



January 29, 2020

**Mayor Kriseman**  
c/o Alfred Wendler  
Director, Real Estate & Property Management  
Municipal Services Center One  
4<sup>th</sup> Street North, 9<sup>th</sup> Floor  
St. Petersburg, Florida 33701

**RE: Development Joint Venture – St. Petersburg, Florida**

Mayor Kriseman:

This letter of intent outlines the basic terms of Lincoln's response to your Request for Proposal in relocating the Municipal Services Center and garage from its current location (1 4<sup>th</sup> St N) to the City owned Parcels located at the North side of 2<sup>nd</sup> Avenue N between 4<sup>th</sup> and 5<sup>th</sup> Street, Approximately 1.38 acres, and then, the subsequent sale of the existing site to Lincoln.

The basic tenets of the proposal, which may be further tailored to meet the exact needs of the City as they become known and /or more defined in the future, are as follows:

Lincoln Property Company proposes to form a Joint Venture with the City of St. Petersburg for the sole purpose of developing / constructing a new office facility and parking structure to house a new Municipal Services Center (and any other needs of the City it selects). The City will contribute the 2<sup>nd</sup> Avenue N land into the Joint Venture and Lincoln Property Company will in essence be responsible for the rest.

In this joint venture, Lincoln will be responsible for 100% of the funding for the construction of the new Municipal Services Center (MSC) building, and its associated parking. This new MSC, will be part of a new "twin tower, mid-rise Class A office sitting on top of a podium of parking and ground floor retail, and a public park. This 'City Commons' designed project is planned for up to 250,000sf of office (150,000sf for the new MSC and 100,000sf of speculative office); with up to 30,000sf of retail; served by a 1000-car parking facility, all of which overlooks and frames a public plaza/park open-space setting to be enjoyed by all citizens and guests. For clarity, any and all costs associated with the speculative office building component will be the sole responsibility of Lincoln.

As part of the Joint Venture, the city will lease the new building and parking facility. As part of the lease agreement, City can elect to purchase the 'new MSC' building (and parking) from the Joint Venture at any time during the initial five-year term. If the City does not exercise the purchase option the Joint Venture may either elect to continue the lease or sell the building. If the building is sold, the parties to the Joint Venture (the City and Lincoln) will share equally (50/50) in the net profits of such sale. The City, as it plans the future needs for this ever-growing City, may also have the option / right, but not the obligation, to purchase Lincoln's speculative office building/tower to house more civic functions and services in one location.

Also, as part of this agreement, and no later than occupancy by the City of its new aforementioned facility, Lincoln will purchase the existing municipal building for eleven million dollars (\$11,000,000). Lincoln's purchase of the site and its subsequent development plan on the Central Avenue site is to build a Class A mixed-use development with a heavy focus on the merging blend of "live and work". The projected preliminary scope includes the right to develop the following types of uses / densities up to:

- **200,000 Sf** of Class A Office;
- **400 Residential** Units – both for sale and rental;
- **Club Level** restaurant and meeting space;
- 200-key **Hotel**;
- 25,000sf of **Ground Floor / street level Retail** -
- 1200-space parking facility (with valet operations);

We believe strongly in the growth of the City of St. Petersburg and are excited to work with the City to contribute to that growth. We look forward to designing and developing this unique public – private environ together with the City, which would leverage our current Downtown investments (ownership of one of the largest office buildings in Downtown – 490 1st Ave) , and our continued support of the arts via the Echelman Art Project, in pursuit of a successfully well rounded "Live, Work and Play" Downtown.

Thank you for your consideration.

Best Regards,



**Scott R. Stahley**  
**Executive Vice-President**  
**Lincoln Property Company**