# **Foundry Cooperation Agreement Amendment Proposal**

November 18, 2020



### **COOPERATION AGREEMENT TERMS**

- Cooperation Agreement attached to 1st Amendment of Foundry Lease
- Sets roles and responsibilities of project delivery primarily design and construction
  - Created structure of project delivery and decision points
  - Construction phases Core & Shell / Fit-Out / Operation

Source	Cooperation Agreement	2019 Appropriation
City	\$24 million (77.5%)	\$29 million (80.6%)
CRA	\$7 million (22.5%)	\$7 million (19.4%)
Total	\$31 million (100%)	\$36 million (100%)

## PROPOSED CAPITAL EXPENDITURE

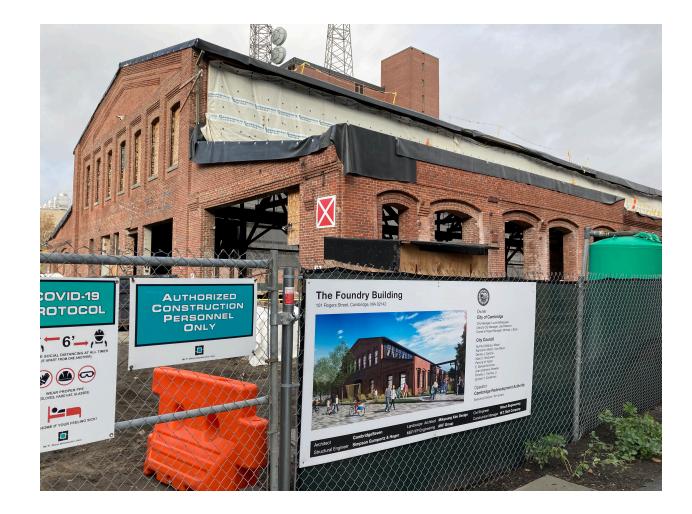
- Approx. \$10 million budget gap (includes \$2 million contingency)
- Factors include condition of historic structure, additional soil contamination discovery, added site work scope items, 2020 COVID-19 bidding climate and delays





# **CRA FRAMEWORK**

- PROPORTIONALITY OF CAPITAL INVESTMENT
- REDUCE OPERATIONAL RISK



# PROPOSED ADDITIONAL CRA EXPENDITURES

- Additional \$3.5 million from CRA for Capital
- \$500,000 for FF&E / Operational Start Up Investment

Source	Cooperation Agreement	2019 Appropriation	2020 Proposed
City	\$24 million (77.5%)	\$29 million (80.6%)	\$35.5 million (77.5%)
CRA	\$7 million (22.5%)	\$7 million (19.4%)	\$10.5 million (22.5%)
Total	\$31 million (100%)	\$36 million (100%)	\$46 million (100%)

### **COOP AGREEMENT TERMS**

#### **Reduce Operation Risk**

- CRA Ownership of Maker equipment / Inventory FF&E Responsibilities
- Clarify Role for CRA & Operator at project close-out / punch list
- City pay portion of operating utility costs:
  - Recycling & Compost
  - Proportional Electricity for Community Uses (PV array and VRF heating cooling)
- Rogers Street maintenance as City responsibility

