

ECONOMIC DEVELOPMENT AGREEMENT

by and between

Franklin Redevelopment Commission,

Franklin Board of Public Works and Safety,

and

McDonald's USA, LLC

THIS ECONOMIC DEVELOPMENT AGREEMENT (the "Agreement") is made and entered into effective this 20th day of March, 2018, by and between the City of Franklin Redevelopment Commission (the "RDC"), as the governing body of the City of Franklin Redevelopment District, the City of Franklin Board of Public Works and Safety ("City"), and McDonald's USA, LLC ("Company"), a Delaware limited liability company.

WITNESSETH:

WHEREAS, the City has proposed to make improvements to the Company's parking lot (the "Project") located along Paris Drive, at 2080 East King Street, Franklin, Indiana, (the "Property"), as more specifically described in "Exhibit A," consistent with the City's plan to improve vehicular movement, specifically along Paris Drive and generally along East Jefferson Street;

WHEREAS, with the Company's consent, the City intends to design and construct such improvements, with partial funding from the RDC; and

WHEREAS, the City and RDC have determined that the completion of the Project will promote the redevelopment and economic development of the unit, is of utility and benefit, and is in the best interests of the unit's residents, and, therefore, the City and RDC desire to contract with the Company to complete the Project; and

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants and agreements herein contained, and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the parties agree as follows:

Article I. RECITALS

Section 1.01 Recitals Part of Agreement. The representations, covenants and recitations set forth in the foregoing recitals are material to this Agreement and are hereby incorporated into and made a part of this Agreement as though they were fully set forth in this Section 1.01.

Article II. MUTUAL ASSISTANCE

Section 2.01 Mutual Assistance. The parties agree, subject to further proceedings required by law, to take such actions, including the execution and delivery of such documents, instruments, petitions and certifications, copies of which will be provided to all parties, as may be reasonably necessary or appropriate, from time to time, to carry out the Project consistent with the terms, provisions and intent of this Agreement, and to aid and assist each other in carrying out said terms, provisions and intent. Notwithstanding the foregoing, a request will not be considered reasonable if Company is asked to: (a) contribute financial resources toward the rehabilitation and repair of the Property or Project; and/or (b) waive rights to just compensation under any applicable laws for the limitation of access or the taking of other property rights affecting the Property that are outside the scope of the Project. Nothing herein is intended to alter Company's obligations set forth in Section 3.04 below.

Article III. PROJECT DEVELOPMENT

Section 3.01 Real Property Improvements. Subject to compliance with all applicable statutory requirements, the RDC intends to partially fund the rehabilitation and repair of the Property and Project by providing up to Two Hundred Fifty Thousand Dollars (\$250,000), either in advance of payment of same by the City or as reimbursement to the City if the City has paid for same. The City and the RDC agree that Company is not responsible for any portion of the funding for the Project.

Section 3.02 Temporary Construction Easement. The Company will grant immediately upon its execution of this Agreement a temporary construction easement to City to permit it to enter onto the property for purposes of making the improvements, the form and terms of which will be agreed to by the parties.

Section 3.03 Project Development. The City will commence the design and construction of the Project by no later than thirty (30) days following the execution of this agreement, which design and construction plans (the "Final Plans") will be subject to obtaining the consent of the Company, which consent will not be unreasonably withheld, conditioned or delayed. The City will complete construction and improvements of the Project in accordance with the Final plans within six (6) months thereafter, subject to permitted delays provided for in Section 3.05 hereof. Completion of the Project will be deemed to have occurred by the City upon and completion of the improvements thereon in accordance with the Final Plans, and full operation of the parking lot.

Section 3.04 Post-Completion Duties. Upon completion of the Project, the Company will be responsible for maintaining the improvements as installed in good condition, ordinary wear and tear excepted. Further, Company will not make any material changes to the design or layout of the improved area for a period of five (5) years without first obtaining the consent of the City, which consent will not be unreasonably withheld, conditioned or delayed. Further, the Company agrees to reimburse the City for the cost of the improvements in the event the Company makes material changes to same without the City's consent during this five (5) years period. The parties

agree to record a memorandum of this agreement in order to put interested persons on notice of the Company's obligations with respect to post-completion duties.

Section 3.05 Permitted Delays. Whenever performance is required of any party hereunder, such party will use all due diligence and take all reasonably necessary measures in good faith to perform; provided, however, that if completion of performance is delayed at any time by reason of acts of God (such as weather), war, civil commotion, riots, strikes, picketing, or other labor disputes, unavailability of labor or materials, or damage to work in progress by reason of fire or other casualty, unforeseen delays in obtaining licensing or permits or similar causes beyond the reasonable control of a party, then the time for performance as herein specified will be appropriately extended by the time of the delay actually caused by such circumstances. If (i) there should arise any permitted delay for which City or the RDC is entitled to delay its performance under this Agreement and (ii) City or RDC anticipates that such permitted delay will cause a delay in its performance under this Agreement, then City or RDC, as the case may be, agrees to provide written notice to the other parties of this Agreement of the nature and the anticipated length of such delay.

Section 3.06 Alternative Financing. If the RDC and City agree that an alternative form of financing the incentive would better accomplish the purposes of this Agreement, the terms of this Agreement will be amended to provide for such alternative financing.

Section 3.07 Risk of Work. The work performed by City will be at its risk, exclusively.

Section 3.08 Indemnity. The City and RDC will hold harmless and indemnify the Company, its lessees, licensees, employees, agents, contractors and assigns, and each of their lessees, licensees, employees, agents, contractors and assigns, against any and all claims, liabilities and costs (including, but not limited to reasonable attorney's fees) for injuries to any person and damage to any property arising out of, in connection with, or as a result or consequence of the Project, until such time as the Project is complete and Company's responsibilities begin as set forth in Section 3.04, herein. Notwithstanding the foregoing, the indemnity obligation of the City is limited by all limitations on liability available to the City as a political subdivision of the State of Indiana under the laws of the State of Indiana including the Indiana Tort Claims Act.

Article IV. AUTHORITY

Section 4.01 Actions. The RDC and City represent and warrant that each has taken or will take (subject to further proceedings required by law) such action(s) as may be required and necessary to enable it to execute this Agreement and to carry out fully and perform the terms, covenants, duties and obligations on its part to be kept and performed as provided by the terms and provisions hereof.

Section 4.02 Powers. The RDC and City and the Company represent and warrant that each has full lawful right, power and authority, under currently applicable law, to execute and deliver and perform their respective obligations under this Agreement.

Article V. GENERAL PROVISIONS

Section 5.01 Time of Essence. Time is of the essence of this Agreement. The parties will make every reasonable effort to expedite the subject matters hereof (subject to any time limitations described herein) and acknowledge that the successful performance of this Agreement requires their continued cooperation.

Section 5.02 Breach. Before any failure of any party of this Agreement to perform its obligations under this Agreement will be deemed to be a breach of this Agreement, the party claiming such failure will notify, in writing, the party alleged to have failed to perform such obligation and will demand performance. No breach of this Agreement may be found to have occurred if performance has commenced to the reasonable satisfaction of the complaining party within thirty (30) days of the receipt of such notice. If after said notice, the breaching party fails to cure the breach, the non-breaching party may seek any remedy available at law or equity, subject however to the compulsory non-binding mediation provided in Section 6.13, below.

Section 5.03 Amendment. This Agreement, and any exhibits attached hereto, may be amended only by the written mutual consent of the parties, and by the execution of said amendment by the parties or their successors in interest.

Section 5.04 No Other Agreement. Except as otherwise expressly provided herein, this Agreement supersedes all prior agreements, negotiations and discussions relative to the subject matter hereof and is a full integration of the agreement of the parties.

Section 5.05 Severability. If any provision, covenant, agreement or portion of this Agreement or its application to any person, entity or property, is held invalid, such invalidity will not affect the application or validity of any other provisions, covenants, agreements or portions of this Agreement and, to that end, any provisions, covenants, agreements or portions of this Agreement are declared to be severable.

Section 5.06 Construction and Interpretation of Agreement / Indiana Law. This Agreement will be construed in accordance with the laws of the State of Indiana. The parties agree that they and their attorneys have each reviewed this Agreement, and that the normal rules of construction to the effect that any ambiguities are to be resolved against the drafting party or parties will not be employed in the interpretation of this Agreement.

Section 5.07 Waiver Ineffective. No waiver, modification or amendment of any term, condition or provision of this Agreement will be valid or have any force or effect unless made in writing and signed by the parties.

Section 5.08 Notices. All notices and requests required pursuant to this Agreement will be deemed sufficiently made if delivered, as follows:

To Company: McDonald's USA, LLC
Attn: Director, US Legal Department #283
L/C: 013-0286
One McDonald's Plaza
Oak Brook, IL 60523

Effective after June 1, 2018 to Company: McDonald's USA, LLC
Attn: Director, US Legal Department #283
L/C: 013-0286
110 N Carpenter St
Chicago IL 60607-2101

With a copy to: McDonald's USA, LLC
Attn: Kevin Zimny
250 West 96th Street Suite 500
Indianapolis, Indiana 46260

To the RDC: Franklin Redevelopment Commission
70 East Monroe Street
Franklin, IN 46131

To the City: Franklin Board of Public Works and Safety
70 East Monroe Street
Franklin, IN 46131

or at such other addresses as the parties may indicate in writing to the other either by nationally recognized overnight courier or by registered mail, return receipt requested, with proof of delivery thereof. Mailed notices will be deemed effective on the third day after mailing.

Section 5.09 Counterparts. This Agreement may be executed in several counterparts, each of which will be an original and all of which will constitute but one and the same agreement.

Section 5.10 Assignment / Transfer. The rights and obligations contained in this Agreement may not be assigned by the parties, or any affiliate thereof without the express prior written consent of the other parties. Any assignment made is binding upon the assignees. Notwithstanding the foregoing, Company may assign the rights and obligations to a parent corporation or wholly owned subsidiary without the express prior written consent of the other parties. Further, this provision is not intended to in any way limit Company's right to assign the rights and obligations of this Agreement pursuant to a franchise agreement in conjunction with the operation of a McDonald's restaurant on the Property.

Section 5.11 No Third-Party Beneficiaries. Except as otherwise stated expressly here, this Agreement will be deemed to be for the benefit solely of the parties hereto and will not be deemed to be for the benefit of any third-party.

Section 5.12 Effective Date. Notwithstanding anything herein to the contrary, this Agreement will not be effective until all parties hereto have executed this Agreement and the RDC has approved or ratified this Agreement at a public meeting.

Section 5.13 Submission of Disagreements to Mediation. In the event the parties disagree as to any material matter (such as, but not limited to, whether a default has occurred, whether one party has a duty to act or a duty to refrain from acting, or whether an ambiguity exists as to the scope and terms of the parties' agreements), the dispute will be submitted to non-binding meditation under the Indiana Rules of Alternative Dispute Resolution.

Section 5.14 No Joint Venture or Partnership. Nothing contained in this Agreement will be construed as creating either a joint venture or partnership relationship between the RDC and Company, or any affiliates thereof. Neither RDC nor Company is the agent of the other.

IN WITNESS WHEREOF, the parties have duly executed this Agreement pursuant to all requisite authorizations as of the date first above written.

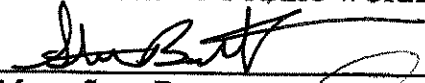
FRANKLIN REDEVELOPMENT COMMISSION


By: _____
Robert D. Heuchan, President

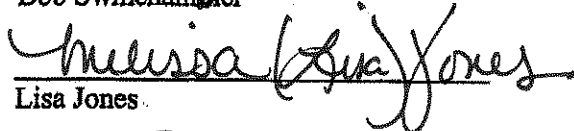
MCDONALD'S USA, LLC


By: _____

FRANKLIN BOARD OF PUBLIC WORKS AND SAFETY

By: 
Mayor Steve Barnett

By: 
Bob Swinehamer

By: 
Lisa Jones

Attest: 
Jayne Rhoades, Clerk-Treasurer