

Exhibit A: AFS Lease - Local Hire Guidelines

- a. If the proposed sublessee is already headquartered in Austin, or will have forty-nine (49) or fewer employees in its first year, the local hire requirement will remain at seventy-five percent (75%).
- b. If the sublessee is relocating or expanding to Austin from another city, state or country and has fifty (50) or more employees, the local hire requirement that must be placed in the sublease will be:

If on the effective date of the sublease, sublessee employs fifty (50) or more employees who work at the premises, then at least seventy-five percent (75%) of such employees must be "Austin Residents" defined as a person who resides in the Austin-Round Rock Metropolitan Statistical Area at the time immediately before employment. Students residing and attending institutions of higher education in the Austin MSA will be considered Austin Residents. Sublessee must submit sufficient documentation to AFS within the first thirty (30) days of the effective date of the sublease confirming compliance with this requirement. Sufficient documentation includes copies of driver's licenses, utility bills or similar documentation.

- c. If the prospective sublessee does not believe that it can meet a goal of seventy-five percent (75%) of local hires, AFS will request the following information from the company:
 1. How many jobs does the company expect to create in the first year?
 2. What is the average pay per job?
 3. What percentage of local hires will the company commit to?

With that information, AFS will hold a public information session with two weeks' notice, publicized via an email to its members and to the current tenants of Austin Studios, and listen to any concerns that may exist. If AFS then decides to go forward in seeking approval for the sublessee with local hire percentage that is less than seventy-five percent (75%), AFS will publish notes from the public meeting on its web site, and make the notes available to the City staff, which can use their discretion in granting or denying approval of the proposed sublessee, that if approved will include the approved local hire percentage.