Iowa State University ("ISU") is pleased to present this term sheet which sets forth some of the general terms upon which ISU would consider a ground lease within the CYTown development. Any final lease agreement is subject to Board of Regents approval and can only be executed by ISU after formal approval by the Board of Regents.

**Landlord:** Iowa State University (or related entity)

**Tenant:** McFarland Clinic, P.C. Subject to review of Tenant's financial condition prior to the Lease Effective Date, individual guarantees will not be required.

**Land Premises:** Parcel of land consisting of approximately 30,000 square feet, as generally illustrated on the enclosed site plan (the "Land"). The location and exact configuration of the Land shall be mutually agreed to by Tenant and Landlord before the date the ground lease is fully signed by both parties (the "Lease Effective Date"). The Land will be part of Phase I of the project known as CyTown (the "Project"). ISU makes no guarantees on timing of future amenities, buildings or development within the Project except as provided in the Lease.

**Tenant’s Use:** Tenant shall use the Land for the construction and operation of a medical facility under tradename McFarland Clinics, and no other use without ISU's consent (the “Building”).

**Access and Easements:** Landlord shall grant Tenant, its agents, employees, customers and invitees a non-exclusive right and easement to utilize all interior drive aisles, parking spaces, curb cuts, utility lines and stormwater detention facilities located west and north of the Land as shown on Exhibit A, which shall be completed by Landlord as part of Landlord’s Work (collectively, the “Required Common Areas”). In addition, Landlord shall grant Tenant, its agents, employees, customers and invitees a non-exclusive right and easement to utilize all interior drive aisles, parking spaces, curb cuts, utility lines and stormwater detention facilities hereafter constructed and made part of the Project by ISU. Tenant acknowledges that the parking facilities will not be available during ISU home football game days.

**Parking:** Landlord shall provide a minimum of 4 parking stalls per 1,000 square feet of Tenant's building area, which are available for Tenant's use on first come, first serve non-exclusive basis.

**Lease Term:** Thirty (30) year primary term with four (4) separate renewal options of five (5) years each.
### Base Rent:

<table>
<thead>
<tr>
<th>Year</th>
<th>Base Rent</th>
<th>Increase per Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary Term</td>
<td>Year 1: $50,000 per year</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Years 2-30: $5,000 increase per year</td>
<td></td>
</tr>
<tr>
<td>Option Periods</td>
<td>Years 31-35: $200,000* with $5,000 increase per year</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Years 36-40: $225,000* with $5,000 increase per year</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Years 41-45: $250,000* with $5,000 increase per year</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Years 46-50: $275,000* with $5,000 increase per year</td>
<td></td>
</tr>
</tbody>
</table>

*The Option Period base rent shown above reflects Tenant electing to leave the Security Deposit (detailed below) with the Landlord. Should Tenant elect to have the Security Deposit distributed (options detailed below) the Landlord base rent during the option period(s) shall reset to: Year 31 @ $424,245 per year with 2% increases per year.

### Building Construction:

Tenant, at its sole cost, shall be responsible for the design and construction of the Building in accordance with applicable law. The Building size shall be no less than 50,000 square feet. The Landlord shall be the owner of the Building. Landlord shall have the right to review and approve Tenant’s proposed site plan, building plans and elevations. The exterior building elevations shall be subject to the development’s architectural standards. The Building shall be constructed on a competitive bid basis.

### Approvals

Before the Lease Effective Date, Tenant shall (a) obtain financing for construction of the Building, (b) site plan approval from ISU, (c) any required government approvals for final construction plans, (d) approve the Site CAM and any Master Operation and Easement Agreement for the Project. Before the Lease Effective Date, Landlord shall (a) approve Tenant’s final construction plans and schedule, (b) obtain approval of the Board of Regents, and (c) finalize the Site CAM and any Master Operation and Easement Agreement for the Project.

### Delivery Date:

[TBD] days after the Lease Effective Date (target of April 2024). The Delivery Date shall be the date that Landlord has substantially completed the Site Work.

### Building Construction Period:

[14 Months] after the Delivery Date. Subject to force majeure matters (to be defined in the Lease), Tenant shall commence and diligently pursue completion of the Building before end of the Building Construction Period.
Commencement Date:

Lease Term, Base Rent and Additional Charges shall commence on the earlier of (i) 450 days following the Delivery Date, or (ii) Tenant opening for business. Prior to Commencement Date, Tenant shall transfer the Building to ISU free of mortgage or other monetary liens. Upon such transfer and subject to continued compliance with the Lease, Tenant shall enjoy the exclusive full use and occupancy of the Building without additional rent or other consideration (other than the Rent first specified above).

Building Improvements and Maintenance:

Beginning on the Commencement Date and during the Lease Term (including all renewal options), Landlord agrees to fund such Improvements and betterments and maintenance intended to increase the Building’s estimated useful life and/or appraised value (collectively, “Building Improvements”) as are agreed to by the parties in an aggregate amount not to exceed the actual cost of the original construction of the Building (“Original Cost”). All other leasehold improvements, including but not limited to purchases of furniture, fixtures, or equipment not part of the actual Building structure, are the responsibility of Tenant.

At the conclusion of the Lease Term (including all renewal options), if the Landlord has not funded improvements and betterments and maintenance in an amount equal to the Original Cost, Tenant will receive a credit equal to the remaining amount of the Original Cost to be applied towards future Building lease payments owed to Landlord in subsequent lease terms. If at the conclusion of the Lease Term (including all renewal options) Tenant elects to not renew the Lease, Tenant may elect to take the the remaining amount of the Original Cost, if any, as a lump sum payment.

Tenant proposed Building Improvements funded by Landlord under this provision must be pre-approved in writing by the landlord, which approval will not be unreasonably withheld or delayed.

 Tenant’s Obligations:

Beginning on the Commencement Date, all real estate taxes or the equivalent, insurance, and replacement, repair and maintenance attributable to the Land and Building to be paid or performed by Tenant.

Common Area Maintenance:

Tenant shall self-maintain the area “Inside the curbs” of the Land; in addition, Tenant shall pay its pro-rata share of common area maintenance for common access roads and other common elements (the “Site CAM”) within the Project as more particularly described in a Master Operating Agreement to be finalized before Lease Effective Date. Tenant shall have a right to audit Landlord’s books and records with regards to such charges.

Site CAM shall be based on the Land Premises (building pad) area of 30,000 square feet. The estimated Site CAM is:
Real Estate Taxes:

Tenant shall pay the real estate taxes or the equivalent for the Land and Building, which shall be calculated by the taxable value and the Levy/Tax Rates in the City of Ames. This provision shall be further addressed in the Lease.

Utilities:

Beginning on the Delivery Date, Tenant will pay the charges for electricity, gas, water and sewer consumed at the Land and Building, all of which will be separately metered.

Landlord’s Site Work:

Before the Delivery Date, Landlord shall perform all site improvement work, in accordance with mutually agreeable site specifications, which may include the following (the “Landlord’s Work”):

(a) Clearing and removing vegetation, cutting, excavating, filling and compacting in accordance with specifications to be attached to the Lease.

(b) Extension of all utility lines to boundary of the Land.

(c) The installation and paving, striping and illuminating of all parking areas, roadways, sidewalks and all other Required Common Area, excluding the sidewalk in front of and surrounding the Tenant’s Building.

(d) The Installation of storm drainage, sanitary system and water in accordance with specifications approved before the Lease Effective Date.

(e) Weather permitting, installation of all landscaping located outside the back of curb.

Security Deposit:

On the Lease Effective Date, Tenant shall make a security deposit payment to Landlord equal to $3,000,000 (the “Security Deposit”). Provided no uncured event of default, the Security Deposit at the end of the Primary Lease Term shall be returned to Tenant; provided, however, that Tenant shall have the option on how it elects to take the Security Deposit, which shall be further addressed in the lease, and may include the following:

- Tenant may elect to leave the Security Deposit with the Landlord and apply to “buydown” future Land Lease Payments during the option period(s).
Tenant may elect to take the Security Deposit with the Landlord paying for $3MM of leasehold improvements to the Building.

If Tenant elects to not renew the Lease, Tenant may elect to take the Security Deposit as a lump sum payment.

Building Signage: Tenant shall be allowed to install its signage on the exterior sides of the Building which shall be subject to review and approval by Landlord.

Monument Signage: In accordance with the Master Operating Agreement, Landlord will provide Tenant with space on any future development monument sign(s).

Lease Form: Landlord shall be responsible for preparing the first draft of the lease.

Lease Compliance: Lease compliance shall be part of the lease negotiation process and is subject to the Board of Regents, State of Iowa approval.

Insurance: During the construction phase, the Tenant is required to maintain builder's risk insurance in an amount and form that is reasonably acceptable to the Landlord. Once the construction is completed, the Tenant must maintain sufficient liability and casualty insurance in an amount and form that is reasonably acceptable to the Landlord.

Confidentiality: Subject to applicable laws, including the Iowa Public Records statute, Landlord and Tenant will use its best efforts to keep the terms and conditions contained herein and the details of ensuing negotiations confidential between parties.

This term sheet is subject to change, modification or withdrawal, without penalty, by either party prior to full lease execution. This term sheet shall not bind either the Landlord or Tenant, and there shall be no binding agreement between the Landlord and Tenant, unless and until a final lease document has been executed and delivered by both Landlord and Tenant. Therefore, the preparation, revision or delivery of this term sheet or any lease for examination and discussion shall in no event be deemed an offer or an obligation to lease the Land Premises.

McFarland Clinic, P.C.
By ____________________________
09/06/2023, Its CEO

Iowa State University
By ____________________________
09/07/2023, Its President
Memorandum of Understanding Between Iowa State University and The City of Ames, Iowa Relating to the CYTown Development

This Memorandum of Understanding ("MOU" or "Agreement") entered this ___ day of ______________, 2024, by and between the CITY OF AMES, IOWA ("City"), and IOWA STATE UNIVERSITY OF SCIENCE AND TECHNOLOGY ("Iowa State University" or "ISU"),

RECITALS

Iowa State University is the owner of property located between Lincoln Way and Jack Trice Way, South University Boulevard to Beach Avenue ("CYTown Development Area"); and,

Iowa State University intends to develop the CYTown Development Area to create a multi-use district, which may contain uses including retail, office, residential, medical, entertainment, event space, hotel, research, academic, administrative, and other similar activities and related supporting infrastructure; and,

The existing major facilities located within the boundaries of the CYTown Development Area, including C.Y. Stephens Auditorium, Fisher Theater, Hilton Coliseum, and the Scheman Building, have been art and cultural anchors of the Ames and ISU community since the first facility was opened in 1969; and,

The City and ISU agree that a prosperous local arts and entertainment community improves the welfare, comfort, and convenience of Ames’ citizens, promotes economic development and tourism, and enhances the community identity; and,

The existence of quality facilities and equipment is necessary to achieve these objectives; and,

The existing facilities require substantial financial investments in maintenance and enhancements, and insufficient funding exists to complete these investments; and,

The development of complementary facilities and attractions within the vicinity creates the opportunity to both finance those investments and regain the status of these facilities as a premier performing arts, visitor, events, and entertainment center of the community and state; and,

The City and ISU have a long history of cooperating together for the benefit of both the Ames Community and the University.
Accordingly, it is the mutual desire of ISU and the City to realize the development of a premier performing arts, visitor, events, and entertainment area, and the parties have committed to mutual understanding regarding the cooperation between them as provided for in this MOU to achieve this development.

I. DESCRIPTION OF DEVELOPMENT GOALS

The parties intend that the CYTown Development Area (which area is described in Section IV of this Agreement) will achieve the following:

A. Rehabilitate and enhance the performing arts, visitor, and events facilities within the CYTown Development Area, for the benefit of Iowa State University and the community of Ames; and,

B. Develop new Convention and Hotel space and rehabilitate existing Convention space; and,

C. Attract and retain students, visitors, employees, and businesses to Iowa State University and the City of Ames; and,

D. Develop a “destination” to attract individuals to the community to work, play, and live; and,

E. Generate revenues to achieve the rehabilitation and enhancement efforts as described above.

II. PURPOSE OF MEMORANDUM OF UNDERSTANDING

It is the purpose of this MOU to:

A. Establish the Principles and General Understanding between the parties regarding their cooperative relationship to establish the goals set forth above; and,

B. Identify mutually beneficial funding sources to help accomplish the rehabilitation and enhancement of the performing arts, visitor, and events facilities within the CYTown Development Area; and,

C. Develop a framework to resolve issues that may arise between the Parties pertaining to taxability and other legal provisions that may jointly impact ISU and the City.

III. DEFINITIONS:

As used in this MOU, the following terms have the meanings outlined below:
**Convention** – Conferences, seminars, trade shows, meetings, trainings, or symposia, generally of an educational or professional nature, where indoor open space is necessary to facilitate an assembly of people with a common interest.

**CYTown Suites** – Apartment-style dwelling units, access to which is made available to certain donors to ISU.

**Events** – Scheduled activities that provide opportunity for interaction in a social setting, including banquets, galas, balls, or lectures.

**Food and Drink Establishments** – Restaurants, bars, breweries, distilleries, and other places serving food or beverages, providing service to visitors to the CYTown Development Area.

**Hotel** – Any number of buildings or portions thereof providing lodging or rooming to transient members of the public.

**Medical** – A facility providing medical or surgical care to patients where overnight care is not provided.

**Office** – A facility containing activities conducted in an office setting and primarily focusing on administrative, business, government, professional, medical, or financial services.

**Performing Arts** – Creative arts performed in front of an audience, including music, dance, comedy performances, and theater.

**Retail** – A facility containing uses that involve the sale, lease, or rental of new or used consumer products, including prepared foods, to the general public and uses providing services involving predominantly personal or business services, including repair of consumer and business goods. Retail shall not include service stations, motor vehicle, truck, or equipment sales.

**Tenant** – Any non-ISU person or entity charged rent, or where any other consideration is required in exchange for a right to occupy the premises by a non-ISU person or entity.

**Visitor** – A person who travels to the CYTown Development area to enjoy an event, food and drink establishment, performing art, or entertainment activity.

**IV. CYTOWN DEVELOPMENT AREA COMPONENTS:**

A. The extent of the CYTown Development Area is depicted on Attachment 1 to this Agreement. The CYTown Development Areas consists of the land and improvements
located south of Lincoln Way, north of Jack Trice Way, west of South University Boulevard, and east of Beach Avenue, in Ames, Iowa, excluding:

1. The Alumni Center building,

2. Any traditional research, academic, or administrative building servicing solely ISU within the boundaries of the CYTown Development Area, and

3. The existing facilities in the CYTown Development Area including (“Existing Facilities”):
   a. C.Y. Stephens Auditorium
   b. Fisher Theater
   c. Scheman Building
   d. Hilton Coliseum
   e. Campbell Transit Center

B. PROPOSED FACILITIES:

<table>
<thead>
<tr>
<th>BLDG.</th>
<th>PHASE</th>
<th>USE</th>
<th>PLAN AREA (sq. ft.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>II</td>
<td>University Use</td>
<td>20,300</td>
</tr>
<tr>
<td>B</td>
<td>II</td>
<td>Retail / Event</td>
<td>15,000</td>
</tr>
<tr>
<td>C</td>
<td>II</td>
<td>L1: Office / L2-3: Office / Suites</td>
<td>9,500</td>
</tr>
<tr>
<td>D</td>
<td>I</td>
<td>L1: Office / L2-3: Office / Suites</td>
<td>7,000</td>
</tr>
<tr>
<td>E</td>
<td>I</td>
<td>L1: Office / L2-3: Office / Suites</td>
<td>24,050</td>
</tr>
<tr>
<td>F</td>
<td>I</td>
<td>Medical Clinic</td>
<td>16,667</td>
</tr>
<tr>
<td>G</td>
<td>I</td>
<td>Restaurant / Event</td>
<td>15,823</td>
</tr>
<tr>
<td>H</td>
<td>I</td>
<td>Retail / Event</td>
<td>12,025</td>
</tr>
<tr>
<td>I</td>
<td>I</td>
<td>Retail / Event</td>
<td>12,025</td>
</tr>
<tr>
<td>J</td>
<td>II</td>
<td>Retail / Event</td>
<td>17,000</td>
</tr>
<tr>
<td>K</td>
<td>II</td>
<td>Retail / Event</td>
<td>15,000</td>
</tr>
<tr>
<td>L</td>
<td>II</td>
<td>Convention / Hotel</td>
<td>55,000</td>
</tr>
</tbody>
</table>

C. The proposed facilities and their configuration as described in the table above are preliminary and conceptual in nature, and the parties understand that the facilities to be constructed and operated may not be built to these exact specifications of square footage or locations. The configuration, timing of the construction, and opening of the proposed facilities described in this MOU is within the sole discretion of Iowa State University.

D. In general, however, for purposes of this MOU only, the CYTown Development Area is described in the following two phases:
1. **Phase I** - the facilities located in the portion of the CYTown Development Area bounded on the south by Jack Trice Way and on the north by an east-west line 700 feet north of the centerline of Jack Trice Way (Buildings E, F, G, H, and I as depicted on Attachment 2)

2. **Phase II** - any facility not included in Phase I.

E. As part of the development expenses of the CYTown Development Area, the Campbell Transit Center has been demolished and will be reconstructed by ISU in another portion of the CYTown Development Area to facilitate the construction of the overall CYTown Development Area. For purposes this MOU, the relocated Campbell Transit Center is not part of Phase I or Phase II.

**V. ISSUES OF STATE LAW**

A. The Parties understand that there are areas of State law including taxation and competition with private enterprises that may impact the development. While recognizing that this MOU does not supersede State law, the Parties agree, to the extent allowed by State law, to work together where appropriate to attempt to address and resolve issues that arise relating to any aspect of the CYTown Development that implicates issues of governmental competition with private enterprise or taxation.

B. The City and ISU agree that to the fullest extent allowed by law, from the revenue generated through the CYTown Development, an amount equivalent to the normal property tax collection attributable/payable to the City for similar private developments will be invested back into the CYTown Development as described in this MOU Paragraph VII. The City and ISU agree to take all action within their legal authority to facilitate this intent. The parties agree not to take any formal affirmative action within their legal authority inconsistent with this intent.

C. The agreements described in this paragraph and the provisions of this MOU apply exclusively to the CYTown Development Area and shall not establish a precedent with respect to the Parties’ relationship on other development projects.

**VI. CYTOWN ADVISORY COMMITTEE**

A. The Parties agree to create a “CYTown Advisory Committee” consisting of the following (or their designees):

1. The Iowa State University President
2. The Iowa State University Research Park President
3. The City Manager of the City of Ames

B. The purpose of the CYTown Advisory Committee is to:

1. Provide input to the Iowa State University President on the overall development of the CYTown Development Area. To that end, the Committee will perform an annual financial review of the Development Area and make recommendations regarding a plan for the investments in, and a schedule for, the planned improvements.

2. Appear before and present information to the Ames City Council, in the event ISU intends to demolish any of the Existing Facilities during the term of this Agreement. Such presentation shall occur prior to commencement of demolition, except where a building has been damaged as a result of disaster or calamity and demolition is necessary as a matter of urgency to protect life or property.

3. Discuss any issues pertaining to the CYTown Development Area which are not disposed of by this Agreement.

VII. PROPERTY TAX AND PROPERTY TAX EQUIVALENTS COLLECTED IN LIEU OF TAXES (MOU PILOT)

A. ISU agrees to collect from Tenants in buildings in the CYTown Development Area (as described and subject to the exclusions in Section IV of this Agreement) an amount in addition to any charges for rent or common area maintenance, which amount shall be a Payment in Lieu of Tax (PILOT).

B. The amount of PILOT to be collected for each building in a given year shall be calculated in a manner similar to the assessment of property and the collection of property taxes in the City of Ames, per the procedures described below:

1. Upon receipt of approval for occupancy of a building by the State Fire Marshal, ISU shall notify the Ames City Assessor and request that an assessment value be established for that building as required by Iowa Code Section 427.1(18). It is understood that an assessment value provided by the Ames City Assessor is to be used by the Parties for the purpose of determining value to fulfill the provisions of this Agreement, and that the assessment value is not a tax statement.
The assessment value shall be considered the “Building Value” for the purposes of this Agreement. The Building Value is subject to revision by the City Assessor from time to time through normal assessment processes (e.g., revaluation in odd-numbered years; changes due to additions, demolition, renovations, etc.). The most recently established Building Value shall be the value used for the calculation of PILOT for a given building. Nothing in this paragraph restricts in any way the rights of ISU or any other qualified party to protest the Building Value established by the Ames City Assessor as provided in Iowa law, in which case the assessment value established through the protest process and any applicable appeals shall be the considered the Building Value.

a. In the event the Ames City Assessor fails to furnish a Building Value to ISU in an assessment notice mailed on or before April 1 of the year following initial occupancy or in any odd-numbered year thereafter, then the Building Value for that year shall be established through an independent appraisal prepared in accordance with the Uniform Standards of Professional Appraisal Practice. The appraisal report shall be completed on or before June 1. The selection of an appraiser and the costs therefor shall be the responsibility of ISU. Upon receipt of the independent appraiser report, ISU shall provide a copy to the City. Annually thereafter, the Building Value shall be as calculated by the Ames City Assessor per Paragraph VII(B)(1) above, or through the provisions of this Paragraph VII(B)(1)(a).

2. The Building Value, as established in accordance with Paragraphs VII(B)(1) and VII(B)(1)(a) above, is not required to be determined for any building(s) for which property tax has been otherwise assessed and collected by any taxing authority.

3. ISU shall cooperate with reasonable requests by the Ames City Assessor to review construction documents, lease agreements, and/or conduct site inspections for the purpose of establishing value in the initial and subsequent years. Because building code compliance on State property is under the jurisdiction of the State Fire Marshal rather than the City of Ames, ISU agrees to notify the Ames City Assessor of any alterations, additions, renovations, demolition, or other building modifications that occur to any building after it becomes initially occupied.
4. On or before June 1 each year, ISU shall furnish the City with land values for each building as of January 1 of that year for the purpose of calculating PILOT.

5. On or before July 1 each year, the City shall furnish ISU with statements for each building for which a value has been established, which shall describe the following:

   a. The most recent Building Value.

   b. The most recent land value as furnished by ISU.

   c. Amounts calculated by multiplying that Building Value and that land value by the most recent assessment limitation percentage (rollback) certified by the Iowa Department of Revenue as applicable to the type of use for that building.

   d. The amounts calculated in Paragraph VII(B)(5)(c) then divided by $1,000 and multiplied by the adopted Ames City/Ames Community School District (Tax District Number 850067) Consolidated Levy Rate (“CLR-850067”) for the period beginning July 1 of that year. This amount is the total amount of Payment in Lieu of Tax (“PILOT”) for that building.

   e. The PILOT calculated in Paragraph VII(B)(5)(d) is to be divided into two portions:

      i. **The MOU PILOT** - an amount equivalent to the proportion of the City’s levy rate as compared to the CLR-850067 for that year, as applied to the Building Value only, and

      ii. **The Remainder PILOT** – the portion of the collected PILOT that remains after subtracting the amount of the MOU PILOT.

6. ISU shall collect the PILOT from Tenants not later than June 30 each year for PILOT calculated as of the preceding July 1.

   *This space intentionally left blank*
7. An example of a statement to be furnished to ISU, demonstrating the calculations described in Paragraph VII(B)(5), is shown below:

<table>
<thead>
<tr>
<th>Retail Building XYZ</th>
<th>Building Value (Per Assessor)</th>
<th>Land Value (Per ISU)</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>January 1, 2027</td>
<td>$1,750,000</td>
<td>$625,000</td>
<td>$2,375,000</td>
</tr>
</tbody>
</table>

w/Commercial Property Assessment Limitation (Rollback) for July 1, 2027 (90%)

<table>
<thead>
<tr>
<th>BUILDING VALUE</th>
<th>LAND VALUE</th>
</tr>
</thead>
<tbody>
<tr>
<td>$1,575,000</td>
<td>$562,500</td>
</tr>
</tbody>
</table>

**2027 CYTown PILOT Statement - EXAMPLE**

**THIS IS NOT A TAX BILL**

<table>
<thead>
<tr>
<th>Retail Building XYZ</th>
<th>January 1, 2027 Adopted Levies:</th>
<th>Rate per $1,000</th>
<th>Times Rolled Back</th>
<th>Amount to be Collected On or Before June 30, 2028:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ames City Levy</td>
<td>9.29336</td>
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<td>MOU PILOT:</td>
<td>$14,637.04</td>
</tr>
<tr>
<td>Sum of All Other Levies</td>
<td>21.52286</td>
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<td>Remainder PILOT:</td>
<td>$33,898.50</td>
</tr>
<tr>
<td>TOTAL (CLR-850067)</td>
<td>30.81622</td>
<td></td>
<td>Subtotal:</td>
<td>$48,535.54</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Building Value</th>
<th>Land Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>$2,137,500</td>
<td>$17,334.12</td>
</tr>
</tbody>
</table>

**C.** ISU may dedicate all or a portion of the Remainder PILOT to a specific purpose.

**D.** Phase I MOU PILOT revenues and Phase II MOU PILOT revenues shall be accounted for separately.

**E.** ISU agrees that MOU PILOT revenues collected from Tenants will be used only for the following purposes:

1. **Remittance to the City** – Not later than December 31 each year, ISU shall remit all eligible MOU PILOT revenues, as described below, collected in the previous fiscal year to the City, and the City may use such revenues for any lawful purpose.
The amount of the MOU PILOT revenues eligible to be remitted to the City from each Phase, each year, is limited in accordance with the schedules below:

### PHASE I MOU PILOT REVENUES:

<table>
<thead>
<tr>
<th>Years After the First Building Constructed in Phase I is Approved for Occupancy by the State Fire Marshal</th>
<th>Portion of Phase I MOU PILOT Revenues Collected by ISU That Year Eligible to be Remitted to the City</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-19</td>
<td>0%</td>
</tr>
<tr>
<td>20-24</td>
<td>25%</td>
</tr>
<tr>
<td>25-29</td>
<td>50%</td>
</tr>
<tr>
<td>30 and thereafter</td>
<td>75%</td>
</tr>
</tbody>
</table>

### PHASE II MOU PILOT REVENUES:

<table>
<thead>
<tr>
<th>Years After the First Building Constructed in Phase II is Approved for Occupancy by the State Fire Marshal</th>
<th>Portion of Phase II MOU PILOT Revenues Collected by ISU That Year Eligible to be Remitted to the City</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-19</td>
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a. Notwithstanding the foregoing, in the event ISU transfers or expends any of the Remainder PILOT revenues for a university or governmental purpose other than that which is specifically described in Paragraph VIII(A)(1)(b) of this Agreement (“Withdrawal”), then the City may, at its option, elect to collect from MOU PILOT revenues an amount equal to ISU’s Withdrawal. Such amount collected by the City shall be taken from the MOU PILOT revenues collected by ISU in the same year as the Withdrawal and, if necessary, MOU PILOT revenues collected in subsequent years until the amount equal to ISU’s Withdrawal is collected by the City or this Agreement is terminated, whichever occurs first.

b. The City may, at its option, waive its right to collect any or all MOU PILOT revenues it is eligible to receive from ISU in any given year if the City chooses to further fund improvements in the CYTown Development Area.

c. If any taxing authority determines that a portion of the CYTown Development Area, but not the CYTown Development Area in its entirety, is subject to the payment of property taxes to the City, the Parties agree that: 1) the nontaxable portion of the CYTown Development Area will remain subject to the terms of this MOU, and 2) for the portion of the CYTown
Development Area for which property taxes have been collected and remitted by any taxing authority to the City, ISU will not be obligated to continue collecting or paying the City MOU PILOT for that portion of the CYTown Development Area so long as that portion of the CYTown Development Area remains taxable.

2. **Contribution to Performing Arts, Visitor, and Events Enhancements** – ISU agrees that any MOU PILOT revenues not remitted to the City in accordance with Paragraph VII(E)(1) above will be deposited in the CYTown Development Area Capital Improvements Fund (“Capital Improvements Fund”).

   a. Any funds in the Capital Improvements Fund are to be used exclusively for:

      i. Enhancements to and renovations of any of the following:

         a. C.Y. Stephens Auditorium,
         b. Fisher Theater,
         c. The Scheman Building,
         d. Hilton Coliseum. Enhancements to Hilton Coliseum are limited to improvements to the building envelope (roof, windows, doors), mechanical systems, or seating; or,

      ii. Construction of new flat space or Convention space, not including construction of a Hotel, provided that no further enhancements and renovations are planned or needed for the facilities listed in Paragraph VII(E)(2)(a)(i) above.

   b. Enhancements and renovations to be financed by the Capital Improvements Fund are non-operational activities which include, but are not limited to, restroom renovations and expansion, replacement of carpet and interior finishes, replacement theater seating, patron amenity improvements, building system deferred maintenance, technology upgrades, skywalk connection expansion, theater production improvements, and event space construction and renovation.

   c. However, the Capital Improvements Fund may not be used to finance:
i. Any improvement to Hilton Coliseum other than improvements to the building envelope (roof, windows, doors), mechanical systems, or seating; or,

ii. Decorations, sculptures, landscaping, or other ornamental fixtures within the CYTown Development Area.

VIII. ACCOUNTING FOR CYTOWN FINANCES

A. ISU agrees to operate the finances of the CYTown Development Area as an enterprise (i.e., an isolated, business-like activity). ISU shall create and manage an Operating Fund and a Capital Improvements Fund for the CYTown Development Area.

1. Revenues and expenses shall be assigned to the Operating Fund as follows:

   a. **Revenues:**
      i. Donations and/or fundraising related to the CYTown Suites or other improvements,
      ii. Land rents or leases for commercial spaces,
      iii. Common area maintenance fees,
      iv. Hotel/convention revenues,
      v. Remainder PILOT revenues, except those Remainder PILOT revenues which, through an agreement with another property taxing authority, are either remitted to that authority or dedicated to a specific purpose, and
      vi. All other revenues, excluding MOU PILOT revenues.

   b. **Expenses:**
      i. Operating expenses for CYTown,
      ii. Common area maintenance and development expenses,
      iii. Construction costs and/or Debt service payments for the “Proposed Facilities,” infrastructure, and common areas generally described in Paragraph IV(A) of this Agreement, and
      iv. Developer rebates.

2. Revenues and expenses shall be assigned to the Capital Improvements Fund as follows:

   a. **Revenues:**
      i. Those MOU PILOT revenues not remitted to the City,
ii. A transfer of any unencumbered balance, as determined by ISU, remaining in the Operating Fund at the conclusion of each fiscal year.

b. Expenses:
   i. Debt service or cash for improvements or construction as described in Paragraph VII(E)(2)(b) of this Agreement.

B. It is the intent of ISU to utilize the Capital Improvements Fund from the CYTown Development Area to finance improvements to the Existing Facilities as soon as practicable after sufficient income has been collected to do so. To achieve this goal, ISU shall contract for construction of the first improvements to C.Y. Stephens Auditorium, Fisher Theater, and the Scheman Building prior to the accumulation of any balance in the Capital Improvements Fund exceeding $4,000,000.

C. Not later than December 31 each year, ISU will provide the City with audited financial statements prepared in accordance with Generally Accepted Accounting Principles, which statements include itemized reports of all revenues, operating expenditures, MOU PILOT, debt service, and capital improvements related to the CYTown Development Area Capital Improvements and Operating Funds for the preceding fiscal year. The CYTown Development Area fiscal year will be July 1 through June 30.

IX. ISU RESPONSIBILITIES:

A. All facilities within the CYTown Development Area shall be under the administration, management, governance, and control of Iowa State University. By way of specification but not limitation, all rules, policies, purchases, and contracts pertaining to the construction and operation of the CYTown Development Area shall be the sole prerogative of Iowa State University, except that ISU shall, in general, charge market-based land rents, as reasonably determined by ISU, to all Tenants leasing commercial space within the CYTown Development Area, with the exception of any portion of any building used as “CYTown Suites.”

X. CONSTRUCTION, UTILITIES, AND TRAFFIC

A. Responsibilities regarding construction, ownership, and operation of electric, water, sanitary sewer, storm water, and traffic infrastructure to serve the CYTown Development area, and other responsibilities for permitting and certain public services, are described in a separate agreement between the Parties (“CYTown Development Area Construction, Utilities, Traffic, and Related Services Memorandum of Understanding”).
XI. NO ENTITY CREATED

A. No separate legal entity or agency is created under this Agreement.

XII. AMENDMENT

A. This Agreement represents the entire Agreement of the parties. Except as provided in Paragraphs B-C of this Section, any amendment to this Agreement shall be in writing, approved by each party, and executed by the authorized representative of each party.

B. If ISU, after the effective date of this Agreement, enters into or thereafter amends a similar agreement with another taxing authority, then the City may elect to substitute any of the following provisions in this Agreement with the same provision(s) of the agreement between ISU and the other taxing authority:

   a. The duration as set forth in Paragraph XVI(A) of this Agreement,
   b. The calculation method of the PILOT for that other taxing authority (e.g., a calculation of PILOT that is not based on the proportion of the taxing authority’s adopted levy rate as compared to the consolidated levy rate as described in Section VII of this Agreement), and/or
   c. The portion of PILOT that is eligible to be remitted to the taxing authority in a given year of the Agreement (e.g., the tables set forth in Paragraph VII(E)(1) of this Agreement.

C. Any substitution elected in writing by the City as described in Paragraph XII(B) above shall be considered an amendment as described in this Section and shall be effective on the date notice is received by ISU.

XIII. SEVERABILITY

A. In the event any part or paragraph of this Agreement is declared void as being contrary to Iowa law, the remaining provisions of this Agreement that are valid shall continue in full force and effect.

XIV. INDEMNIFICATION

A. To the extent permitted by law, each party shall indemnify and hold harmless the other party and the other party’s officers, agents and employees, against any and all claims, demands, damages, loss or liability incurred by the indemnified party, including reasonable legal fees, directly or indirectly resulting from or arising out of the negligent or wrongful acts or omissions of the indemnifying party, or its officers, agents or employees.
XV.  PRIOR AGREEMENTS

A.  In the event any provision of this Agreement conflicts with a provision of another Agreement between the parties existing as of the Effective Date of this Agreement, the provisions of this Agreement shall control.

XVI.  TERMINATION

A.  DURATION: This MOU shall remain in effect for thirty-five (35) years from the date the first building in Phase II is approved for occupancy by the State Fire Marshal, unless the Agreement is terminated prior to that date by the mutual consent of the Parties hereto, or through the termination provisions of this Section XVI.

B.  This MOU may be terminated by ISU with 90 days’ notice if the final determination of any taxing authority requires the payment of any property taxes to the City contrary to the provisions of this Agreement.

C.  Upon termination of this MOU, ISU agrees that any balance remaining in the Capital Improvements Fund shall remain subject to the provisions of Paragraphs VII(E)(2)(a-c) and Section VIII of this MOU, which describe the permitted uses of funds. The obligations described in this paragraph shall survive the termination of this MOU and ISU shall be relieved of these obligations only when the balance in the Capital Improvements Fund is exhausted.

XVII.  COUNTERPARTS

A.  This MOU may be executed in any number of counterparts, each of which shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument. The parties acknowledge that this Agreement is subject to Ames City Council and Iowa Board of Regents approval.

IN WITNESS WHEREOF, the Parties hereto have caused this instrument to be executed effective as of the date first above written.

CITY OF AMES, IOWA

By: ________________________________
    John Haila, Mayor

IOWA STATE UNIVERSITY

By: ________________________________
    Wendy Wintersteen, President

Attest: ______________________________
    Renee Hall, City Clerk
ATTACHMENT 2: CYTOWN DEVELOPMENT AREA PHASING PLAN

Phase 1 - Infrastructure Design
- Snyder & Associates Approval - October 2022
- Package #1 - Grading, Water, Sewer Complete - October 2022
- Package #2 - Parking - Phase 1A & 1B Complete - January 2023
- Package #3 - Cyclone Alley Improvements Complete - May 2023
- Package #4 - Parking - Phase 2 Complete - January 2024

Infrastructure Construction
- Package #1 Grading, Water, Sewer - November 2022 - June 2023
- Package #2 Parking - Phase 1A & 1B - June 2023 - September 2023
- Package #3 Cyclone Alley Improvements - October 2023 - July 2024
- Package #4 Parking - Phase 2 - May 2024 - August 2024

Phase 1 - Building Design
G - Restaurant/Event - July 2022 - December 2022
F - Medical Clinic - July 2022 - March 2023
E - CYTown Suites - July 2022 - December 2022
H - Event/Retail - TBD

Phase 1 - Building Construction
G - Restaurant/Event - June 2023 - September 2024
F - Medical Clinic - June 2023 - September 2024
E - CYTown Suites - April 2023 - September 2024
H - Event/Retail - TBD
CYTOWN DEVELOPMENT AREA
CONSTRUCTION, UTILITIES, TRAFFIC, AND RELATED SERVICES
MEMORANDUM OF UNDERSTANDING

BETWEEN
IOWA STATE UNIVERSITY
AND
THE CITY OF AMES, IOWA

This Construction, Utilities, Traffic, And Related Services Memorandum of Understanding (Development MOU or Agreement), made and entered into this ___ day of _____________, 2024 (“Effective Date”), by and between the CITY OF AMES, IOWA (“City”), a municipal corporation existing pursuant to the laws of the State of Iowa, and IOWA STATE UNIVERSITY OF SCIENCE AND TECHNOLOGY (“Iowa State University” or “ISU”).

WITNESSETH THAT:

WHEREAS, Iowa State University is the owner of property located between Lincoln Way and Jack Trice Way and South University Boulevard to Beach Avenue (“CYTown Development Area”);

WHEREAS, it is the mutual desire of Iowa State University and the City to realize the development of CYTown, a multi-use district which may contain uses including retail, office,
residential, medical, entertainment, event space, hotel, research, academic, administrative, and other similar activities and related supporting infrastructure;

WHEREAS, the development of CYTown will facilitate investments in the existing Iowa State Center buildings to create a premier performing arts, visitor, events, and entertainment area;

WHEREAS, the City and Iowa State University have entered into a separate memorandum of understanding to address the financing of the improvements to the Iowa State Center facilities executed by the parties on ________________; and,

WHEREAS, the construction and management of the public services related to the CYTown Development Area requires coordination between the City and Iowa State University with regard to utilities, traffic, public safety, permitting, and other related matters;

NOW, THEREFORE, the parties hereto have agreed and do agree as follows:

I. INCORPORATION OF RECITALS:

A. The foregoing Recitals are incorporated herein as if fully set forth in this paragraph.

II. PURPOSE:

A. It is the purpose of this Agreement to set forth the mutual understanding of the Parties regarding:

1. Design, installation, ownership, operation, and maintenance of utility improvements necessary to serve the CYTown Development Area, including:
   a. Water,
   b. Sanitary Sewer,
   c. Electrical Service, and
   d. Storm Sewer;

2. Design, installation, ownership, operation, and maintenance of traffic improvements necessary to serve the CYTown Development Area;

3. Standards and permitting requirements for storm water management and flood plain development in the CYTown Development Area; and

4. Law enforcement and fire protection services in the CYTown Development Area.
III. DEFINITIONS:

As used in this Agreement, the following terms have the meanings outlined below:

A. **End User** – Each Tenant and each entity responsible for the use and costs of water, sanitary sewer, and/or electric utility services provided by the City within the CYTown Development Area. ISU is considered an End User for any utilities used for common areas within the CYTown Development Area (e.g., parking lot lights, irrigation water connections, etc.).

B. **Tenant** – Any person or entity holding possession of a designated portion of the CYTown Development Area, whether by lease agreement or assignment of responsibility by ISU to one of its organizational sub-units. Tenants include, but are not limited to, commercial space lessees, occupants of each CYTown Suite, and University offices.

IV. GEOGRAPHIC AREA:

A. The CYTown Development Area is depicted on Attachment 1 to this Agreement.

V. WATER SYSTEM IMPROVEMENTS

A. New buildings or other uses of potable water constructed in the CYTown Development Area after the Effective Date of this Agreement are to be provided with a connection to the City’s public water supply service in accordance with the procedures of this Section V.

B. The water mains, fire hydrants, valves, and other appurtenant devices necessary to provide the City’s public water supply service to the new buildings or other uses of potable water within the CYTown Development Area shall be considered “water system improvements.”

C. ISU shall prepare plans and specifications in accordance with standards adopted by the City for water system improvements to be installed within the CYTown Development Area. ISU shall obtain approval for the plans and specifications of the water system improvements from the City’s Municipal Engineer prior to installation.

D. ISU shall install the water system improvements in accordance with the plans and specifications approved by the City.
E. The installation of water system improvements is to be inspected by the City’s construction inspection staff, and ISU shall pay the City for such inspection(s) in accordance with the standard rates and fees charged to other contractors in the City.

F. Upon certification of acceptance and completion of the water system improvements, ownership of the water system improvements shall pass to the City, and the City shall thereafter be responsible for operation and maintenance of the water system improvements, including costs.

G. Service lines extending from the water mains (including the corporation cock, service line, curb cock and curb box, and shut-off valves for the meter setting) to facilities within the CYTown Development Area shall be the responsibility of ISU to install and maintain. ISU agrees to maintain its service lines in a state of good repair as required in Ames Municipal Code Section 28.214.

H. All connections of service lines to water mains shall be completed in accordance with normal City standards and adopted codes for commercial water service line connections. ISU shall notify the City in advance of the connection of service lines to water mains. ISU understands and agrees that the City’s Cross-Connection Control ordinance (Section 28.209B of Ames Municipal Code) requires that any service connection where no City plumbing permit is obtained (reference Section X of this Agreement) must include an approved backflow protection device at the service entrance.

I. End Users of the City’s public water supply system shall have water meters installed in accordance with the City’s normal standards and adopted codes, and the costs for meters shall be paid by ISU.

J. Each meter shall be assigned to a customer account in accordance with the City’s standards as adopted in Municipal Code for water service, and shall be subject to the City’s adopted rates for consumption and other charges in the same manner as the City’s other retail water customers.

K. Buildings or other uses of potable water existing within the CYTown Development Area as of the Effective Date of this Agreement are to remain on the water supply service provided by ISU. However, ISU may request that any such existing building or other use of potable water be transferred to the City’s public water supply service. If approved by the City, any such transfer will take place in accordance with the installation and operation provisions of this Section V, including the requirements for the transfer of ownership to the City for water mains and other water system infrastructure.
L. ISU and the City acknowledge that: ISU has installed certain water system improvements in the CYTown Development Area as of the Effective Date of this Agreement; that the City’s construction inspection staff has inspected the improvements and issued a certification of acceptance and completion; and ownership of the improvements has passed to the City. The location of the improvements is set forth in a Water and Sanitary Sewer Utility Easement Agreement executed by ISU and City and dated June 13, 2024.

M. Any relocated or expanded water system improvements that may become necessary after the initial installation occurs shall be subject to the same design, installation, acceptance, and operating provisions set forth in Paragraphs V(C-J) of this Agreement in the same manner as the original water system improvements.

VI. SANITARY SEWER SYSTEM IMPROVEMENTS

A. New buildings or other uses of potable water constructed in the CYTown Development Area after the Effective Date of this Agreement are to be provided with a connection to the City’s sanitary sewer collection system in accordance with the procedures of this Section VI.

B. The sanitary sewer mains, manholes, and other appurtenant devices necessary to provide sanitary sewer collection for the new buildings and other uses of potable water shall be considered “sanitary sewer system improvements.”

C. ISU shall prepare plans and specifications in accordance with standards adopted by the City for sanitary sewer system improvements to be installed within the CYTown Development Area. ISU shall obtain approval for the plans and specifications of the sanitary sewer system improvements from the City’s Municipal Engineer prior to installation.

D. ISU shall install the sanitary sewer system improvements in accordance with the plans and specifications approved by the City.

E. The installation of sanitary sewer system improvements is to be inspected by the City’s construction inspection staff, and ISU shall pay the City for such inspection(s) in accordance with the standard rates and fees charged to other contractors in the City.

F. Upon certification of acceptance and completion of the sanitary sewer system improvements, ownership of the sanitary sewer system improvements shall pass to the City, and the City shall thereafter be responsible for operation and maintenance of the sanitary sewer system improvements, including costs.
G. Service lines extending from the facilities to the sanitary sewer mains within the CYTown Development Area, including the connection to the sewer main, shall be the responsibility of ISU to install and maintain. ISU agrees to maintain its service lines in a state of good repair as required in Ames Municipal Code Section 28.305(A).

H. All connections of service lines to sanitary sewer mains shall be completed in accordance with normal City standards and adopted codes for commercial sanitary sewer service line connections. ISU shall notify the City in advance of the connection of service lines to sanitary sewer mains.

I. Each customer account for water consumption as described in Paragraph V(J) of this Agreement shall be subject to the City’s adopted rates for sanitary sewer discharge and other charges in the same manner as the City’s other retail sanitary sewer customers.

J. In advance of ISU granting any tenant occupancy of any portion of the CYTown Development Area, ISU shall notify the City of Ames Water and Pollution Control Department if that tenant has the potential to discharge wastewater that is not similar to domestic sewage (e.g., restaurant users, etc.). Such tenant may be required to install grease interceptors or other pre-treatment equipment meeting the design, sizing, and performance specifications provided by the City, as a pre-requisite to obtaining water and sanitary sewer service.

K. Depending on the customer type and their particular sewer discharges, the individual customer accounts described in Paragraphs V(J) and VI(I) of this Agreement may be subject to the provisions in Ames Municipal Code related to the discharge of fats, oils and grease (FOG) or high-strength waste, and/or the industrial pre-treatment program. ISU shall be responsible for the installation, ownership, and maintenance of any grease interceptors or other pre-treatment equipment necessary to comply with the sanitary sewer discharge regulations of Ames Municipal Code.

L. Buildings or other uses of potable water existing within the CYTown Development Area as of the Effective Date of this Agreement which discharge into ISU’s sanitary sewer collection system are to remain on the sanitary sewer collection system provided by ISU. However, ISU may request that any such existing building or other use of potable water that discharges into ISU’s sanitary sewer collection system be transferred to the City’s sanitary sewer collection system. If approved by the City, any such transfer will take place in accordance with the installation and operation provisions of this Section (Section VI), including the requirements for the transfer of ownership to the City for sanitary sewer mains and other sanitary sewer system infrastructure.
M. ISU and the City acknowledge that: ISU has installed certain sanitary sewer system improvements in the CYTown Development Area as of the Effective Date of this Agreement; that the City’s construction inspection staff has inspected the improvements and issued a certification of acceptance and completion; and ownership of the improvements has passed to the City. The location of the improvements is set forth in a Water and Sanitary Sewer Utility Easement Agreement executed by ISU and City and dated June 13, 2024.

N. Any relocated or expanded sanitary sewer system improvements that may become necessary after the initial installation occurs shall be subject to the same design, installation, acceptance, and operating provisions set forth in Paragraphs VI(C-K) of this Agreement in the same manner as the original sanitary sewer system improvements.

VII. ELECTRIC SYSTEM IMPROVEMENTS

A. New buildings or other uses of electric power constructed in the CYTown Development Area after the Effective Date of this Agreement are to be provided with a connection to the City’s Electric Utility in accordance with the procedures of this Section VII and applicable policies and procedures of Ames Municipal Code.

B. The electrical duct bank, transformer pads, and other appurtenant features necessary to provide electrical service for the new buildings and other uses of electric power shall be considered “electrical system improvements.”

C. ISU shall prepare plans and specifications in accordance with standards adopted by the City for the electrical system improvements [to be furnished by ISU, as described in Paragraph VII(B)], and the electrical distribution cable and transformers [to be furnished by Ames, as described in Paragraph VII(F)] to be installed within the CYTown Development Area. ISU shall obtain approval for the plans and specifications from the City’s Electric Services Department engineering staff prior to installation.

D. ISU shall install the electrical system improvements in accordance with the plans and specifications approved by the City.

E. The installation of electrical system improvements is to be inspected by the City’s Electric Services Department engineering staff, and ISU shall pay the City for such inspection(s) in accordance with the standard rates and fees charged to other contractors in the City.
F. The City shall be responsible for furnishing and installing all electrical distribution cable and transformers necessary to provide electric power service to new buildings or other uses of electric power within the CYTown Development Area. All electrical equipment from the electrical distribution system up to and including the transformer, shall be owned and maintained by the City.

G. Electric service lines extending from the transformers to individual buildings or other users of electrical power within the CYTown Development Area shall be owned, installed and maintained by ISU. All connections of service lines to electrical transformers shall be completed in accordance with normal City standards and adopted codes for commercial electrical connections.

H. End Users of the City’s Electric Utility services shall have separate electrical meters and instrument transformers (if instrument-rated) installed in accordance with the City’s normal standards and adopted codes, and the cost for electric meters and instrument transformers shall be paid by the City. ISU shall provide meter panels and any current transformer enclosures at its cost and where specified by Ames Municipal Electric System as necessary to provide electrical service.

I. Each meter shall be assigned to a customer account in accordance with the City’s standards as adopted in Municipal Code for electrical service and shall be subject to the City’s adopted electrical rates and other charges in the same manner as the City’s other retail electrical customers.

J. Any street lighting or parking lot lighting within the CYTown Development Area shall be the responsibility of ISU to own, install, and maintain. Street and/or parking lot lighting shall be connected to the City’s Electric Utility at metering locations as agreed between Ames and ISU. Costs for electricity for street lighting or parking lot lighting shall be paid as provided in Paragraph VII(I) of this Agreement.

K. Buildings or other uses of electric power currently serviced by ISU and existing within the CYTown Development Area as of the Effective Date of this Agreement are to remain on the electric power system provided by ISU. However, ISU may request that any such existing building or other use of electric power within the CYTown Development Area be transferred to the City’s Electric Utility as a retail customer. If approved by the City, any such transfer will take place in accordance with the installation and operation provisions of this Section VII and any additional infrastructure or conditions determined necessary by the City to complete the acceptance and connection, such as metering, primary connections, transformers, etc.
L. Any relocated or expanded electrical system improvements that may become necessary after the initial installation occurs shall be subject to the same design, installation, acceptance, and operating provisions set forth in Paragraphs VII(C-J) of this Agreement in the same manner as the original electrical system improvements.

VIII. STORM WATER MANAGEMENT

A. ISU shall be responsible for the management of storm water within the CYTown Development Area, including any special storm water management practices and improvements necessary on a temporary basis during construction, in accordance with the provisions of the ISU Municipal Separate Storm Sewer System Permit as issued by the Iowa Department of Natural Resources.

B. ISU shall provide the City with a copy of its Storm Water Management Plan for the CYTown Development Area upon request.

C. Provided that no storm water collected within the CYTown Development Area passes into or through any storm sewer feature operated under the Municipal Separate Storm Sewer Permit issued by the Iowa Department of Natural Resources to the City of Ames, the Ames utility customers within the CYTown Development Area shall be exempt from rates and fees charged by the City for storm water management.

D. In the event it becomes necessary to install storm water management features in Stuart Smith Park to meet the storm water management needs of the CYTown Development Area, ISU agrees to locate any such storm water management features in such a manner as to preserve the existing shared-use path in that park. If the shared use path must be relocated in order to facilitate the installation of any storm water management features for the CYTown Development Area, ISU shall relocate the shared-use path at its sole expense, to a location satisfactory to the City of Ames.

IX. FLOOD PLAIN DEVELOPMENT PERMITTING

A. Prior to the initiation by ISU of any excavation, filling, grading, construction, or remodeling within the Special Flood Hazard Area, as that area is determined in the City’s adopted Flood Plain Map, ISU shall apply to the City for a Flood Plain Development Permit. Approval of the Flood Plain Development Permit by the City shall not be unreasonably withheld.
X. BUILDING PERMITS AND FIRE CODE; INSPECTIONS

A. Construction within the CYTown Development Area will be governed by the building and fire code requirements administered by the Iowa State Fire Marshal, as is customary for other state-owned construction projects. However, prior to construction, ISU agrees to consult with the Ames Fire Chief or designee regarding the construction plans, to identify any potential impediments to the provision of effective fire or emergency medical services to the site by the Ames Fire Department.

XI. TRAFFIC SYSTEM IMPROVEMENTS

A. All roads and traffic improvements for internal traffic circulation within the CYTown Development Area shall be the responsibility of ISU to design, construct, own, and maintain. This includes any traffic improvements on Jack Trice Way between Beach Avenue and University Boulevard.

B. Any easements or private property to implement the improvements described in this Section XI shall be the responsibility of ISU to acquire. The City shall have no responsibility for any acquisition costs or condemnation proceedings related to the improvements described in this Section XI.

C. The road and traffic improvements indicated in this Section are the same as those set forth in the CYTown-Parking and Infrastructure Improvements Traffic Study completed by Snyder & Associates and dated January 30, 2023 (“2023 Traffic Study”). The improvements described in this Section shall be constructed in the manner described in the 2023 Traffic Study, unless the City’s Traffic Engineer approves an alternative, in writing, on the basis of changed roadway or traffic conditions in the time since the 2023 Traffic Study was completed.

D. Center Drive and University Boulevard Traffic Signal and Intersection Improvements:

1. ISU shall prepare plans and specifications for the installation of a traffic signal and related intersection improvements at the intersection of Center Drive and University Boulevard (“University/Center Intersection Improvements”). These plans and specifications shall be prepared in accordance with the standards adopted by the City. ISU shall obtain approval from the City’s Traffic Engineer for the plans and specifications of the University/Center Intersection Improvements prior to installation.
2. ISU shall construct the University/Center Intersection Improvements prior to obtaining a certificate of occupancy for the first four buildings within Phase I of the CYTown Development Area.

3. **Deferral of Construction** – The City shall defer the requirement for construction of the University/Center Intersection Improvements if, prior to construction, the City’s Traffic Engineer determines that the intersection does not meet traffic signal warrant(s) as outlined in the Manual on Uniform Traffic Control Devices (MUTCD). When making this determination, the City’s Traffic Engineer shall take into consideration any revised traffic impact study that exists. However, nothing in this paragraph shall be construed to require the City to undertake or pay for a revised traffic impact study. A deferral shall not be unreasonably withheld.

   Any deferral granted by the City to ISU shall be accompanied by either: 1) a revised deadline by which the improvements are to be constructed, or 2) specific traffic conditions that, if evidenced, would require the improvements to be constructed. A deferred deadline is subject to subsequent deferral in the same manner as the original construction requirement.

4. ISU shall be responsible for all costs to design and construct the University/Center Intersection Improvements. The traffic signal shall be dedicated to the City upon completion, and thereafter owned, operated, and maintained by the City. ISU shall be responsible for one-third of the future replacement costs of the traffic signal, when replacement is deemed warranted by the City’s Traffic Engineer. Turn lane improvements at this intersection shall be owned and maintained by the City if on the south or north legs of the intersection, and owned and maintained by ISU if on the west leg of the intersection.

**E. Beach Avenue and Jack Trice Way Traffic Signal and Intersection Improvements:**

1. ISU shall prepare plans and specifications for the installation of a traffic signal and related intersection improvements at the intersection of Beach Avenue and Jack Trice Way (referred to hereinafter as “Beach/Jack Trice Way Intersection Improvements”). These plans and specifications shall be prepared in accordance with the standards adopted by the City. ISU shall obtain approval from the City’s Traffic Engineer for the plans and specifications of the Beach/Jack Trice Way Intersection Improvements prior to installation.

2. ISU shall construct the Beach/Jack Trice Way Intersection Improvements prior to obtaining a certificate of occupancy for either:
a. A hotel located within the CYTown Development Area; or,

b. The first two buildings within Phase II of the CYTown Development Area, whichever occurs earlier.

3. **Deferral of Construction** – The City shall defer the requirement for construction of the Beach/Jack Trice Way Intersection Improvements if, prior to construction, the City’s Traffic Engineer determines that the intersection does not meet traffic signal warrant(s) as outlined in the Manual on Uniform Traffic Control Devices (MUTCD). When making this determination, the City’s Traffic Engineer shall take into consideration any revised traffic impact study that exists. However, nothing in this paragraph shall be construed to require the City to undertake or pay for a revised traffic impact study. A deferral shall not be unreasonably withheld.

Any deferral granted by the City to ISU shall be accompanied by either: 1) a revised deadline by which the improvements are to be constructed, or 2) specific traffic conditions that, if evidenced, would require the improvements to be constructed. A deferred deadline is subject to subsequent deferral in the same manner as the original construction requirement.

4. ISU shall be responsible for all costs to design and construct the Beach/Jack Trice Way Intersection Improvements. The traffic signal shall be dedicated to the City upon completion, and thereafter owned, operated, and maintained by the City. ISU shall be responsible for one-fourth of the future replacement costs of the traffic signal, when replacement is deemed warranted by the City’s Traffic Engineer. Turn lane improvements at this intersection shall be owned and maintained by the City if on the south, west, or north legs of the intersection, and owned and maintained by ISU if on the east leg of the intersection.

**F. Beach Avenue and Center Drive Traffic Improvements:**

1. ISU shall prepare plans and specifications for the realignment of the intersection of Center Drive, Beach Avenue, and Greeley Street (“Beach/Center Intersection Improvements”). These plans and specifications shall be prepared in accordance with the standards adopted by the City. ISU shall obtain approval from the City’s Traffic Engineer for the plans and specifications of the Beach/Center Intersection Improvements prior to installation.

2. ISU shall construct the Beach/Center Intersection Improvements prior to obtaining a certificate of occupancy for either:
a. A hotel located within the CYTown Development Area; or,

b. The first two buildings within Phase II of the CYTown Development Area, whichever occurs earlier.

3. **Deferral of Construction** – The City shall defer the requirement for construction of the Beach/Center Intersection Improvements if, prior to construction, the City’s Traffic Engineer determines that the intersection does not require realignment based on contemporary traffic engineering principles. When making this determination, the City’s Traffic Engineer shall take into consideration any revised traffic impact study that exists. However, nothing in this paragraph shall be construed to require the City to undertake or pay for a revised traffic impact study. A deferral shall not be unreasonably withheld.

Any deferral granted by the City to ISU shall be accompanied by either: 1) a revised deadline by which the improvements are to be constructed, or 2) specific traffic conditions that, if evidenced, would require the improvements to be constructed. A deferred deadline is subject to subsequent deferral in the same manner as the original construction requirement.

G. **Country Club Neighborhood Traffic Calming:**

1. Upon the occupancy of the first four buildings in Phase I of the CYTown Development Area, the City’s Traffic Engineer shall evaluate the traffic conditions in the neighborhood located west of Beach Avenue (between Lincoln Way, Ash Avenue, Beach Avenue, and Cessna Street). Thereafter, if determined warranted by the City’s Traffic Engineer, the City may install traffic calming improvements in that neighborhood.

2. ISU shall reimburse the City for the actual costs to construct and/or install any traffic calming features consistent with contemporary standards of traffic engineering in the neighborhood west of Beach Avenue, provided that the City provides notification to ISU of the proposed measures prior to finalizing their design. Within thirty (30) days of receipt of notification, ISU may request a conference with the City’s Traffic Engineer to discuss the traffic calming measures and to propose alternatives. If the City elects not to proceed with an alternative as proposed by ISU, the City will provide a statement in writing detailing the reasons therefor. Upon completion of the installation of the traffic calming measures, ISU shall have no obligation for maintenance or repair of the
traffic calming measures, and any future traffic calming measures or modifications shall be the responsibility of the City.

**XII. EASEMENTS**

A. Prior to completion by ISU and acceptance by the City of any Water System Improvements, Sanitary Sewer System Improvements, Electric System Improvements, or Traffic System Improvements in the CYTown Development Area as described in this Agreement, ISU shall grant to the City by executed instruments, without charge to the City, easements for the installation and maintenance of such improvements and any future related improvements as may be necessary to provide services to the CYTown Development Area. The easements shall be memorialized using the easement template approved by City and ISU staff on October 26, 2023, unless ISU and the City mutually agree otherwise.

B. **Off-Site Electrical Improvements:** The Parties understand that improvements to the City’s electrical distribution infrastructure outside the CYTown Development Area will be necessary in order to reliably serve the anticipated needs of the CYTown Development Area. The City shall be responsible for obtaining any private property easements necessary to construct these off-site improvements. However, in locations where the City requires the installation of electrical distribution infrastructure across or under ISU property outside of the CYTown Development Area in order to serve the CYTown Development Area, ISU agrees to provide electrical easements to the City in mutually acceptable locations using the easement template approved by City and ISU staff on October 26, 2023, unless ISU and the City mutually agree otherwise.

**XIII. UNDERGROUND FACILITY LOCATING**

The City shall be responsible for locating and marking its underground facilities within the CYTown Development Area (water, sanitary sewer, electric, and traffic signal underground facilities) in accordance with Iowa Code Chapter 480. The City shall have no responsibility to locate or mark underground facilities that are the property of ISU, including but not limited to water corporation cocks, curb cocks and curb boxes, service lines, parking lot light electric lines or other utilities installed or operated by ISU within the CYTown Development Area. ISU shall be responsible for locating and marking any underground facilities owned by ISU.

**XIV. LAW ENFORCEMENT**

Law Enforcement operations within the CYTown Development Area shall be administered under the “Intergovernmental 28E Agreement for Combined Law Enforcement Services” filed May 17, 2018 with the Iowa Secretary of State, or any successor agreement thereto.
XV. FIRE PROTECTION

Fire protection services within the CYTown Development Area shall be administered under the “Agreement between the City of Ames and the Board of Regents, State of Iowa for Fire Services at Iowa State University” dated May 19, 1981, or any successor agreement thereto.

XVI. AMENDMENT

This Agreement represents the entire Agreement of the parties. Any amendment to this Agreement shall be in writing, approved by each party, and executed by the authorized representative of each party.

XVII. SEVERABILITY

In the event any part or paragraph of this Agreement is declared void as being contrary to Iowa law, the remaining provisions of this Agreement that are valid shall continue in full force and effect.

XVIII. INDEMNIFICATION

To the extent permitted by law, each party shall indemnify and hold harmless the other party and the other party’s officers, agents and employees, against any and all claims, demands, damages, loss or liability incurred by the indemnified party, including reasonable legal fees, directly or indirectly resulting from or arising out of the negligent or wrongful acts or omissions of the indemnifying party, or its officers, agents or employees.

XIX. PRIOR AGREEMENTS

In the event any provision of this Agreement conflicts with a provision of another Agreement between the parties existing as of the Effective Date of this Agreement, the provisions of this Agreement shall control.

XX. TERMINATION

This Agreement shall remain in effect unless terminated by the mutual consent of the Parties hereto.
XXI. COUNTERPARTS

This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF, the Parties hereto have caused this instrument to be executed effective as of the date first above written.

CITY OF AMES, IOWA

By: ________________________________
    John Haila, Mayor

Attest: ______________________________
    Renee Hall, City Clerk

IOWA STATE UNIVERSITY

By: ________________________________
    Wendy Wintersteen, President
ATTACHMENT 1: CYTOWN DEVELOPMENT AREA BOUNDARIES

PROPERTY DESCRIPTION:
A PART OF THE NORTHWEST 1/4 OF SECTION 10, TOWNSHIP 83 NORTH, RANGE 24 WEST OF THE 5TH P.M., CITY OF AMES, STORY COUNTY, IOWA AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF SAID SECTION 10; THENCE SOUTH 08°32'25" EAST ALONG THE WEST LINE OF SAID NORTHWEST 1/4, A DISTANCE OF 15.00 FEET TO THE SOUTH RIGHT-OF-WAY LINE OF LINCOLN WAY; THENCE NORTH 89°17'07" EAST ALONG SAID SOUTH RIGHT-OF-WAY LINE 33.00 FEET TO THE EAST RIGHT-OF-WAY LINE OF BEACH AVENUE AND TO THE POINT OF BEGINNING; THENCE NORTH 89°17'01" EAST ALONG SAID SOUTH RIGHT-OF-WAY LINE 1,483.03 FEET TO THE WEST RIGHT-OF-WAY LINE OF UNIVERSITY BOULEVARD; THENCE SOUTH 52°39'24" EAST ALONG SAID WEST RIGHT-OF-WAY LINE 86.96 FEET; THENCE SOUTH 89°31'14" EAST ALONG A CURVE CONCAVE WESTWARDLY WHERE RADIUS IS 2,971.80 FEET, WHOSE ARC LENGTH IS 537.80 FEET AND WHOSE CHORD BEARS SOUTH 09°31'46" EAST, 536.85 FEET; THENCE SOUTH 89°01'34" EAST CONTINUING ALONG SAID WEST RIGHT-OF-WAY LINE, 384.64 FEET; THENCE SOUTHERLY CONTINUING ALONG SAID LEFT-OF-WAY LINE AND ALONG A CURVE CONCAVE WESTWARDLY WHERE RADIUS IS 1,825.86 FEET, WHOSE ARC LENGTH IS 497.84 FEET AND WHOSE CHORD BEARS SOUTH 08°27'30" EAST, 486.20 FEET; THENCE SOUTH 00°45'50" EAST CONTINUING ALONG SAID WEST RIGHT-OF-WAY LINE, 425.75 FEET; THENCE SOUTH 89°17'04" WEST CONTINUING ALONG SAID WEST RIGHT-OF-WAY LINE, 10.00 FEET; THENCE SOUTH 89°17'01" EAST CONTINUING ALONG SAID WEST RIGHT-OF-WAY LINE, 316.24 FEET; THENCE SOUTH 89°31'14" WEST, 1,814.81 FEET TO SAID EAST RIGHT-OF-WAY LINE OF BEACH AVENUE; THENCE NORTH 08°32'25" WEST ALONG SAID EAST RIGHT-OF-WAY LINE, 2,256.80 FEET TO THE POINT OF BEGINNING AND CONTAINING 66.20 ACRES (3,288,520 S.F.).

PROPERTY SUBJECT TO ANY AND ALL EASEMENTS OF RECORD.

DATE OF SURVEY
AUGUST 16, 2023

CURVE TABLE

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SCALE (FEET)
0 - 300

CYTOWN DEVELOPMENT AREA

EXHIBIT DRAWING

Snyder & Associates

2727 S.W. Snyder Blvd.
Ankeny, IA 50023 (515) 964-2020

PRE: 12/07/20
PD: 08/01/20
DATE: 12/15/23
PAGE: 17/18
ATTACHMENT 2: CYTOWN DEVELOPMENT AREA PHASING PLAN