

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (“MOU”), entered into this _____ day of _____, 2021 by and between **MOUNTAIN & RIVER CITY, LLC**, a Delaware limited liability company, or an affiliate of same (the “Developer”) **AND THE PHOENIX HILL NEIGHBORHOOD ASSOCIATION, INC.**, a Kentucky nonprofit corporation (“Phoenix Hill”).

RECITALS:

WHEREAS, the Developer plans to undertake a major project located at 726 East Market Street, which will include a boutique hotel managed by the Bunkhouse Group with approximately 122 rooms, conference space, at least two additional unique food and beverage establishments, and an art garden with programmable space, at a cost of approximately \$29 million, more specifically described in **Exhibit A** (the “Project”); and

WHEREAS, Phoenix Hill is dedicated to the equitable & inclusive revitalization of the historic Phoenix Hill neighborhood and the surrounding area just east of downtown Louisville; and

WHEREAS, the Developer desires to provide certain community benefits in response to community needs.

NOW THEREFORE, for good and valuable consideration, the parties agree as follows:

SECTION 1. OBLIGATIONS OF DEVELOPER. Mountain & River City, LLC agrees as follows:

- A. At its sole cost and expense, the Developer will offer the following benefits to Phoenix Hill and the surrounding area:
 - a. Targeted neighborhood hiring and training: With a specific focus on the Phoenix Hill neighborhood, which is 65.5% Black, the Developer agrees to: 1) host multiple job fairs targeted at hiring locals and 2) establish a hospitality school, in partnership with a community group, in an effort to create a long-lasting effect on the community by training for careers in hotels in restaurants.
 - b. Community support: The Developer will stock its mini-mart with local makers and provisions at reasonable prices. In addition to creating a community hub to support families with food insecurity by providing fresh local produce and other staples at reasonable prices, Developer will also work with a designated local non-profit to ensure no food goes to waste either through daily pickup donation, a weekly farmers market, and/or dedicated space donated for an annual fundraiser for the non-profit.
 - c. Local programming: The Developer will source regional makes and small batch goods from local, diverse retailers across the state of Kentucky to supply interior pieces and textiles, as well as stock the lobby shop, mini mart, and in room amenities. A goal for these makers for retail will be to reflect the metropolitan statistical area (MSA) of Louisville, KY. To ensure there is reasonable effort to give opportunities to

underrepresented businesses, the Bunkhouse Hotel will work with Buy Black Lou and the Black Louisville Business Association.

SECTION 2. OBLIGATIONS OF PHOENIX HILL. Phoenix Hill agrees as follows:

- B. In good faith, the Phoenix Hill Neighborhood Association, Inc. will work with the Developer to:
- a. Assist with the development of programming for programmable Project amenities
 - b. Identify local, community-based organizations and entrepreneurs for the Developer's mini mart, lobby shop, in room amenities, potential future farmers market, and for the free pick-up of excess or unused food items
 - c. Support the establishment and operation of the hospitality school

Section 3. TERM. The Term of this MOU shall be ___ () year(s), commencing on the effective date and shall be renewed automatically for ___ () successive one (1) year terms unless terminated by any party which gives written notice of its intent to terminate to all other parties to this MOU at least 90 days prior to the end of a term or unless terminated, pursuant to Section 5 of this MOU.

Section 4. APPLICABLE LAW. This MOU shall be interpreted under the laws of the Commonwealth of Kentucky.

Section 5. ENTIRE AGREEMENT. This MOU, together with any exhibits hereto, which are deemed to be incorporated by reference as if set forth at length herein, shall constitute the entire written understanding of the parties with respect to the subject matter hereof and shall supersede all oral and written understandings of the parties, all of which are deemed to be merged herein. This MOU may not be modified or amended except in writing, signed by each of the parties hereto, their successors or assigns.

IN WITNESS WHEREOF the authorized representatives of parties hereto have caused this Agreement to be duly executed as of the date first above written.

Mountain & River City, LLC
"Developer"

By: _____

Title: _____

**Phoenix Hill Neighborhood Association,
Inc.**
"Phoenix Hill"

By: _____

Title: _____

EXHIBIT A

PROJECT DESCRIPTION

The 726 East Market Street project will involve new capital investment of approximately \$29 million and will construct a hotel to be managed by the Bunkhouse Group with approximately 122 rooms and at least two additional unique food & beverage establishments, on a lot that is currently used for surface parking.