

In the interest of creating certainty for both parties and eliminating a costly confrontation for both sides, Hmong-American Shopping Center would be willing to accept \$4,650,000 as a gesture of good will and to allow a redevelopment partnership with the City to go forward, with this sum to be reasonably allocated by Hmong-American Shopping Center between land value and relocation benefit value after further consultation with its tax advisor, and further on the condition that a developer agreement for the subject property plus the typewriter shop be signed by July 31, 2005, and include the following:

- a. allow construction by Hmong-American Shopping Center (or an entity created and owned solely by it for purposes of completing the development project) of condominium, townhome and retail space substantially similar to that shown on the enclosed site plan, which plan has been discussed by Dan Vang, representatives of Hmong-American Shopping Center's architecture firm DJR and consultant Frana Construcion, Brad Hoffman and Tom Bublitz.
- b. provide for transfer of the land, after demolition and remediation by the EDA, for \$1.

Hmong American Shopping Center would like to emphasize that it has found recent negotiations between its Operations Supervisor Dan Vang and Community Development Director Brad Hoffman positive and highly productive. It appears that each party would be far better served by this proposed settlement than by continued litigation, and it appears that the parties are not terribly far apart in terms of the dollars that attach to each party's definition of acceptable settlement costs. If the EDA concurs with this interpretation, our office would be immediately available to finalize the draft term sheet we have on file and to prepare a settlement agreement for the EDA Commissioners' review.

Sincerely,



Clarissa M. Klug

Steven A. Sondrall

Attorneys for Hmong-American Shopping Center LLC