

PATRIOTS POINT

★HOME OF THE USS YORKTOWN★

January 10, 2018

The Honorable Joseph Jefferson, Chairman
HOUSE LEGISLATIVE OVERSIGHT SUBCOMMITTEE
P.O. Box 11867
Columbia SC 29211

Dear Chairman Jefferson and Subcommittee members:

The following is the response to the requested information from the Subcommittee.

1. Navy contracts- attached

2. 2016 \$75,000 Expenditure

These were funds spent on two Capital Projects approved by the State Engineer's Office's. We transfer fund from our operating funds to earmarked funds to pay for capital projects. The funds were spent on dredging, \$67,526 and \$7,720 on landside sewage project. These "WERE NOT Federal funds as reported", they were funds transferred from revenues generated by the daily operations of the Museum.

3. Statutory/Regulatory Limitations

- Provide same waiver given to other organizations/agencies that "own" land contained in Proviso 118.2 (SR: Titling of Real Property). It is essential that the land at Patriots Point be titled under *Patriots Point Development Authority*.
- Procurement flexibility: the State Museum has unique authority to purchase goods and services related to exhibits and artifacts that are not extended to Patriots Point. It allows the State Museum to purchase equipment and services without going through procurement, due to the uniqueness of procurement associated only with museums.
- We rescind the mention of changes regarding leases and bond authority.

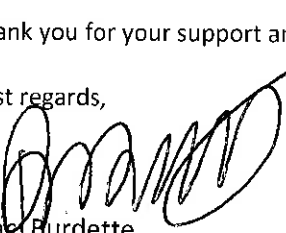
4. Master Plan- attached

5. Cross advertising with other military attractions

No we do not. The closest Naval museums are in Wilmington, NC and Mobile, Alabama. The other Naval museums are far distant. It would be ineffective marketing, for we have different target audiences. However, all Naval museums in the US are members of the Historic Navy Ships Association. This organization represents all of us as an industry and from the standpoint that we all share a common bond. We also have a number of marketing partnerships with other organizations and companies such as the Charleston CVB, the Spirit Line Cruise company, our catering company, and two of our tenants, as well as the town of Mount Pleasant and SCPT.

Thank you for your support and guidance.

Best regards,


Mae Burdette
Executive Director



DEPARTMENT OF THE NAVY
NAVAL SEA SYSTEMS COMMAND
WASHINGTON, D.C. 20362

CONTRACT N00024-79-C-0204
FOR THE DONATION OF
THE EX-CLAMAGORE (ex-SS-343)

IN REPLY REFER TO

THIS CONTRACT, entered into this 6th day of August 1979 by and between the UNITED STATES OF AMERICA (hereinafter called the "Government") represented by the Department of the Navy, and the State of SOUTH CAROLINA (hereinafter referred to as the "DONEE"), represented by the Patriots Point Development Authority, Patriots Point, Charleston, South Carolina 29402.

WITNESSETH:

WHEREAS, the Act of August 10, 1956 (P. L. 1028, 84th Congress), 10 U.S.C. 7308, authorizes the Secretary of the Navy to transfer by gift or otherwise, on terms prescribed by him, any obsolete vessel of the Navy to any State, municipal corporation of the United States, or any corporation or association whose Charter denies it the right to operate for profit; and

WHEREAS, by an Act of the South Carolina General Assembly (Section 51-91 Code of Laws) the Patriots Point Development Authority was created as an agency of the State to acquire, berth, renovate, equip and maintain historic vessels as part of a State sponsored Naval Museum.

WHEREAS, the DONEE has applied for donation of the obsolete submarine EX-CLAMAGORE (ex-SS-343) (hereinafter sometimes called the "Vessel"), and has indicated its intention to preserve and exhibit the Vessel; and

WHEREAS, the DONEE agrees to and undertakes the obligation to make and keep the Vessel safe and presentable for public exhibition and inspection, at no expense to the Government; and

WHEREAS, pursuant to 10 U.S.C. 7308, notice of the proposed transfer has been duly sent to the Congress, sixty calendar days of continuous session have been expired since then, and no resolution has been passed by the Congress stating in substance that it does not favor the proposed transfer,

NOW, THEREFORE, the Government agrees to transfer the Vessel to the DONEE and the DONEE agrees to accept the Vessel subject to the following terms and conditions:

1. The Government shall, subject to the provisions of Article 14 hereof, deliver the Vessel to the DONEE at the Naval Inactive Ships Maintenance Detachment, Philadelphia, Pennsylvania, on an "as is, where is" basis and without warranty of any kind, and notify the DONEE of the delivery date sufficiently in advance thereof to enable the DONEE to make necessary arrangement for acceptance of delivery.

2. The DONEE shall accept the Vessel upon delivery by the Department of the Navy.
3. The DONEE shall not activate or permit to be activated any system aboard the Vessel for the purpose of navigation or movement of the Vessel under its own power.
4. The DONEE shall establish the Vessel on a non-profit basis as a public memorial/museum only, exhibit it at a suitable site in Charleston Harbor, South Carolina, maintain the Vessel in such a manner that it will not cast discredit upon the Navy or upon the proud tradition of this historic Vessel, and not allow the Vessel to become a menace to navigation, public health or safety.
5. The DONEE shall maintain the Vessel in a condition satisfactory to the Department of the Navy. To that end the DONEE shall install not later than 30 June 1981, a permanent-base mooring arrangement acceptable to the Navy. Pending completion of the permanent-base mooring arrangement, temporary mooring of the Vessel shall be effectuated in a manner and at a site acceptable to the Navy. The maintenance obligations assumed by the DONEE shall include, but shall not be limited to (a) the performance of all necessary painting and cleaning of exterior surfaces and interior compartments and passageways open to the public (b) the provision and maintenance in all public and private spaces of such handrails, warning signs, fire protection systems, lighting and ventilation systems, and other safety devices as are necessary to insure the safety of the visiting public and of maintenance personnel aboard the Vessel, (c) the assurance of the watertight integrity of the hull while the Vessel is afloat, (d) the provision and maintenance of safe and efficient means of access and egress, (e) the provision and maintenance of suitable sanitary facilities ashore for visitors, and (f) such other safety and maintenance work as the Government may determine to be reasonably necessary. All the obligations hereunder shall be performed by the DONEE at its own expense and without reimbursement or contribution by the Government. All work performed hereunder shall be subject to approval of the Commandant, Sixth Naval District.
6. The DONEE shall procure and maintain at its own expense, without reimbursement or contribution by the Government, from and after the delivery of the Vessel, Tower's broad-form liability insurance, including Tower's coverage for negligent damage to the Vessel during any tow and marine hull and protection and indemnity liabilities, all in an amount not less than \$150,000 to cover the Vessel so long as the Vessel is waterborne. Upon completion of the permanent mooring

arrangement, the DONEE shall procure not less than \$150,000 of fire and extended-coverage insurance, including risks of vandalism and malicious mischief, and third-party bodily-injury liability insurance in an amount not less than \$300,000 per occurrence. Such insurance shall at all times protect the United States Government, its agents or employees, from claims resulting or alleged to have arisen from fault, negligence, wrongful act or omission of the Government, its agents or instrumentalities or their agents or employees, in berthing, preparation for use, repairing or any other use, and shall, as to form and insurers, be subject to the approval of the Insurance Section (MAT OBC4N), Naval Material Command, Department of the Navy, Washington, D. C. 20360.

7. The DONEE shall present evidence satisfactory to the Government that, prior to the delivery of the Vessel, the DONEE has the financial means necessary to assure accomplishment of all the obligations hereunder.
8. The DONEE shall prohibit members of the general public from visiting aboard the Vessel prior to the accomplishment of all work necessary to make the Vessel safe and presentable for public inspection, except as may be authorized by the Navy Department.
9. The DONEE shall not transfer or otherwise dispose of the Vessel or any part thereof or any interest therein without the prior consent of the Secretary of the Navy or his duly authorized representative.
10. The DONEE shall indemnify and hold harmless the United States Government, its agents or employees, against all suits, actions, claims, costs, fees, and demands (including, without limitation, suits, actions, claims, costs, fees, and demands for death, personal injury, or property damage) to which the Government, its agents or instrumentalities or their agents or employees, may be subject by reason of damage or injury (including death) to the property or person of anyone resulting or alleged to have arisen or resulted from the fault, negligence, wrongful act, or omission of the Government, its agents or instrumentalities or their agents or employees, in the berthing, preparation for use, repairing, restoration, or any other use of the Vessel originating after delivery of the Vessel to the Donee.
11. The DONEE shall comply with all Federal, State, and local laws and regulations in being or that may be hereinafter enacted or issued relating to protection of the environment, public health, and safety.

12. The DONEE shall submit to the Naval Sea Systems Command (SEA OOD), Washington, D. C. 20362, an annual material inspection report on the condition of the Vessel on or before June 30th of each year that this agreement is in effect.
13. The DONEE acknowledges that it has executed and furnished to the Government representative under this contract, Navy Form NAVSO 5350/1 (11-71) "Assurance of compliance with the Department of Defense Directive under Title VI of the Civil Rights Act of 1964"; that it has read the explanation of the Department of Defense accompanying said Navy form; and that all sanctions imposed and actions taken as a result of non-compliance there with shall be in accordance with DOD Directive 5500.11, dated December 28, 1968, "Non-Discrimination in Federally Assisted Programs."
14. In the event that the Vessel is lost or destroyed prior to the time of transfer, by fire, shipwreck, act of Providence or of a foreign power, or by any other means whatsoever, whether by negligence on the part of the Government, or not, this Agreement shall become void and of no effect.
15. Upon delivery to and acceptance by the DONEE, title to the Vessel shall vest in the DONEE and title shall remain in the DONEE until transferred under Article 9 or Article 19 of this contract.
16. The Government shall not be liable to the Donee in any manner whatsoever for damages or otherwise on account of delayed delivery or non-delivery of the Vessel or for any other reason.
17. No expense shall result to the Government as a consequence of the transfer of the Vessel to the DONEE or as a consequence of the terms and conditions prescribed hereunder.
18. Except as otherwise provided in this contract, any dispute concerning a question of fact arising under this contract which is not disposed of by agreement shall be decided by the Commander, Naval Sea Systems Command, who shall reduce his decision to writing and mail or otherwise furnish a copy thereof to the DONEE. The decision of the Commander, Naval Sea Systems Command, shall be final and conclusive unless, within 30 days from the date of the receipt of such copy, the DONEE mails or otherwise furnishes to the Commander, Naval Sea Systems Command a written appeal addressed to the Secretary of the Navy. The decision of the Secretary or his duly authorized representative for the determination of such appeals shall be

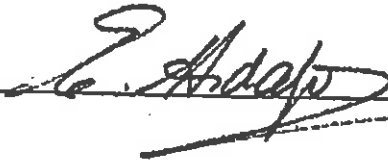
final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, capricious, or arbitrary, or so grossly erroneous as necessarily to imply bad faith. In connection with any proceeding under this clause, the DONEE shall be afforded an opportunity to be heard and to offer evidence in support of its appeal. Pending final decision of a dispute hereunder, the DONEE shall proceed diligently with the performance of the contract and in accordance with the decision of the Commander, Naval Sea Systems Command.

19. The Government may, during a national emergency, request the DONEE to return the Vessel and the DONEE shall, if and when requested to do so, return the Vessel to the Government. In the event that the DONEE, or its assigns, shall fail to perform the obligations assumed under this contract, the Secretary of the Navy or his duly authorized representative may terminate this contract, provided that written notice to terminate, specifying the particulars wherein it is claimed that this contract has been violated, is transmitted by registered mail to the DONEE. The DONEE shall have ninety (90) days from receipt of the written notice to cure the violations or deficiencies set forth in said notice. If, at the end of such time, it appears to the Secretary of the Navy, or his authorized representative, that the same have not been cured, then the Contract shall be deemed to be terminated, in which event the DONEE shall forfeit to the Government any and all rights that it may have in the Vessel, including rights in any improvements made to the Vessel or fixtures attached by the DONEE, as the Secretary of the Navy or his duly authorized representative may decide, and shall transfer title to the Government if the Secretary of the Navy or his duly authorized representative so directs.
20. The term "Government" as represented by the Department of the Navy means the Secretary, Under Secretary, or Assistant Secretary of the Navy, the Commander, Naval Sea Systems Command, and any other duly authorized representative, acting within the limits of his authority, that the aforespecified officials may appoint.

IN WITNESS WHEREOF, the parties hereto have duly executed this Contract as of the date first above written.

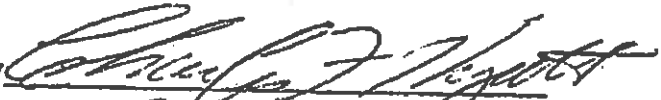
THE UNITED STATES OF AMERICA

By



STATE OF SOUTH CAROLINA
Patriots Point Development Authority

By



Title



N00024-78-C-0208

I, Daniel R. McLeod, certify that I am the
Attorney General of the State of
(State official, i.e., Atty-Gen'l)
South Carolina; that Charles Hyatt who
signed the above contract on behalf of the Patriots Point
Development Authority was then Chairman
of the Authority, and that said contract was duly signed for
and in behalf of the State of South Carolina, all by authority
duly given.

(SEAL)

Jamie T. H. [Signature]



DEPARTMENT OF THE NAVY
NAVAL SEA SYSTEMS COMMAND
WASHINGTON, D.C. 20362

IN REPLY REFER TO

CONTRACT N00024-78-C-0208

FOR THE DONATION OF

THE EX-LAFFEY (EX-DD-724)

THIS CONTRACT, entered into this 15th day of August 1978 by and between the UNITED STATES OF AMERICA (hereinafter called the "Government"), represented by the Department of the Navy, and the State of SOUTH CAROLINA (hereinafter referred to as the "DONEE"), represented by the Patriots Point Development Authority, Patriots Point, Charleston, South Carolina 29402,

WITNESSETH:

WHEREAS, the Act of August 10, 1956, (P.L. 1038, 84th Congress), 10 U.S.C. 7308, authorizes the Secretary of the Navy to transfer by gift or otherwise, on terms prescribed by him, any obsolete vessel of the Navy to any State, municipal corporation of the United States, or any corporation or association whose Charter denies it the right to operate for profit; and

WHEREAS, by an Act of the South Carolina General Assembly (Section 51-91 Code of Laws) the Patriots Point Development Authority was created as an agency of the State to acquire, berth, renovate, equip and maintain historic vessels as part of a State sponsored Naval Museum; and

WHEREAS, the DONEE has applied for donation of the obsolete destroyer EX-LAFFEY (EX-DD-724) (hereinafter called the "Vessel") and has indicated its intention to preserve and exhibit the Vessel; and

WHEREAS, the DONEE agrees to and undertakes the obligation to make and keep the Vessel safe and presentable for public exhibition and inspection, at no expense to the Government; and

WHEREAS, pursuant to 10 U.S.C. 7308, notice of the proposed transfer has been duly sent to the Congress, sixty calendar days of continuous session have been expired since then, and no resolution has been passed by the Congress stating in substance that it does not favor the proposed transfer,

NOW, THEREFORE, the Government agrees to transfer the Vessel to the DONEE and the DONEE agrees to accept the Vessel subject to the following terms and conditions:

1. The Government shall, subject to the provisions of paragraph 5, (i) deliver the vessel to the DONEE at the Naval Surface Weapons Center, Solomons Facility, Solomons, Maryland 20688, on an "as is, where is" basis and without warranty of any kind, and (ii) notify the DONEE of the delivery date sufficiently in advance thereof to enable the DONEE to make necessary arrangements for acceptance of delivery.
2. The DONEE shall:
 - (a) Accept the Vessel upon delivery by the Department of the Navy.
 - (b) Not activate or permit to be activated any system aboard the Vessel for the purpose of navigation or movement of the Vessel under its own power.
 - (c) Establish the Vessel, on a non-profit basis, as a public memorial/museum only and exhibit at a suitable site across the harbor from the City of Charleston, South Carolina, and maintain the Vessel in such a manner that it (i) will not cast discredit upon the Navy or upon the proud tradition of this historic Vessel, and (ii) will not allow the Vessel to become a menace to navigation, public health or safety.
 - (d) Maintain the Vessel in a condition, satisfactory to the Department of the Navy. To that end the DONEE shall install not later than 30 September 1979, a permanent based mooring arrangement acceptable to the Navy. Pending completion of the permanent based mooring arrangement, temporary mooring of the Vessel shall be in a manner and at a site acceptable to the Navy. The maintenance obligations assumed by the DONEE shall include but shall not be limited to (i) the performance of all necessary painting and cleaning of exterior surfaces and interior compartments and passageways open to the public, (ii) the provision and maintenance in all public and private spaces of such handrails, warning signs, fire protection, lighting and ventilation systems and other safety devices as are necessary to insure the safety of the visiting public and of maintenance personnel aboard the Vessel, (iii) the assurance of the watertight integrity of the hull while the Vessel is afloat, (iv) the provision and maintenance of safe and efficient means of access and egress, (v) the provision and maintenance of suitable sanitary facilities ashore for visitors, and (vi) such other safety and maintenance work as the Government may determine to be reasonably necessary. All the obligations hereunder shall be performed by the DONEE at its own expense and without reimbursement or contribution by the Government. All work performed hereunder shall be subject to the approval of the Commandant Sixth Naval District.

- (e) Procure and maintain, at its own expense without reimbursement or contribution by the Government, from and after the delivery of the Vessel, Broad Form Tower's Liability insurance including Tower's negligent damage to the Vessel during any tow, and Marine Hull and Protection and Indemnity liabilities insurance all in an amount not less than \$150,000 to cover the Vessel so long as the Vessel is waterborne. Upon completion of the permanent mooring arrangement the DONEE may substitute for insurance not less than \$150,000 of Fire and Extended Coverage insurance including risks of vandalism and malicious mischief and third party bodily injury liability insurance in an amount not less than \$300,000 per occurrence. Such insurance shall at all times protect the United States Government, its agents or employees, from claims resulting or alleged to have arisen from fault, negligence, wrongful act or omission of the Government, its agents or instrumentalities, or their agents or employees in berthing, preparation for use, repairing or any other use, and shall, as to form and insurers, be subject to the approval of the Insurance Section (MAT 024N), Naval Material Command, Department of the Navy, Washington, D.C. 20360.
- (f) Present evidence satisfactory to the Government that, prior to the delivery of the Vessel, the DONEE has the financial means necessary to assure accomplishment of all the obligations hereunder.
- (g) Prohibit members of the general public from visiting aboard the Vessel prior to the accomplishment of all work necessary to make the Vessel safe and presentable for public inspection, except as may be authorized by the Navy Department.
- (h) Not transfer or otherwise dispose of the Vessel or any part thereof or any interest therein without the prior consent of the Secretary of the Navy or his duly authorized representative.
- (i) Indemnify and hold harmless the United States Government, its agents, or employees, against all suits, actions, claims, costs, fees and demands, (including without limitation suits, actions, claims, costs, fees and demands for death, personal injury or property damage) to which the Government, its agents or instrumentalities, or their agents or employees, may be subject by reason of damage or injury (including death) to the property or person of anyone resulting or alleged to have arisen or resulted from the fault, negligence, wrongful act or omission of the Government, its agents or instrumentalities, or their agents or employees, in the berthing, preparation for use, repairing, restoration or any other use of the Vessel originating after delivery of the Vessel to the DONEE.

- (j) Comply with all Federal, State and local laws and regulations in being or that may be hereinafter enacted or issued and relating to protection of the environment.
- (k) Submit to Naval Sea Systems Command, OODG, Washington, D.C. 20362 an annual material inspection report on the condition of the Vessel on or before June 30th of each year that this agreement is in effect.

3. Non-Discrimination

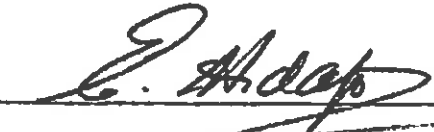
- (a) The DONEE acknowledges that it has executed and furnished to the Government representative of this Contract, Navy Form NAVSO 5350/1 (11-71) "Assurance of compliance with the Department of Defense Directive under Title VI of the Civil Rights Act of 1964," and that it has read the explanation of the Department of Defense accompanying said Navy form; that all sanctions imposed and actions taken as a result of non-compliance therewith shall be in accordance with DOD Directive 5500.11, dated December 28, 1968, "Non-Discrimination in Federally Assisted Programs."
4. In the event that the Vessel is lost or destroyed prior to the time of transfer, by fire, shipwreck, act of Providence or of a foreign power by any other means whatsoever, whether by negligence on the part of the Government, or not, this Agreement shall become void and of no effect.
 5. Upon delivery to and acceptance by the DONEE, title to the Vessel shall vest in the DONEE and title shall remain in the DONEE until transferred under article 2 (h) or Article 9 of this contract.
 6. The Government shall not be liable to the DONEE in any manner whatsoever for damages or otherwise on account of delayed delivery or non-delivery of the Vessel or for any other reason.
 7. No expense shall result to the Government as a consequence of the transfer of the Vessel to the DONEE or as a consequence of the terms and conditions prescribed hereunder.
 8. Except as otherwise provided in this contract, any dispute concerning a question of fact arising under this contract which is not disposed of by agreement shall be decided by the Commander, Naval Sea Systems Command, who shall reduce his decision to writing and mail or otherwise furnish a copy thereof to the DONEE. The decision of the Commander, Naval Sea Systems Command shall be final and conclusive unless, within 30 days from the date of the receipt of such copy, the DONEE mails or otherwise furnishes to the Commander, Naval Sea Systems Command a written appeal addressed to the Secretary. The decision of the

Secretary or his duly authorized representative for the determination of such appeals shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, capricious, or arbitrary, or so grossly erroneous as necessarily to imply bad faith, or not supported by substantial evidence. In connection with any proceeding under this clause, the DONEE shall be afforded an opportunity to be heard and to offer evidence in support of its appeal. Pending final decision of a dispute hereunder, the DONEE shall proceed diligently with the performance of the contract and in accordance with the decision of the Commander, Naval Sea Systems Command.

9. The Government may, during a national emergency, request the DONEE to return the Vessel and the DONEE shall, if and when requested to do so, return the Vessel to the Government. In the event the DONEE, or its assigns, shall fail to perform the obligations assumed under this Contract, the Secretary of the Navy or his duly authorized representative may terminate this Contract, provided that written notice to terminate, specifying the particulars wherein it is claimed that this Contract has been violated, is transmitted, by registered mail, to the DONEE. The DONEE shall have ninety (90) days from receipt of the above-mentioned written notice to cure the violations or deficiencies set forth in said notice. If, at the end of such time, it appears to the Secretary of the Navy, or his authorized representative, that the same have not been cured, then the Contract shall be deemed to be terminated, in which event the DONEE shall forfeit to the Government any and all rights it may have in the Vessel, including any improvements made to the Vessel by the DONEE, as the Secretary of the Navy or his duly authorized representative may decide, and shall transfer title to the Government if the Secretary of the Navy or his duly authorized representative so directs.
10. The term "Government" as represented by the Department of the Navy means, the Secretary, Under Secretary or Assistant Secretary of the Navy, the Commander, Naval Sea Systems Command, and any other duly authorized representative, acting within the limits of his authority, that the aforesaid officials may appoint.

IN WITNESS WHEREOF, the parties hereto have duly executed this Contract as of the date first above written.

THE UNITED STATES OF AMERICA

By 

~~EDWARD HIDALGO~~

Assistant Secretary of the Navy
(Manpower, Reserve Affairs & Logistics)

STATE OF SOUTH CAROLINA
PATRIOTS POINT DEVELOPMENT AUTHORITY

By 

Title Chairman



DEPARTMENT OF THE NAVY
NAVAL SEA SYSTEMS COMMAND
WASHINGTON, D.C. 20362

IN REPLY REFER TO

CONTRACT N00024-75-C-0200

8 MAY 1975

FOR THE DONATION OF
THE EX-YORKTOWN (ex-CVS-10)

THIS CONTRACT, entered into this 15th day of August 1974 by and between the UNITED STATES OF AMERICA (hereinafter called the "Government"), represented by the Department of the Navy, and the State of SOUTH CAROLINA (hereinafter referred to as the "DONEE"), represented by the Patriots Point Development Authority, Patriots Point, Charleston, South Carolina 29402.

WITNESSETH:

WHEREAS, the Act of August, 10, 1956 (P.L. 1028, 84th Congress), 10 U.S.C. 7308, authorizes the Secretary of the Navy to transfer by gift or otherwise, on terms prescribed by him, any obsolete vessel of the Navy to any State, municipal corporation of the United States, or any corporation or association whose Charter denies it the right to operate for profit; and

WHEREAS, by an Act of the South Carolina General Assembly (Section 51-91 Code of Laws) the Patriots Point Development Authority was created as an agency of the State to acquire, berth, renovate, equip and maintain historic vessels as part of a State sponsored Naval Museum.

WHEREAS, the DONEE has applied for donation of the obsolete aircraft carrier ex-YORKTOWN (ex-CVS-10) (hereinafter called the "Vessel") and has indicated its intention to preserve and exhibit the Vessel; and

WHEREAS, the DONEE agrees to and undertakes the obligation to make and keep the Vessel safe and presentable for public exhibition and inspection, at no expense to the Government; and

WHEREAS, pursuant to 10 U.S.C. 7308, notice of the proposed transfer has been duly sent to the Congress, sixty calendar days of continuous session have been expired since then, and no resolution has been passed by the Congress stating in substance that it does not favor the proposed transfer.

NOW, THEREFORE, the Government agrees to transfer the Vessel to the DONEE and the DONEE agrees to accept the Vessel subject to the following terms and conditions:

1. The Government shall, subject to the provisions of paragraph 5, (i) deliver the vessel to the DONEE at the Philadelphia Detachment, Inactive Ship Maintenance and Storage Facility, Bayonne, New Jersey, on an "as is, where is" basis and without

warranty of any kind, and (ii) notify the DONEE of the delivery date sufficiently in advance thereof to enable the DONEE to make necessary arrangements for acceptance of delivery.

2. The DONEE shall:

- (a) Accept the Vessel upon delivery by the Department of the Navy.
- (b) Not activate or permit to be activated any system aboard the Vessel for the purpose of navigation or movement of the Vessel under its own power.
- (c) Establish the Vessel, on a non-profit basis, as a public memorial/museum and exhibit at a suitable site across the harbor from the City of Charleston, South Carolina, and maintain the Vessel in such a manner that it (i) will not cast discredit upon the Navy or upon the proud tradition of this historic Vessel, and (ii) will not allow the Vessel to become a menace to navigation, public health or safety.
- (d) Maintain the Vessel in condition, satisfactory to the Department of the Navy. To that end the DONEE shall install not later than 30 May 1975 a permanent based mooring arrangement acceptable to the Navy. Pending completion of the permanent based mooring arrangement, temporary mooring of the Vessel shall be in a manner and at a site acceptable to the Navy. The maintenance obligations assumed by the DONEE shall include but shall not be limited to (i) the performance of all necessary painting and cleaning of exterior surfaces and interior compartments and passageways open to the public, (ii) the provision and maintenance in all public and private spaces of such hand-rails, warning signs, fire protection, lighting and ventilation systems and other safety devices as are necessary to insure the safety of the visiting public and of maintenance personnel aboard the Vessel, (iii) the assurance of the watertight integrity of the hull while the Vessel is afloat, (iv) the provision and maintenance of safe and efficient means of access and egress, (v) the provision and maintenance of suitable sanitary facilities for visitors, and (vi) such other safety and maintenance work as the Government may determine to be reasonably necessary, all the obligations hereunder shall be performed by the DONEE at its own expense and without reimbursement or contribution by the Government. All work performed hereunder shall be subject to the approval of the Commandant Sixth Naval District.
- (e) Procure and maintain, at its own expense without reimbursement or contribution by the Government, from and after the delivery of the Vessel, Broad Form Tower's Liability insurance

including Tower's negligent damage to the Vessel during any tow, and Marine Hull and Protection and Indemnity liabilities insurance all in an amount not less than \$600,000 to cover the Vessel so long as the Vessel is waterborne. Upon completion of the permanent mooring arrangement the DONEE may substitute for the foregoing insurance not less than \$600,000 of Fire and Extended Coverage insurance including risks of vandalism and malicious mischief and third party bodily injury liability insurance in an amount not less than \$100,000 per person and \$300,000 per occurrence. Such insurance shall at all times protect the United States Government its agents or employees, from claims resulting or alleged to have arisen from fault, negligence, wrongful act or omission of the Government, its agents or instrumentalities, or their agents or employees in berthing, preparation for use, repairing or any other use, and shall, as to form and insurers, be subject to the approval of the Insurance Section (MAT 0212H), Naval Material Command, Department of the Navy, Washington, D. C. 20362.

- (f) Present evidence satisfactory to the Government that, prior to the delivery of the Vessel, the DONEE has the financial means necessary to assure accomplishment of all the obligations hereunder.
- (g) Prohibit members of the general public from visiting aboard the Vessel prior to the accomplishment of all work necessary to make the Vessel safe and presentable for public inspection, except as may be authorized by the Navy Department.
- (h) Not transfer or otherwise dispose of the Vessel or any part thereof or any interest therein without the prior consent of the Secretary of the Navy or his duly authorized representative.
- (i) Indemnify and hold harmless the United States Government, its agents, or employees, against all suits, actions, claims, costs, fees and demands, (including without limitation suits, actions, claims, costs fees and demands for death, personal injury or property damage) to which the Government, its agents or instrumentalities, or their agents or employees, may be subject by reason of damage or injury (including death) to the property of person of anyone resulting or alleged to have arisen or resulted from the fault, negligence, wrongful act or omission of the Government, its agents or instrumentalities, or their agents or employees, in the berthing, preparation for use, repairing, restoration or any other use of the Vessel originating after delivery of the Vessel to the DONEE.
- (j) Comply with all Federal, State and local laws and regulations in being or that may be hereinafter enacted or issued and relating to protection of the environment.

3. Non-Discrimination

- (a) The DONEE acknowledges that it has executed and furnished to the Government representative of this Contract, Navy Form NAVSO 5350/1 (11-71) "Assurance of Compliance with the Department of Defense Directive under Title VI of the Civil Rights Act of 1964," and that it has read the explanation of the Department of Defense accompanying said Navy form; that all sanctions imposed and actions taken as a result of non-compliance therewith shall be in accordance with DOD Directive 5500.11, dated December 28, 1968, "Non-Discrimination in Federally Assisted Programs."
4. In the event that the Vessel is lost or destroyed prior to the time of transfer, by fire, shipwreck, act of Providence or of a foreign power by any other means whatsoever, whether by negligence on the part of the Government, or not, this Agreement shall become void and of no effect.
5. Upon delivery to and acceptance by the DONEE, title to the Vessel shall vest in the DONEE and title shall remain in the DONEE until transferred under article 2 (h) or Article 9 of this contract.
6. The Government shall not be liable to the DONEE in any manner whatsoever for damages or otherwise on account of delayed delivery or non-delivery of the Vessel or for any other reason.
7. No expense shall result to the Government as a consequence of the transfer of the Vessel to the DONEE or as a consequence of the terms and conditions prescribed hereunder.
8. Except as otherwise provided in this contract, any dispute concerning a question of fact arising under this contract which is not disposed of by agreement shall be decided by the Commander, Naval Sea Systems Command, who shall reduce his decision to writing and mail or otherwise furnish a copy thereof to the DONEE. The decision of the Commander, Naval Sea Systems Command shall be final and conclusive unless, within 30 days from the date of receipt of such copy, the DONEE mails or otherwise furnishes to the Commander, Naval Sea Systems Command a written appeal addressed to the Secretary. The decision of the Secretary or his duly authorized representative for the determination of such appeals shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, or capricious, or arbitrary, or so grossly erroneous as necessarily to imply bad faith, or not supported by substantial evidence. In connection with any appeal proceeding under this clause, the DONEE shall be afforded an opportunity to be heard and to offer evidence in support of its appeal. Pending final decision of a dispute hereunder, the DONEE shall proceed diligently with the performance of the contract and in accordance with the decision of the Commander, Naval Sea Systems Command.

9. The Government may, during a national emergency, request the DONEE to return the Vessel and the DONEE shall, if and when requested to do so, return the Vessel to the Government. In the event the DONEE, or their assigns, shall fail to perform the obligations assumed under this Contract, the Secretary of the Navy or his duly authorized representative may terminate this Contract, provided that written notice to terminate, specifying the particulars wherein it is claimed that this Contract has been violated, is transmitted, by registered mail, to the DONEE. The DONEE shall have ninety (90) days from receipt of the above-mentioned written notice to cure the violations or deficiencies set forth in said notice. If, at the end of such time, it appears to the Secretary of the Navy, or his duly authorized representative, that the same have not been cured, then the Contract shall be deemed to be terminated, in which event the DONEE shall forfeit to the Government any and all rights it may have in the Vessel, including any improvements made to the Vessel by the DONEE as the Secretary of the Navy or his duly authorized representative may decide, and shall transfer title to the Government if the Secretary of the Navy or his duly authorized representative so directs.

10. The term "Government" as represented by the Department of the Navy, means, the Secretary, Under Secretary or Assistant Secretary of the Navy, the Commander, Naval Sea Systems Command, and any other duly authorized representative, acting within the limits of his authority, that the aforesignated officials may appoint.

IN WITNESS WHEREOF, the parties hereto have duly executed this Contract as of the date first above written.

THE UNITED STATES OF AMERICA

By William Muddendorf

~~SECRETARY OF THE NAVY~~

STATE OF SOUTH CAROLINA
PATRIOTS POINT DEVELOPMENT AUTHORITY

By Charles F. Hyatt

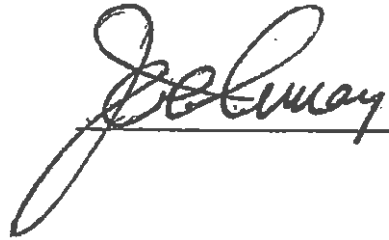
Title Chairman

I, J. B. Curran, certify that I am the Deputy atty.
(State official-i.e.)

Gen
Atty-Gen'l of the State of South Carolina; that Chas. F. Hyatt

who signed the above contract on behalf of the Patriots Point Development Authority was then Chairman of the Authority, and that said contract was duly signed for and in behalf of the State of South Carolina, all by authority duly given.

(SEAL)



CERTIFICATE OF DELIVERY AND ACCEPTANCE

This is to certify that pursuant to the terms of Naval Sea Systems Command Contract N00024-75-C-0200, the Detachment Officer, Inactive Ship Maintenance Facility, Bayonne, New Jersey, acting on behalf of the Secretary of the Navy, has on the 9th day of June 1975 at 1000 hours delivered and transferred possession of the surplus aircraft carrier ex-YORKTOWN (ex-CVS-10) complete with installed machinery and contents (as is, where is) to the State of South Carolina, Patriots Point Development Authority at the berthing site at Bayonne, New Jersey.

The undersigned, as the authorized representative of the State of South Carolina, has on said date and hour taken possession of said aircraft carrier at the location indicated above and accepts delivery thereof in accordance with the provisions of said contract.

ACCEPTED: STATE OF SOUTH CAROLINA

By: E. L. Beaman, then Mayor
Patriots Point Development Authority, Inc.
Dated: June 9 1975

DELIVERED: UNITED STATES OF AMERICA

By: E. G. Clark, CDR USN

4. MASTER PLAN
Property

1 non-appropriation, Landlord fails to pay or perform its obligations hereunder,
2 without limitation of any other rights of Tenant hereunder, Tenant shall have the
3 right, but not the obligation, to pay or perform any such obligations (other than
4 performing any construction on behalf of Landlord of new improvements to be
5 owned by Landlord) and to make a contract-based claim against Landlord for the
6 costs to Tenant of such payment or performance. The non-appropriation of funds
7 shall not in any event have the effect of excusing Landlord's obligations to vacate
8 applicable portions of Current Landlord Facility Subparcels or of terminating
9 Tenant's rights under this Lease.

10 6. MASTER PLAN.

11 6.1. Master Plan in General.

12 6.1.1. The Premises are to be developed pursuant to a Master Plan prepared by
13 and at the expense of Tenant and approved by Landlord as provided herein.

14 6.1.2. The Premises only may be developed in accordance with and for the
15 purposes set forth in the Master Plan as it may be modified from time to
16 time by Tenant subject to Landlord's Approval as provided herein. Neither
17 modification of the Master Plan nor Landlord's Approval of modification
18 of the Master Plan requires or contemplates further amendments of this
19 Lease. Tenant shall make no use of the Premises or any portion thereof
20 which is not a Permitted Use or otherwise permitted under this Lease,
21 provided that minor uses that are ancillary to Permitted Uses ("**Ancillary**
22 **Uses**") shall not be prohibited hereunder if approved by Landlord in writing.
23 Furthermore, Tenant shall make no use of the Premises, other than minor
24 Ancillary Uses, for which compensation to Landlord for such use has not
25 been agreed by Landlord and Tenant; provided that Tenant shall pay
26 Percentage Rent for any Ancillary Use at the rate paid by Tenant for the
27 most similar use for which Percentage Rent has been agreed pursuant to this
28 Lease until such time as Landlord and Tenant agree to an appropriate
29 Percentage Rent for the Ancillary Use.

30 6.1.3. No Master Plan is to be recorded in the Charleston County RMC Office or
31 any other office, provided that the foregoing shall not prohibit the recording
32 of any applicable exhibits to the Development Agreement required by law
33 to be part of the Development Agreement.

34 6.1.4. Where a Master Plan permits Tenant to make an election as to the type of
35 use for a particular portion of the Premises, the use chosen by Tenant will
36 be subject to the applicable terms, conditions, requirements and limitations
37 prescribed in this Lease for such use, including, but not limited to, rent,
38 utilities, taxes, construction terms, financing, assignment and subleasing.

1 6.1.5. In the event this Lease is terminated by Landlord in accordance with the
2 terms hereof, Landlord is not limited in the use of the Premises to the uses
3 described in the Master Plan, provided that Landlord's use of the Premises
4 shall be subject to the Master Declaration so long as such Master
5 Declaration remains in effect pursuant to the terms thereof.

6 6.2. **Master Plan as of Lease Commencement Date.**

7 6.2.1. *Conceptual Master Plan Approvals and Modifications.*

8 6.2.1.1. The Tenant has submitted a Proposed Conceptual Master Plan,
9 attached hereto as Exhibit F (the "Proposed Conceptual
10 Master Plan"), that has been presented to Landlord as of the
11 Lease Commencement Date with respect to the Premises,
12 excluding the Restricted Parcels (as defined in Section 6.2.2).
13 Landlord and Tenant agree to work together, using the Proposed
14 Conceptual Master Plan as an initial starting point, to finalize a
15 Conceptual Master Plan (as defined below) during the
16 Inspection Period because neither the proposal submitted in
17 response to Landlord's Request for Proposals nor the Proposed
18 Conceptual Master Plan has been approved by Landlord;
19 provided, however, the uses proposed in the Proposed
20 Conceptual Master Plan that are included in the uses allowed by
21 Section 7.1 hereof are approved. The Proposed Conceptual
22 Master Plan includes approximate square footages per use of
23 improvements proposed to be constructed on the Premises.

24 6.2.1.2. The Conceptual Master Plan will be developed by Tenant with
25 input from Landlord's representatives and will be subject to final
26 Landlord Approval and written approval by Tenant.

27 6.2.1.3. Tenant shall submit to Landlord a proposed initial Conceptual
28 Master Plan for all of the Premises with reasonable details with
29 respect to (i) proposed primary structures, roadways, parking,
30 pedestrian access, and areas to be landscaped, (ii) anticipated
31 uses, (iii) anticipated number of square feet of improvements by
32 use, (iv) anticipated acreage, and (v) projections demonstrating
33 that the uses and density in the proposed Conceptual Master Plan
34 are anticipated to yield to Landlord at least the amount of Rent
35 contemplated by the Proposed Conceptual Master Plan. After a
36 proposed Conceptual Master Plan has obtained Landlord
37 Approval and written approval by Tenant, it shall constitute the
38 "Conceptual Master Plan." At any time and from time to time,
39 Tenant may submit to Landlord proposed revisions,
40 modifications or additions (whether minor, substantial or
41 complete revisions) to the current approved Conceptual Master

Plan with updates showing any modifications to the items set forth in (i) through (v) above. Landlord hereby agrees that it will respond in writing with Landlord's Approval or stating specific objections to the proposed Conceptual Master Plan, or revisions, modifications or additions to the approved Conceptual Master Plan, within forty-five (45) days of receipt by Landlord of the proposed Conceptual Master Plan or revisions, modifications or additions to the approved Conceptual Master Plan. If Landlord's Approval is not given, then Tenant may resubmit the proposed Conceptual Master Plan, or revisions, modifications or additions to the approved Conceptual Master Plan, and Landlord shall respond in writing to Tenant with Landlord's Approval or specific objections within fifteen (15) days of their receipt, and the foregoing procedure with fifteen (15) day deadlines shall continue until Landlord has no further objections. Landlord's Approval of the Conceptual Master Plan or any revisions, modifications or additions thereto shall not require amendment to this Lease. Neither Landlord's Approval nor the disapproval of the proposed Conceptual Master Plan or any revisions, modifications or additions to the Conceptual Master Plan shall be construed to shorten, lengthen or otherwise change the time periods or deadlines for commencement or completion of the development of the Premises as a whole pursuant to **Section 8.2 or 8.10**, provided that any delay by Landlord in responding according to the foregoing proposals (within the allotted time periods above) shall extend such time periods or deadlines. The Conceptual Master Plan must provide for access for delivery vehicles (up to and including eighteen (18) wheel trucks) and emergency vehicles, including but not limited to fire trucks, to the Pier. Landlord will use reasonable efforts to limit routine delivery vehicle traffic to between the hours of 5:00 A.M. and 9:00 A.M. daily; provided that this limitation shall not prevent Landlord from scheduling deliveries at other times. Further, at all times during the development of the Premises, Tenant shall not impede or allow others to impede the access of delivery vehicles or emergency vehicles to the Pier (except pursuant to the procedure set forth in **Section 6.5.2**).

6.2.1.4. Pursuant to the procedures set forth in this **Section 6** to develop and refine the Conceptual Master Plan, Tenant has the ability to alter the development contemplated by the Proposed Conceptual Master Plan, which flexibility Landlord recognizes is necessary, and subject to compliance with the Permitted Uses and other terms hereof, Landlord shall not unreasonably withhold its approval to proposed revisions, modifications or additions to the

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1 Conceptual Master Plan; provided, however, a material
2 inducement for Landlord to enter this Lease is the development
3 of the Premises (excluding initially the Restricted Parcels) with
4 uses and density designed to provide the aggregate Rent
5 contemplated by the Proposed Conceptual Master Plan.
6 Accordingly Landlord Approval of the initial Conceptual Master
7 Plan for the Premises (excluding the Restricted Parcels) and
8 proposed revisions, modifications or additions thereto from time
9 to time will require, at a minimum and among other
10 requirements uses and density designed to provide at least the
11 aggregate Rent contemplated by the Proposed Conceptual
12 Master Plan, to the extent reasonably practicable taking into
13 consideration current market conditions and demand at such
14 time of consideration.

15 6.2.2. Tenant's Proposed Conceptual Master Plan does not include specific plans
16 for (a) Restricted Parcel 1, or (b) Restricted Parcel 2. "Restricted Parcel
17 1" is the portion of the Premises that is subject to the Conservation
18 Easement but is not subject to the LWCF Agreement. "Restricted Parcel
19 2" is the portion of the Premises that is subject to the Conservation
20 Easement and the LWCF Agreement. The "Conservation Easement" is
21 the easement granted by Landlord in favor of the South Carolina
22 Department of Natural Resources ("DNR") dated January 21, 1998, and
23 recorded in Book Y303 at Page 190 in the Office of the Register of Mesne
24 Conveyances for Charleston County. The "LWCF Agreement" is the
25 South Carolina Land and Water Conservation Fund Project Agreement
26 dated April 3, 1978, by and between Landlord and the State of South
27 Carolina which, along with amendments thereto, are attached as Exhibit C
28 to the Simultaneous Declaration and Release of Restrictive Covenants made
29 June 20, 2014, by Patriots Point Development Authority and recorded in
30 Book O414 at Page 129 on June 30, 2014, in the Office of the Register of
31 Mesne Conveyance for Charleston County, South Carolina. Restricted
32 Parcel 1 and Restricted Parcel 2 are referred to herein collectively as the
33 "Restricted Parcels." Tenant shall submit to Landlord a proposed revised
34 Conceptual Master Plan including Restricted Parcel 1 within eighteen (18)
35 months after the Conservation Easement restrictions no longer restrict the
36 development of Restricted Parcel 1. Tenant shall submit to Landlord a
37 proposed revised Conceptual Master Plan including Restricted Parcel 2
38 within twenty-four (24) months after the Conservation Easement
39 restrictions no longer restrict the development of Restricted Parcel 2. If the
40 LWCF Agreement restrictions are removed from Restricted Parcel 2 after
41 the Conservation Easement restrictions no longer restrict the development
42 of Restricted Parcel 2, Tenant shall have twenty-four (24) months after
43 removal of the LWCF Agreement restrictions to submit to Landlord a
44 proposed revised Conceptual Master Plan for the initial development or

1 redevelopment, as applicable at such time, of Restricted Parcel 2. Landlord
2 and Tenant shall use commercially reasonable efforts (excluding Landlord's
3 or Tenant's payment of consideration or commencement of any legal
4 proceedings) to have the Conservation Easement removed prior to its
5 expiration, and if removal cannot be accomplished, then amended to allow
6 for parking on Restricted Parcel 1. If the Conservation Easement is
7 removed or if the Conservation Easement is amended to allow for parking
8 on Restricted Parcel 1, then Tenant and Landlord shall negotiate with the
9 Town of Mt. Pleasant to attempt to arrange (i) the construction and joint use
10 of parking on Restricted Parcel 1 by Tenant and the Town of Mt. Pleasant
11 sufficient to provide the Town of Mt. Pleasant the use of at least the number
12 of parking spaces currently provided by the existing parking lot located
13 between the Cold War Submarine Memorial and the College of Charleston
14 tennis courts as shown on the Current Survey (the "**Existing Parcel 2**
15 **Parking Lot**"), and (ii) the relocation of the Patriots Point Road right of
16 way pursuant to the Right of Way Swap approximately as shown on **Exhibit**
17 **A-2** attached hereto which would cross through the Existing Parcel 2
18 Parking Lot. In the event of such relocation of the Patriots Point Road right
19 of way, the land designated as (a) Portion of Town R/W (Being Added to
20 Parcel 1) 1.01 Ac., and (b) Portion of Town R/W (Being Added to Parcel 1)
21 0.03 Ac., on **Exhibit A-2** shall, at Tenant's option, be added to the Premises
22 subject to this Lease, as provided in **Section 4.6.1**.

23 6.2.3. Parcel 3B is also subject to the LWCF Agreement. If the LWCF Agreement
24 restrictions are removed from Parcel 3B, Tenant shall have twenty-four (24)
25 months after removal of the LWCF Agreement restrictions from Parcel 3B
26 to submit to Landlord a proposed revised Conceptual Master Plan for the
27 redevelopment of Parcel 3B.

28 6.2.4. The provisions of this Lease that relate to the Conservation Easement shall
29 not apply to any Subparcel Lease the Premises of which does not include
30 any portion of Restricted Parcel 1 or Restricted Parcel 2. The provisions of
31 this Lease that relate to the LWCF Agreement shall not apply to any
32 Subparcel Lease the Premises of which does not include any portion of
33 Restricted Parcel 2 or Parcel 3B.

34 6.3. **Master Plan Approvals and Modifications.** Prior to construction of any
35 improvements on any portion of the Premises, a Master Plan for such portion of the
36 Premises must be approved by Landlord. Tenant shall submit to Landlord a
37 proposed Development Plan (as defined in below) for the portion of the Premises
38 that Tenant intends to develop first, which proposed Development Plan shall be the
39 first proposed Master Plan. Following approval of the initial Master Plan for a
40 portion of the Premises, Tenant shall submit to Landlord proposed Development
41 Plans for the subsequent portions of the Premises that Tenant intends to develop,
42 and each such proposed Development Plan shall be a proposed modification to the

1 Master Plan. Each Development Plan and proposed modification or addition to the
2 Master Plan shall include reasonable details with respect to (i) proposed primary
3 structures and features (including but not limited to roadways, parking, pedestrian
4 access, and parks and other areas to be landscaped) to be developed, materials, and
5 elevations, (ii) anticipated timelines and order of development, (iii) anticipated
6 uses, and (iv) projections demonstrating that the uses and density in the Master Plan
7 are anticipated to yield to Landlord at least the amount of aggregate Rent for the
8 applicable portion of the Premises contemplated by the Conceptual Master Plan, to
9 the extent reasonably practicable taking into consideration current market
10 conditions and demand at such time of consideration. A "Development Plan" for
11 any portion of the Premises proposed to be developed by Tenant, whether (a) one
12 or more Subparcels, (b) one or more Subparcels and other portions of the Premises,
13 or (c) a portion of a Subparcel or the Premises, is a plan including all of the elements
14 set forth in items (i) through (iv) above. A Development Plan may consist of one
15 or more buildings or other improvements to be constructed on any portion of the
16 Premises or on any portions of one or more Subparcels. After a proposed Master
17 Plan or proposed modification or addition to the Master Plan is approved by
18 Landlord, it shall constitute the "Master Plan." At any time and from time to time,
19 Tenant may submit to Landlord proposed revisions, modifications or additions
20 (whether minor, substantial or complete revisions) to the current approved Master
21 Plan with updates showing any modifications to the items set forth in (i) through
22 (iv) above. Landlord hereby agrees that it will respond in writing with Landlord
23 Approval or stating specific objections to the proposed Master Plan, or revisions,
24 modifications or additions to the approved Master Plan, within forty-five (45) days
25 of receipt by Landlord of the proposed Master Plan or revisions, modifications or
26 additions to the approved Master Plan. Landlord's Approval shall be given to any
27 proposed Master Plan or proposed revisions, modification or addition to the Master
28 Plan that is not, in Landlord's reasonable judgement, materially different from the
29 Conceptual Master Plan. Landlord's Approval shall not be withheld on the basis
30 of disapproval of the architectural elements of the proposed materials or elevations
31 to the extent that the architectural elements of the proposed materials or elevations
32 were addressed in relevant detail in the Conceptual Master Plan. If Landlord's
33 Approval is not given, then Tenant may resubmit the proposed Master Plan, or
34 revisions, modifications or additions to the approved Master Plan, and Landlord
35 shall respond in writing to Tenant with Landlord's Approval or specific objections
36 within fifteen (15) days of their receipt, and the foregoing procedure with fifteen
37 (15) day deadlines shall continue until Landlord has no further objections.
38 Landlord's Approval of the proposed Master Plan or any revisions, modifications
39 or additions thereto shall not require amendment to this Lease. Neither Landlord's
40 Approval nor disapproval of a proposed Master Plan or any revisions, modifications
41 or additions to the Master Plan shall be construed to shorten, lengthen or otherwise
42 change the time periods or deadlines for commencement or completion of phases
43 of development of the Premises (as applicable) or the development of the Premises
44 as a whole pursuant to Section 8.2 or 8.10, provided that any delay by Landlord in
45 responding according to the foregoing proposals (within the allotted time periods

Exhibit F

Proposed Conceptual Master Plan

See attached.

Note: One of the hotels may be relocated to the area shown on the Proposed Conceptual Master Plan as an amphitheater.

Patriots Point Revenue Summary

7.21.14

Development Components

2014 Dollars

Hotels	Area sq.ft	Guest Rooms	ADR	Occupancy	Gross Revenue	% Ground Rent	Ground Rent	
Hotel One	225,000							
Rooms Revenue		250	\$ 200.00	75%	\$ 13,687,500	3.5%	\$ 479,063	
Hotel Two	115,000							
Rooms Revenue		150	\$ 150.00	75%	\$ 6,159,375	3.5%	\$ 215,578	
F&B/Conference					\$ 5,000,000	5.0%	\$ 250,000	
Hotel Three	70,000							
Rooms Revenue		100	\$ 130.00	75%	\$ 3,558,750	3.5%	\$ 124,556	
Totals	410,000	500			\$ 28,405,625		\$ 1,069,197	
Offices	Area	NNN Rent psf			Gross Revenue	% Ground Rent	Ground Rent	
Office Building One	135,000	24.00			\$ 3,240,000	7.0%	\$ 226,800	
Office Building Two	135,000	24.00			\$ 3,240,000	7.0%	\$ 226,800	
Office Building Three	135,000	24.00			\$ 3,240,000	7.0%	\$ 226,800	
Office Building Four	135,000	24.00			\$ 3,240,000	7.0%	\$ 226,800	
Totals	540,000				\$ 12,960,000		\$ 907,200	
Restaurants	Area				Gross Revenue	% Ground Rent	Ground Rent	
Restaurant One	6,000				\$ 2,000,000	3.5%	\$ 70,000	
Restaurant Two	6,000				\$ 3,000,000	3.5%	\$ 105,000	
Restaurant Three	6,000				\$ 4,000,000	3.5%	\$ 140,000	
Totals	18,000				\$ 9,000,000		\$ 315,000	
Retail	Area	NNN Rent psf			Gross Revenue	% Ground Rent	Ground Rent	
Retail Buildings 3, 4, 5, 6, 7	44,300	30.00			\$ 1,329,000	12.5%	\$ 166,125	
Retail Buildings 1, 2	15,700	30.00			\$ 471,000	12.5%	\$ 58,875	
Retail Buildings 8, 9	15,000	30.00			\$ 450,000	12.5%	\$ 56,250	
Totals	75,000				\$ 2,250,000		\$ 281,250	
Apartments	Area	No of Apts	NNN Rent/mth		Gross Revenue	% Ground Rent	Ground Rent	
Building One	70,000	65	2,000		\$ 1,560,000	8.0%	\$ 124,800	
Building Two	70,000	65	2,000		\$ 1,560,000	8.0%	\$ 124,800	
Totals	140,000				\$ 3,120,000		\$ 249,600	
Parking Garages							Ground Rent	
Garage One	180,000	500	5.00		\$ 912,500	10.0%	\$ 91,250	
Garage Two	180,000	500	5.00		\$ 912,500	10.0%	\$ 91,250	
Garage Three	180,000	500	5.00		\$ 912,500	10.0%	\$ 91,250	
Totals	540,000				\$ 2,737,500		\$ 273,750	
Grand Totals	1,723,000				\$ 55,353,125		\$ 3,095,997	
Future Land Phase							Ground Rent	
Land Currently Under Easement	22 Acres	Projected Ground Rent Potential from future development						\$ 1,000,000
Final Grand Totals					\$ -		\$ 4,095,997	

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