

**AGREEMENT ON PRINCIPAL TERMS AND
AUTHORIZATION TO CONTINUE**

- I. Forsyth County, Georgia (“Forsyth County” or “County”) and the Gathering at South Forsyth, LLC (“GSF”) have been and continue to engage in good faith negotiations regarding those activities, land use entitlements, and funding allowances required to cause the construction, development, leasing, and operation of a new arena and an ancillary mixed-use development in the County;
- II. GSF is the current owner of Forsyth County tax parcels 043-022, 043-065, 043-066, 043-067, 043-068, 043-069, 043-070, 043-071, 043-072, 043-075, 043-076, 043-078, 043-079, 044-016, 044-020, and 044-004, otherwise referred to as the “Property;”
- III. The County and GSF acknowledge that the following non-binding set of terms is not intended as an exhaustive list of those terms, conditions, and obligations that will govern the relationship between the County and GSF. Rather, the following list is intended to provide a broad overview of the substantive elements that will be utilized by both the County and GSF in assembling the full set of documents that a transaction of this complexity will require; and,
- IV. In assembling this set of terms, the Parties acknowledge that various references are made to the National Hockey League (“NHL”) and a potential franchise locating in the County. The Parties stipulate that, irrespective of references to the NHL, no officer or agent of the NHL has (a) committed to a NHL franchise locating in the County or the State of Georgia, (b) committed or confirmed that there presently exists an opportunity for a NHL franchise in the County or the State of Georgia, and/or (c) stated that a process will commence that may lead to a NHL franchise locating in the County or the State of Georgia. Any future memorialization may also require compliance with certain NHL requirements.
- V. The following are those terms that the Parties currently believe will generally govern further memorialization of this overall transaction.

SCOPE OF PROJECT TO BE DELIVERED BY GSF

- A. GSF is proposing to invest over Two Billion Dollars (\$2,000,000,000.00) to build and open an economic development project on the Property currently called The Gathering.

- B. The Gathering will include the development and construction of a proposed arena¹ and entertainment complex and mixed use development including, but not limited to: 1.6 million square feet of office and retail space, 700,000 square feet of arena space, a Marquee, two or three hotels with up to a total of 500 rooms, community ice center for hockey and skating (at a location to be determined), 15,000 square-foot building for a fire station and a sheriff's precinct station, and a 1.2-mile connective trail along the Big Creek Greenway.

VARIOUS OBLIGATIONS OF THE COUNTY AND GSF

- C. Forsyth County will contribute \$350,000,000 to the arena^{2,3};

- D. Forsyth County will contribute \$40,000,000 to fund a single arena parking deck^{4,5};

- E. The arena structure will be owned by Forsyth County and/or an appropriate Authority, and GSF will have responsibility for all programming, operation, maintenance, oversight, upkeep, and repair of the arena, for which GSF will bear costs and receive revenues;

¹ Arena construction commences with NHL award.

² Contingent on the NHL awarding a franchise to this project.

³ Contingent upon forthcoming financial modeling supporting 25-year debt repayment.

⁴ Contingent on the NHL awarding a franchise to this project.

⁵ Contingent upon forthcoming financial modeling supporting 25-year debt repayment.

- F. Commencing with the first year that an NHL team commences play in the arena, GSF will pay the County \$2,000,000 in rent;
- G. Commencing in year 6 after an NHL team commences play, the \$2,000,000 rent payment by GSF will increase by the lesser of CPI or 2%;
- H. Forsyth County will use the \$2,000,000 lease payments, first, to retire debt. After debt retirement, the County may use the lease payments for any County-related purpose. Annual \$2,000,000 (plus 2% or CPI escalator) continues for life of lease;
- I. Forsyth County will receive \$1 per ticket⁶ for all events commencing with the first event in the arena.
 - a. At year six (6), Forsyth County will receive \$1.50 per ticket;
 - b. At year eleven (11), Forsyth County will receive \$2.00 per ticket; and,
 - c. At year sixteen (16), Forsyth County will receive \$2.50 per ticket for the remainder of the lease term.
- J. Forsyth County shall authorize 1800 units of multifamily plus 150 single family units (subject to ZPL compliance and prohibition on contract zoning);
- K. The NHL team owned by GSF shall remain in the arena/Forsyth County until arena debt is retired;
- L. Forsyth County and GSF will explore options to make funds available for capital enhancements to the arena;
- M. Forsyth County and GSF agree to work together in good faith to accomplish the above objectives.

SIGNATURES

The Parties hereby execute the following Agreement on Principal Terms and Authorization to Continue, this _____ day of February, 2024, with this Agreement not binding on either Party. Rather, the objective of this Agreement is to provide both Parties with a non-binding roadmap for further document generation, negotiations, and finance procurement.

⁶ Meaning tickets for which GSF receives any payment.

FORSYTH COUNTY

**GATHERING AT
SOUTH FORSYTH, LLC**

Alfred John, Chair

Vernon Krause, Principal

Clerk

Secretary