about the status of the Development Project that Madison recently shared with the City. And, we acknowledge that Madison has submitted applications to amend the previously approved site plans for the First Residential Building and for the LFB with the Worcester Planning Board, has completed construction-level drawings for the First Residential Building and is preparing same for submittal to the City’s Inspectional Service Department, and is anticipating a construction start for that portion of the Development Project this fall. Secondly, we confirm our agreement to use our respective commercially reasonable efforts to complete the Development Agreement not later than September 18, 2020. Thirdly, we affirm all provisions of the Letter except as expressly modified by this Amendment. Finally, we execute this Amendment to confirm our agreement to certain modifications of the Letter as follows.

1. Parking Garage and Parking Garage Rent: The number of spaces planned for the Parking Garage is reduced from 525 to approximately 340 as generally shown on Exhibit A to this Amendment, recognizing that there remain design details relative to vehicular and pedestrian access that remain open and need to be agreed to by the Parties. The Base Garage Rent will be equal to the Base Garage Rent as set forth in the Letter multiplied by a fraction equal to the actual number of spaces on the Parking Garage divided by 525 (the

“**Space Rent**”). In this way, the Base Garage Rent will be adjusted proportionately to reflect the fact that the Parking Garage will be smaller than previously been planned and the Parking Garage Site will be proportionately smaller as shown on Exhibit A, but, as before, will include an easement in favor of the City from Green Island Boulevard to the Parking Garage, dual means of vehicular egress from the Parking Garage to different parts of Green Island Boulevard, and the fee simple interest in the area encompassing the south entrance as shown. In addition:

- a. Notwithstanding the date that the City completes construction of the Parking Garage, the effective date of the Garage Lease (the “**Garage Lease Effective Date**”) shall not occur except: (i) on a date such that there will be a minimum of nine (9) weeks remaining in the Worcester Red Sox’ regular baseball season for the then current calendar year; and (ii) following Madison’s receipt of not less than one hundred and twenty (120) days’ notice of the Garage Lease Effective Date.

By way of example, and for the avoidance of doubt, if the City finishes the Parking Garage on June 15, 2021 (as evidenced by issuance of a Certificate of Occupancy permitting the Parking Garage to be open to patrons), and: (x) the Worcester Red Sox shall then have at least nine (9) weeks remaining in the regular 2021 baseball season; and (y) the City shall have provided notice to Madison of the Garage Lease Effective Date on or before February 15, 2021, then the Garage Lease Effective Date shall be June 15, 2021. Conversely, in the event that the City provides notice to Madison of the Garage Lease Effective Date on or before February 15, 2021, and the Parking Garage is not completed on June 15, 2021, the Garage Lease Effective Date shall be the commencement of the regular 2022 baseball season unless otherwise agreed to by the Parties

- b. As a part of the construction of the Parking Garage, the City shall undertake such work as may be reasonably related to the construction by the City of access to the Parking Garage through the “Surface Lot” and the requirement in conjunction with delivery of the Parking Garage to leave the Surface Lot and surrounding areas in a safe and presentable condition (some of which may be at Madison’s expense), as may be optimal for efficiency purposes and desirable by the Parties on the area shown on Exhibit A as “Surface Lot,” which work has not been agreed to by the Parties as of the date of this Amendment but which shall be agreed to by the Parties as a part of the Development Agreement; and
 - c. Otherwise, the terms and timing of the Garage Lease as set forth in the Letter otherwise are unchanged.
2. Preparation of LFB Site: Madison has engaged a contractor to undertake the following work to prepare the site of the LFB (“**LFB Site**”) in a manner that will support the construction of the Ballpark, as follows:

- a. Prepare the “podium” on the LFB Site consistent with the program agreed to between Madison, the City, and the Club as set forth in Exhibit B to this Amendment not later than January 6, 2021; and
- b. Complete the steel diaphragm on LFB Site and the portion of the podium necessary to support Canal Street and the “Left Field Passage” (Plymouth Street Extension) not later than December 14, 2020.

The dates in Section 2(a) and 2(b) above are aspirational and do not represent a binding obligation on Madison as the same may be impacted by delays in steel fabrication and delivery and/or construction delays, weather conditions or events of force majeure.

In addition, the following agreements are made or confirmed with respect to the LFB and LFB Site:

- c. Notwithstanding the description of the LFB as a “[C]ommercial office building” in Exhibit C to the Letter, the Parties acknowledge that the LFB may ultimately be used and developed for any commercial use (in addition to the retail/restaurant and parking uses detailed in Exhibit C);
 - d. The Parties acknowledge that the first phase of waterproofing of the LFB and drainage of the LFB Site has been completed; that work consisting of the installation of five (5) drainage structures and foundation waterproofing remains uncompleted and will need to be installed around the LFB Site by Madison (the “**Drainage Structure Work**”), and that, following Madison’s completion of the Drainage Structure Work and the steel diaphragm referenced in paragraph 2.b above, the City shall promptly complete the remaining backfill of the LFB Site foundation;
 - e. The Parties agrees to direct their respective contractors for the Ballpark Project and the LFB to cooperate with each other so that the two projects achieve maximum coordination and work as nearly as possible as one construction project to the maximum extent practicable and permitted under applicable law; and
 - f. The City agrees to cooperate with Madison with respect to the coordination of access to the LFB Site and the use of nearby land to support the construction of the LFB; provided that, due to the fact that the City will be redeveloping the Pickett Lot in connection with the Ballpark Project, the Pickett Lot will not be available for support of the construction of the LFB (except as provided in Section 2(c) above) as anticipated in paragraph 6.b of the Letter.
3. Development Project Program Changes. Exhibit A and Exhibit C to the Letter are modified to accommodate the following changes to the Development Project. As noted in the Letter, Madison confirms its agreement that the benefits of the Tax Increment Exemption agreements detailed in the Letter are forfeited for the unmet periods

represented by the changes to the schedule for the Development Project indicated below as same relates to each applicable element of the Development Project:

- a. First Residential Building. The “ready for occupancy” date for the First Residential Building is changed from not later than September 1, 2021 to not later than September 1, 2022;
- b. Hotel. The Hotel is changed as follows:
 - i. The program is reduced from a dual branded facility with a total of 262 rooms to a single Hotel with approximately 125 rooms;
 - ii. The planned occupancy date is changed from not later than May 1, 2022 to not later than May 1, 2024;
 - iii. Provided construction pursuant to a validly issued building permit commences on or before June 30, 2023, the schedule for the targeted tax payments for the Hotel (beginning in fiscal year 2025 for 13 years) is modified to the following (by Fiscal Year):

2025	\$298,125.00
2026	\$307,068.75
2027	\$316,280.81
2028	\$325,769.24
2029	\$335,542.31
2030	\$345,608.58
2031	\$355,976.84
2032	\$366,656.15
2033	\$377,655.83
2034	\$388,985.51
2035	\$400,655.07
2036	\$412,674.72
2037	\$425,054.96

- iv. Provided construction pursuant to a validly issued building permit commences after June 30, 2023 but before June 30, 2026, the schedule for the targeted tax payments for the Hotel (beginning in 2026 for 13 years) is modified to the following (by Fiscal Years):

2026	\$298,125.00
2027	\$313,031.25
2028	\$328,682.81
2029	\$345,116.95
2030	\$362,372.80
2031	\$380,491.44
2032	\$399,516.01

2033	\$419,491.81
2034	\$440,466.40
2035	\$462,489.72
2036	\$485,614.21
2037	\$509,894.92
2038	\$535,389.67

- v. If a completed application for a building permit for the Hotel is filed after June 30, 2026, the Parties agree that there shall not be a pre-approved agreement as to targeted tax payments; provided, however, that the Parties agree to thereafter use commercially reasonable efforts to negotiate a tax increment financing or targeted tax payment agreement designed to incent development of the site for commercial purposes consistent with this Amendment.

- c. Second Residential Building. The targeted “ready for occupancy” date is changed from December 31, 2022 to December 31, 2023 and the Tax Increment Exemption Plan shall commence in Fiscal Year 2024;

- d. Lab Building. The targeted “ready for occupancy” date is changed from December 31, 2023 to December 31, 2024 and the Tax Increment Financing Plan shall commence in Fiscal Year 2025;

- e. Left Field Building. The LFB is changed as follows:
 - i. The completion of the skin, shell and core construction of the LFB is changed from contemporaneously with the opening of the Ballpark to April 1, 2023;

 - ii. Madison shall have the option to terminate its obligation to pay the Targeted Tax Payments as set forth in the Letter upon sixty (60) days’ prior notice to City at any time following the completion of the payments owed for Fiscal Year 2024;

 - iii. In the event of such termination, the City agrees to use commercially reasonable efforts to negotiate a tax increment financing agreement with Madison designed to incent the development of the LFB consistent with the Letter and otherwise consistent with City’s policy for similar developments; and

 - iv. Madison shall transfer to the WRA in the Development Agreement its right to receive any advertising revenue for the use of the podium to be constructed on the LFB Site until the LFB skin, shell and core construction commences at which time all advertising rights of the WRA shall cease. The use of the advertising rights by the City are subject to the

City and the Club reaching an agreement as to the revenue generated by such advertising.

4. Programming for Balance of South of Madison. Owing to the fact that change in the size of the site of the Hotel, Madison agrees to cooperate with the City regarding interim uses of the Hotel site. In addition, the Parties agree that such interim use planning shall not preclude the possibility of the development of a second hotel or the expansion of the Hotel at some point in the future, subject in all events to market conditions.
5. Timing on Proposed Land Transfers. The Parties agree to the following with respect to the timing of certain of the land transfers called for in paragraph 6.a and paragraph 6.b of the Letter:
 - a. Paragraph 6.a (transfer of WG North). Madison shall convey WG North in its entirety to the WRA not later than ten (10) days following the WRA's vote to accept the conveyance, and the WRA may thereafter proceed to record the deed. Simultaneously with its receipt of the deed to WG North from Madison, the WRA shall execute and deliver to a third party escrow agent a deed conveying WG North back to Madison (the "**Escrow Deed**") together with an escrow agreement in a form acceptable to the Parties instructing the escrow agent to release the Escrow Deed to Madison in the event title to the LFB Site is not conveyed to Madison in accordance with the terms of the Development Agreement (which the Parties agree to use their best efforts to occur on or before September 30, 2020) and Madison may thereafter unilaterally instruct the escrow agent to record the Escrow Deed. The delivery of the Escrow Deed to the escrow agent shall be accompanied by the certification of the City Solicitor that all required action of the WRA has been taken to cause the Escrow Deed to be valid and enforceable; and
 - b. Paragraph 6.b (transfer of LFB Site). The WRA shall convey the LFB Site to Madison not later than ten (10) days following the approval of the modifications to the Letter as detailed in this Amendment by the Worcester City Council, receipt of approvals requested by the WRA to the Commonwealth's Department of Housing and Community Development in accordance with the requirements of 760 CMR 12.05, the WRA's vote to authorize the execution of the deed, and receipt of the other approvals as required by the Development Agreement.

The Parties agree to continue to advance the plans needed to accompany the transfers addressed in this paragraph 5, including supporting the endorsement of an "Approval Not Required" plan with the Worcester Planning Board on a schedule that would permit the transfer of the LFB Site to take place on a schedule consistent with this Letter.

6. Continued Cooperation. The Parties jointly pledge to each other mutual cooperation on the advancement of the Development Project as described in the Letter and this Amendment. In furtherance of that pledge, Madison agrees to the following meeting schedule to discuss the status of, and to advance, the Development Project:

- a. Participation in a meeting or other communication to be held not less than every month with the City's Chief Development Officer; and
 - b. Participation in meetings or other communications to be held on a regular basis with the Economic Development Coordination Committee and representatives of the Worcester City Council's Economic Development Committee.
7. Building and Other Permit Fees. The limit on Madison's exemption from building permit and water and sewer connection fees generally assessed by the City with respect to the initial construction of the Development Project as set forth in paragraph 7.l of the Letter is increased to \$2,250,000.
8. Satisfaction of Conditions. Madison acknowledges that the City has satisfied the following conditions as detailed in the Letter:
- a. The approval by the Worcester City Council of the requirements related to Tax Increment Financing and Tax Increment Exemption matter as set forth in paragraphs 7.a – 7.g of the Letter and the other conditions set forth therein (which approval shall be modified in accordance with this Amendment) which the City agrees to use its best efforts to complete as soon as practicable thereafter;
 - b. The completion of the LFB Site Work (Letter, para. 6.h);
 - c. The permanent and irrevocable abandonment of the City's rights comprised of utility and infrastructure easements on the south side of Madison Street necessary to complete the Development Project (Letter, para. 6.c);
 - d. The layout and establishment a public way easement within the limits of Green Island Boulevard as adopted by the Worcester City Council (Letter, para. 6.d);
 - e. Receipt of the approval pertaining to the transfer of material as detailed in paragraph 7.i of the Letter; and
 - f. Approval of zoning modifications as set forth in paragraph 7.m of the Letter.

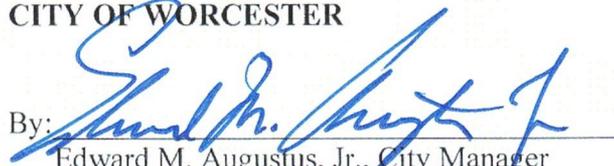
We enclose two copies of this Amendment for your review. Should the terms meet with your approval, we ask that you execute all copies and return an original copy for the City's files.

[signatures on the next page]

Thank you. We look forward to working with you toward a mutually satisfactory transaction.

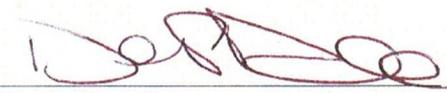
Sincerely,

CITY OF WORCESTER

By: 
Edward M. Augustus, Jr., City Manager

AGREED AND ASSENTED TO: September 10, 2020

MADISON WG HOLDINGS, LLC

By: 
Denis Dowdle
Duly authorized

Enclosures:

Exhibit A – Site Plan of the Parking Garage

Exhibit B - Plans for the Podium

EXHIBIT A

Site Plan of the Parking Garage

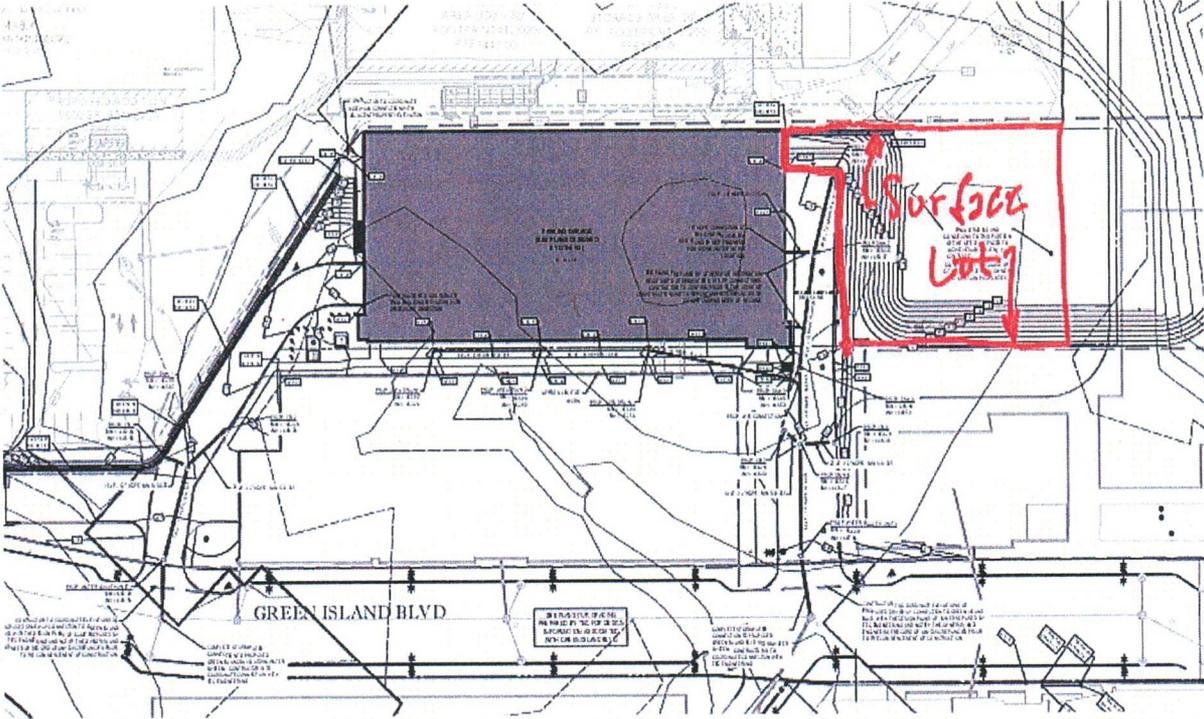


EXHIBIT B

Plans for the Podium

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