

**NORTH MIAMI CRA ADVISORY COMMITTEE
REGULAR MEETING
MONDAY, August 14, 2006 - 6:00 P.M. (Re-Scheduled from 08/03/06)
NORTH MIAMI CRA OFFICE
615 NE 124th STREET
NORTH MIAMI, FLORIDA**

AGENDA

- I. Call to Order/Roll Call
- II. Approval of Minutes – July 6, 2006 Regular Meeting of the CRAAC
- III. North Miami CRA FY 2005-06 Financial Report as of June 30, 2006 – Discussion (Attachment to be delivered no later than August 11)
- IV. FY 2006-07 North Miami CRA Budget Preparation Update – Discussion/Action (Attachment to be delivered no later than August 11)
- V. Update regarding the proposed Downtown Improvement Program – Discussion (Attachment)
- VI. Proposed Development Agreement between North Miami Housing and the North Miami CRA for the construction of 136 Units of Affordable Housing on the Ruck’s Park Development Site – Discussion/Action (Attachment)
 - A. Timeline of Key Prior Events and Projected Dates for the Ruck’s Park Site Housing Development – Discussion (Attachment)
- VII. Old/New Business
 - A. CRA Advisory Committee Membership, Applications, Disclosure Forms and Background Checks – Oral Update (No Attachment)
 - B. Input to CRA Board Discussion scheduled for 8/22/06 regarding the re-naming of the Ruck’s Park sub-division – Discussion (No Attachment)
 - C. Florida Redevelopment Association 2006 Annual Conference Information, Sponsorship Opportunities and Attendance by NMCRA Advisory Committee and Board members – Discussion (Attachment)
 - D. NMCRA Community Outreach Efforts – Oral Update (No Attachment)
 - E. Scheduling Workshop by Siemon & Larson on the changes to the North Miami Zoning Code – Discussion (No Attachment)
 - F. City/CRA Participating in the Partnership for Recovery “No Blue Roofs” Program – Discussion (Attachment)

(Items Discussed Under Old/New Business Are For The Purpose Of Obtaining Or Providing Information Topics Or Requesting Information On Non-Agenda Topics, And No Official Action Or Vote Of The Committee Will Be Taken).

VIII. Adjournment

Note: Two or more members of the City Council/CRA Board of Commissioners and/or other elected or appointed public officials may be present at this meeting. If any person decides to appeal any decision made with respect to any matter considered at this public meeting or hearing, he/she will need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based. If you desire auxiliary services to assist in viewing or hearing the meetings, or reading meeting agendas and minutes, please contact the Office of the CRA at (305) 899-0272.

SUMMARY MINUTES

**REGULAR COMMUNITY REDEVELOPMENT AGENCY
ADVISORY COMMITTEE MEETING**

July 6, 2006

A regular meeting of the Chairman and Members of the Community Redevelopment Agency Advisory Committee (CRAAC) was held in the North Miami CRA Offices on Thursday, July 6, 2006, beginning at 6:05 p.m.

(Phonetic spelling of each speaker’s name may be used throughout the minutes unless correct spelling is known.)

ROLL CALL

	Absent/ Present	Cumulative From 2/9/2006	
		(P)	(A)
Blanca Cobo	P	5	0
Inez Couch (arrived 7:05)	P	5	0
Judy Feldman	P	3	2
Bruce Gibson	P	4	0
Dr. Smith Joseph (arrived 6:12)	P	5	0
Michael McDearmaid (arrived 6:30)	P	5	0
Jesus Remon	P	2	0
Clark Reynolds	P	4	1
Bill Valentine	P	5	0
Duke Sorey	P	5	0

APPROVAL OF MINUTES:

Regular Meetings – May 4, 2006 and May 17, 2006, approved by Committee.

ITEMS FOR REVIEW AND/OR DISCUSSION

1. INTRODUCTION

Chair Clark Reynolds opened the meeting and called on Executive Director Tony E. Crapp, Sr. The Executive Director expressed his gratitude to all Advisory Committee members for being

there and for the opportunity of meeting with each of them on a one-to-one basis in the past few weeks.

2. DISCUSSION ON THE MEMO BY THE EXECUTIVE DIRECTOR DATED JUNE 22, 2006 TO THE CRA BOARD FOR THEIR MEETING ON JUNE 27, 2006

The memorandum is a report on the Executive Director's assessments and recommendations from his first few weeks on the job, to give a sense of what his perspective is and outline his suggestions for the future of the CRA. The Executive Director highlighted key issues from the report:

Organizational Structure and Staff Capacity

- Until now many functions of the CRA have been carried out by outside consultants. It is therefore recommended that more full-time direct employees be hired with the skills to implement CRA projects. A staffing structure will be proposed in the next 30 days, with the goal of having some of this staff on board by October 1.
- The CRA will begin looking for new office space to accommodate future needs and CRAAC meetings.
- The website contained inaccuracies and omissions which have been corrected and new procedures are now in place to ensure the quality of the site.
- Personnel and procurement policies will be established in the next 60-90 days.

Financial Reporting and Fiscal Accountability

- Included in the memo is a preliminary recap of revenues and expenditures for the fiscal year up to May 30, 2006. A more formal statement will be prepared to cover the period of October 1, 2005 to June 30, 2006, and will be presented quarterly in the future.
- It is recommended that the CRA secure 501(c)(3) status to enable us to pursue different funding opportunities.
- Auditing services will be secured by issuing an RFP.

FY 2005-06 Projects, Programs and Activities

- The Executive Director reviewed a table showing the CRA Projects, Services and Programs, with columns showing a comparison between the Adopted 2005-06 Budget and Amended 2005-06 Budget.
- The CRA will be developing a monthly update on all projects to be posted on the website and presented at meetings.
- Ruck's Park
 - CRA Staff and the CRA Attorney are working diligently to conclude negotiations on the development agreement with North Miami Housing (NMH).
 - The CRA is contacting providers of homebuyer training and qualification, plus looking at State programs and other resources to leverage CRA funds. This work will lead to a comprehensive affordability strategy to be discussed at future meetings.
 - The request to amend the 2005-06 budget and issue the Line of Credit for Ruck's Park is moving forward, as it was favorably considered by the June 14 TIF Committee meeting. CRA Staff will work in coordination with County staff next take

the amended budget to the Community Empowerment and Economic Revitalization Committee and finally to the Miami-Dade Board of County Commissioners for anticipated approval prior to September 30, 2006.

- Commercial Façade and Redevelopment Grant Program
 - A matrix was distributed to CRAAC members that compares the City, County and other programs in the region. The CRA's Program will be a syntheses of these programs, taking the best of each while maintaining maximum flexibility.
 - One of the parameters considered is the Program Requirements for each program. The idea is to eliminate some burdensome federal requirements while selectively adding requirements that will lead to better results, such as requiring maintenance of improvements.
 - From the Program Description comparison, once can see that the CRA plan is to create a program to assist all those in the CRA, not necessarily downtown or in the CDBG area.
 - In terms of Eligibility, look to the City's existing façade program for the facade part of the CRA program and use the Downtown Improvement Program eligibility requirements for other types of assistance.
 - The key is to design a flexible program where businesses and long term tenants as well as owners can apply. Please note that this is just a draft –further discussions with City staff are necessary before coming back to the Committee and the Board with a more polished program.
 - DISCUSSION

Questions were raised by committee members as to the role of CDBG funds in carrying out the CRA's programs. The Executive Director explained that those funds would only be used if they would leverage CRA funds and did not negatively impact the flexibility of the CRA's program. The CDBG money is only one tool in the CRA's toolbox. A member of the public suggested that some applications are intimidating for a small business owner. The Executive Director responded that there are programs specifically aimed at small business that they can pursue, such as Micro-enterprise loans or the County's Mom & Pop program. Dr. Joseph asked if serving on the CRAAC disqualified someone from applying for the redevelopment grants. The CRA Attorney, Steve Zelkowitz said the answer is no, but they would have to recuse themselves from voting on an item that specifically referred to their application.

Clark Reynolds thanked the Executive Director for laying out a program in a clear way so that he and the Committee can have a good feel for the programs being considered by the CRA.

Downtown Improvement Program Initiative

The Executive Director went over another memo that was handed out at the meeting titled: *Proposed Downtown Improvement Program Initiative*. The key to the success of these programs is in partnering with the City. The CRA's primary function will be to coordinate and fund the initiatives, while taking advantage of each City department's expertise and administrative capabilities to implement the programs. The lead departments have all been identified and they will be coming back with Scope of Work descriptions and cost estimates by late July. The Executive Di-

rector has met with the City Manager, and Deputy City Manager, and then with the leaders of all Departments involved. The following table is reproduced from the memo:

Lead Department (as of 6/22/06)	Program Components/Tasks
Public Works/P&R	Pressure Cleaning of Sidewalks
Public Works/P&R	Litter Control
Public Information	Banners
Public Works	Waste Containers
P&R	Trees
Public Works	Fountain Repair (6 th Avenue/Dixie Hwy)
Public Works	Removal of Concrete Furniture
Public Works	Code Enforcement Enhancement
City Manager’s Office/Community Planning and Development (CPD)/CRA	Downtown Incentive Program
CPD/CRA	Commercial Façade Program

One of the first questions that needed to be addressed was what the initial boundaries should be, and the following is what was suggested:

N.E. 125th Street from NE 6th Avenue on the West to NE 10 Avenue on the East; and West Dixie Highway from approximately NE 123rd Street on the South to approximately 127th Street on the North.

The departments will base their scopes of work on this *initial* boundary for the programs they are taking the lead on. The key is to make a meaningful, visible change to the area, and then the area can be expanded.

The Executive Director next reviewed Section III of the memo which outlines a suggested approach for the City/CRA partnership for implementing the program. Basically, each lead department researches the needs and specifications, and then prepares a scope of work which would include unit costs whenever possible, and they would deliver these proposals to the City Manager’s office. The CRA will then review these proposals and present them to various stakeholder groups such as this Committee, the CRA Board, Chambers of Commerce and others. Lastly the CRA sits down with the City to negotiate terms for our agreements, to determine their levels of service and our contribution.

Lastly the Executive Director reviewed the fairly aggressive timeline to get all this done, with the goal of beginning the implementation of many programs before the end of the current fiscal year at the end of September.

DISCUSSION

Bruce Gibson offered his support for using the City’s expertise in various areas, but wants to be sure to delineate capital expenditures vs. maintenance costs. He is concerned the City may want to use our funds for services they should be already providing. Pressure cleaning is the type of service he is concerned about. The Executive Director explained that he has made it clear to the

City that the CRA is not going to be a substitute funder for their services, but will only contribute when it is an enhancement to an existing service or an increase in the level of service that the City provides. Any expenditure would have to pass the test of State redevelopment statutes as an eligible expense from the CRA's Trust Fund.

Jesus Remon asked whether the CRA can invest money that it doesn't expend in a particular year. The Executive Director said that we will have a capital investment program that will address all our revenues. Money received during a year does not necessarily have to be spent but needs to be allocated to specific programs via the capital program. Bill Valentine added that it is the job of the Committee and the CRA to make sure that the money that is coming in is spent in the proper fashion and prioritized, not simply that it is expended.

When asked about the timetable, the Executive Director explained that he has followed up with the department heads to keep on schedule with the programs. The Deputy City Manager reiterated to the department heads the importance of getting the scopes done expeditiously. July 20 is the next big deadline when the departments are to submit their recommended Scope of Work Descriptions and Cost Estimates to the City Manager's Office for transmittal to the CRA.

FY 2006-07 Budget Priorities

Page 5 of the June 22, 2006 memorandum contains information about FY 2006-07 budget priorities that will be further discussed with the CRA Board on July 11. The main priorities are:

Continued funding for the homebuyer training and pre-qualification program, the Commercial Façade Program, the Downtown Improvement Program, and initial funding for a Downtown Development Master plan that would include NW 7th Avenue.

On the Downtown Improvement program the Executive Director suggested bringing back the idea of a CRA-funded code enforcement officer dedicated to the Downtown Business district, which was taken out of this year's budget. Clark Reynolds expressed strong agreement that code enforcement be a priority. Bruce Gibson asked if the downtown district was enough for a full-time officer, and Mike MacDearmaid asked if it's possible to just pay for part of the code enforcement officer's time. Bill Valentine suggested that the CRA boundary is more than large enough to give a full-time officer enough duties. Mike MacDearmaid explained that there are existing *Commercial* code enforcement officers who are already overwhelmed, and perhaps we could designate officers to specific Commercial Corridors. Clark Reynolds stated that as downtown land owner, it would be great to be able to call someone in City Hall by name that would be familiar with that corridor's needs.

On the funding of a Downtown Development Master Plan, Jesus Remon supported the idea and urged CRA Staff to examine the Johnson & Wales Master Plan, which came before the Planning Commission. He said the Plan is exhaustive, and the CRA should consider building from that (provided a contact at Johnson & Wales, Loreen Chant). The Executive Director mentioned that he already is meeting with people from the School and will investigate the suggestion further.

Clark Reynolds urged the Master Planning process to start *now*, as it will take a considerable amount of time to create and needs to be in place by the time funds become available for plan implementation. Don't wait until the money needs to be spent and rush into things. He also said

it's important to clarify the different nature of the Comprehensive Plan, the Land Development Regulations and the proposed Master Plan, as some already ask him why does a Master Plan need to be done at all. Bruce Gibson recommended that CRA Staff ensure that consultants hired to create the plan, *not* benefit from the implementation of the plan as this may lead to problems that are being experienced with other City projects.

3. FY 2006-07 BUDGET PRIORITIES

The Executive Director explained that the budget included in the Agenda Packet is preliminary, and for discussion purposes only (Item IV, Exhibits 1 & 2). The figures are preliminary as the County has not yet provided the tax roll information, nor the adopted tentative millage rate. The following discussion will be about the undesignated portion of the budget or \$855 thousand out of the total budget of \$3.2 million for 2006-07.

The Executive Director and Chief-of-Staff Chuck Adams reviewed Exhibit 2 that contained various spreadsheets analyzing the Sources and Uses of Funds for current and future budget periods in terms of the Capital Projects Fund, Operating Fund, and Debt Service Fund. As mentioned, the projections are for discussion purposes and can change considerably once revenue numbers are more certain. The current estimates are conservative. In response to a question from the general public, the Executive Director stated that the unallocated funds are just that, and do not need to be spent on programs that are listed in the memo as "continuing." The Chief-of-Staff explained that the committee and others should not focus on the \$855,000 number, but discuss in terms of priorities for spending and magnitude.

Community Policing

A member of the public asked about the possibility of funding for additional police presence, specifically for NE 125th Street and 14th Avenue, near the railroad tracks. Chair Clark asked about the possibility of spending on Community Policing to help problem areas. Mike MacDearmaid explained that it costs in total about \$100,000 to hire a policeman, so it must not be taken lightly. Duke Sorey said that it is possible to get police action to solve problems by simply getting together with elected officials and the police leadership and explain what is needed. This many not require additional personnel, just more focused attention.

The Executive Director clarified that to be an eligible activity, there must be a Community Policing element in the Redevelopment Plan. In addition, the difficulty is in demonstrating that the CRA funding is for enhancement of a level of service, and not a substitution.

Further Discussion

Jesus Remon suggested that we don't create new programs, and that money is better spent supplementing ongoing programs. Bruce asked about the acquisition of land and whether some of the line of credit be spent on that. He felt that land should be acquired prior to changes to the land development codes which are currently being worked on, as their enactment can greatly increase land costs.

Infrastructure Spending

Judy Feldman reminded the Committee that the infrastructure is in a deteriorated state, and Mr. Remon added that he hasn't seen any discussion about infrastructure in other City planning efforts. He thinks this is a potentially serious problem especially as the CRA supports increased density, height, and mixed use, and that businesses will not locate here if they feel the infrastructure is inadequate. Affordable housing with no jobs doesn't work.

Mike McDearmaid said this was addressed during general obligation bond discussions and reiterated that staff has warned him that the infrastructure is being "held together with chewing gum and wire." Jesus Remon asked all to consider, what other opportunity will the city ever have again to have significant funds for something like this? Inez Couch warned that if there is a sewer leak and it pollutes the Oleta River, the City could be fined millions of dollars – it is therefore financially prudent to improve the infrastructure.

The Executive Director said that in the Redevelopment Plan there is money allocated for infrastructure, but we need to decide on the timing of these expenditures and the proportion of the expenses that the CRA will fund. He has already begun conversations on this subject with the City Manager, Deputy City Manager, Budget Director and Public Works Director. This will become more important when the CRA has the ability to issue bonds, around the 2008-09 period. The CRA must first show the County and financial institutions that it has the ability to repay based on the TIF revenue stream and use this money effectively – that is the CRA must have a proven track record.

Jesus Remon urged that the CRA's resources be focused on a limited number of programs, preferably those already in existence, and see them through. Then after a while the market will take over and money can be reallocated. The Executive Director agreed and gave the Commercial Façade Grant and Downtown Improvement programs as examples of efforts started by the City that the CRA will continue to support or enhance.

4. PROPOSED CONCEPT FOR SERVICES AND AFFILIATE AGENCY AGREEMENTS

The Executive Director said that at this time, the Affiliate Agency status is not ready for discussion, but he explained that the agreement would allow CRA Staff to be covered under various City programs, such as health insurance and pension plan, greatly reducing costs. He will return next month with details.

On the Services Interlocal Agreement and related resolution, the Executive Director explained that the document serves to set the parameters for future negotiations with the City for specific services. The memo describes the budget allocation process for both parties and helps establish a framework for establishing how labor costs are reimbursed.

Jesus Remon commented that while this makes sense, he wonders "who's the boss?" If the CRA is using a person 20% of the time, the person who controls the other 80% will command more attention. The Executive Director explained that we will be "purchasing" services from the City and they will have to show that the work is being done to agreed upon specifications. The CRA Attorney added that it simply allows us to get a service, such as doing the background checks on

the Committee members, without having to find, hire, and supervise someone. The Executive Director added that, however, we will only do this if it makes sense as we are capable of contracting private parties as well – it's just another tool.

5. PROPOSED LICENSE AGREEMENT TO PERMIT NORTH MIAMI HOUSING TO ACCESS RUCK'S PARK

The CRA Attorney explained that this license agreement allows work on Ruck's Park to go forward while the developer's agreement is still being negotiated. It protects the CRA while allowing NMH and its subcontractors to enter the site and continue their due diligence work, such as completing the Phase II Environmental Review.

Chair Reynolds mentioned that he would like to hold a special workshop or a background paper on Ruck's Park, because he just didn't have a good feel for how it all came about. A discussion ensued and no final recommendation was made.

MOTION #1

Motion made by Mike McDearmaid, seconded by Duke Sorey, Sr.

The advisory committee recommends that the CRA Board accept the License Agreement on Ruck's Park.

Motion passed unanimously 12 to 0.

Bruce Gibson asked if there are any contingency plans for local residents for environmental accidents related to the development of Ruck's Park. The CRA Attorney explained that Miami-Dade County's Water and Sewer Department and the Department of Environmental Resources Management will have to approve any work which may have an environmental impact. The CRA is not the governmental authority with jurisdiction over these matters.

Next Mr. Gibson expressed concern over the timing for building permits and the creation of condominium documents. He thought that this could seriously set back completion of the project and make an August 2006 groundbreaking difficult. The Executive Director said that he is working diligently with NMH to ensure work is going forward as planned, and will forward to the Committee a timeline prior to the next meeting. The CRA Attorney said that each of the items on the timeline is being discussed as the developer's agreement is being negotiated, and that the Development Agreement will be presented to the CRAAC for review.

Bruce Gibson said he heard that the development fee would be paid at the end of the project. The CRA Attorney said there may have been verbal statements to that effect but current negotiations indicate that the development fee will be paid on a monthly basis following closing of the construction loan subject to a 50% retainage.

6. OLD/NEW BUSINESS

Acknowledgement of CRAAC Resolutions by CRA Board

Mr. Gibson summarized his comments at the City Council meeting of June 27, 2006, and started a discussion on how the CRA Board should acknowledge motions made by the CRAAC. He rec-

ommended that a motion be made whereby the CRA Board must make CRAAC recommendations and motions a part of the active agenda so that they can be discussed in public.

The Executive Director stated that during all future CRA Board meetings he will review the discussions and resolutions from the previous CRAAC meeting during the Executive Director Report. Furthermore, the minutes would be included in the CRA Board Agenda packet as the timing of the CRAAC meetings and CRA Board meetings will be in sync. The Executive Director committed to making sure there is effective communication between the CRAAC and CRA Board, but urged Committee members to provide feedback to the CRA Board Members that appointed them as well. After the discussion, no motion was made.

Jesus Remon then asked the Executive Director what he felt the role of the CRAAC should be. The Executive Director stated that first and foremost, you participate by attending the CRAAC meetings, so that you can be used as a resource to help create and guide programs. Make sure that what the CRA is doing the right thing at the right time. The Committee should serve as a sounding board for ideas and help shape policies. The Executive Director added that the CRAAC and CRA Board must work together, and the Committee must demonstrate over time that there is real “value added” by the Committee to the process.

Lastly, Bruce Gibson asked the Committee to consider whether or not the Olympic Facility would truly bring about the benefits to the City that have been promised. He asked if a cost-benefit analysis had been completed to demonstrate that it makes economic sense. The Executive Director said the Facility is not a currently funded CRA project and he is not aware of any cost-benefit analysis. Chair Clark suggested that if the CRA is asked to take over the facility or something similar, the City should be asked to conduct a cost-benefit analysis for the Committee to consider.

Applications, Disclosure Forms and Background Checks Update

See the summary in the agenda packet. The CRA Attorney reminded everyone that we need to get Disclosure Forms from each member. If they tell us what they own, CRA Staff will fill in the form for them.

Annual Board Appreciation

The Executive Director then presented Commendations to CRAAC members that he received for them at the Annual Board Appreciation Reception on June 8, 2006.

Lastly, the Executive Director mentioned that we would like to Spotlight a member of the CRAAC every month on the website – Guylene Berry, the CRA’s Community Relations Advisor, will collect photos and information from each member.

Next meeting is set for Thursday, August 3, 2006.

ADJOURNMENT

Meeting adjourned at 8:35 PM.

MEMORANDUM

Date: August 8, 2006
To: Chairman and Members of the North Miami CRA Advisory Committee
From: Tony E. Crapp, Sr., Executive Director
Subject: Downtown Improvement Program Update

During our July 6, 2006 meeting, I outlined the how we are planning to proceed with the implementation of the proposed Downtown Improvement Program. We have since received Scope of Work Descriptions and Cost Estimates from several City Departments and have carefully reviewed them internally and with key stakeholders. Some of the items on this “wish list” are long term and include infrastructure improvements that we will discuss in future meetings including upcoming discussions relative to the CRA’s FY 2006-07 budget. For the purpose of this meeting and to present to other stakeholders, please consider a “Phase I” of our Downtown Improvement Program that can be undertaken this fiscal year. While we still need to get some firm costs, the following table summarizes our best estimates. Please note that we have \$100,000 in our FY 2005-06 budget that is available to fund Downtown programs.

Summary of Phase I of Programs - Fiscal Year 2005-06 (to be completed by 9/30/2006)

Improve Fountains on 6 th Ave./Dixie Highway, and Griffing Park <i>Replace pumps and redesign electrical on Dixie fountain, and resurface/rehabilitate Griffing Fountain</i>	\$25,000
New Garbage Cans for Downtown <i>47 receptacles \$320 each plus delivery – Public Works installs</i>	\$16,000
New Trees/Landscaping (removal of trees only this FY) <i>Planting of new trees in FY 2006-07 budget, approximately \$70,000. Expect to plant in October 2006.</i>	\$20,000
Pressure Cleaning <i>Done by City staff on weekends, with equipment rental This is a detailed cleaning that will only need to be done annually, To be followed by a regular monthly cleaning.</i>	\$15,000
Concrete Street Furniture Removal and Garbage Can installation	\$3,000
TOTAL	<u>\$ 79,000</u>



STAFF REPORT

Date: August 2, 2006
To: Tony E. Crapp, Sr.
From: John O'Brien
Subject: FY 2006-07 Items from Downtown Improvement Program
 Based mostly on a memo by Mark Collins

DOWNTOWN CLEAN TEAM

(Includes: Pressure Cleaning of Sidewalks, Litter Control & Waster Containers)

Per Mark Collins' Memo:

It is the recommendation that the CRA fund a downtown beautification team that would report to either Parks or Public Works. This team would be responsible for daily clean up of litter, maintain the ground cover in the planters, repair brick pavers, maintain the fountain on NE 6 Avenue and West Dixie Highway, pressure clean the sidewalks once a month, hang the banners in the Arts District, and empty the waste containers at least twice a week or as needed. There are other duties that could be added if needed. These funds would need to be allocated on a yearly bases including cost adjustments as required.

Staff

TITLE	Salary Range	Estimate & Fringe	
Heavy Equipment Operator	\$28,974 - \$43,222	\$38,000 * 1.62	\$61,560
Maintenance Mechanic	\$26,312 - \$39,145	\$35,000 * 1.62	\$56,700
General Maintenance	\$22,484 - \$33,696	\$30,000 * 1.62	<u>\$48,600</u>
		Total Staff	\$166,860

Equipment & Supplies

2 half-ton pickups	\$30,000 each (does not include maintenance)		\$60,000
Uniforms			\$1,950
Tools			\$1,000
Safety Equipment			\$1,950
Pressure Cleaner			\$2,500
Special Supplies	(Annual Expense)		<u>\$15,000</u>
		Total Equipment	\$82,400

TOTAL \$ 249,260



NORTH MIAMI COMMUNITY REDEVELOPMENT AGENCY

ITEM V

CRA CODE ENFORCEMENT OFFICER

Code Enforcement Officer	\$33,696 - \$50,273	\$48,000 * 1.62	\$ 77,760
Mid-sized sedan			\$16,000
Other Equipment & Supplies (see memo)			<u>\$4,285</u>
		TOTAL	\$98,045

TREES/LANDSCAPING

(Includes: Replacement of Removed Trees and Additional Landscaping)

Foxtail Palms	\$1,500 installed	10	\$ 15,000
Carpenteria-double	\$550	30	\$16,500
Green Island Ficus	\$15	1500	\$22,500
Corkscrew Ficus	\$150	40	\$6,000
Veitchia Mont. Single	\$650	11	<u>\$7,150</u>
		TOTAL	\$ 67,150

BANNERS

(Includes: Custom and Stock Banners to be replaced Seasonally)

Purchase/Install Brackets	\$65	82 units	\$ 5,330
Custom Banners	\$130	30 * 3 units	\$11,700
		TOTAL	\$17,030

GRAND TOTAL **\$431,485**



NORTH MIAMI COMMUNITY REDEVELOPMENT AGENCY

CRA Board
Kevin A. Burns, Chair
Michael R. Blynn
Jacques Despinosse
Scott Galvin
Marie Elande Steril

Executive Director
Tony E. Crapp, Sr.

Chief of Staff
Chuck Adams

CRA Attorney
Steven W. Zelkowitz

Date: August 8, 2006

To: Honorable Chairman and Members
CRA Board of Commissioners

From: Tony E. Crapp, Sr.
Executive Director

Subject: Proposed Development Agreement between the North Miami
CRA and North Miami Housing, LTD. for the Ruck's Park Site
Affordable Housing Development

On January 24, 2006 the North Miami CRA Board adopted Resolution No.R-1-2006-3 which directed the CRA Executive Director to take all steps necessary and appropriate to implement a development plan for Ruck's Park as an affordable housing project in accordance with the CRA redevelopment plan and its other redevelopment activities. The steps to be taken by the CRA Executive Director include, but are not limited to, considering alternate site plans that increase density; coordinating with City staff and filing the necessary applications with the appropriate governmental entities regarding land use and zoning approvals such as platting and building permits; performing, or causing to be performed, due diligence with respect to the real property, or causing to be performed site clearing and grubbing; negotiating a development agreement with North Miami Housing, Ltd. (NMH) ; and exploring financing options; provided, however, the foregoing authorization is not intended to, nor shall it, authorize the CRA Executive Director to enter into any agreements (such as a development agreement) that would otherwise exceed the scope of the CRA Executive Director's authority, which such agreements will subsequently be brought to the CRA Board for consideration and approval.

Pursuant to the direction provided by afore-described Board resolution, negotiations have resumed and have been ongoing since the start of my tenure as Executive Director on June 5, 2006. In my report to the Board on July 11, 2006 I provided an update that indicated the series of meetings that had taken place between NMH and the NMCRA relative to the negotiation of the development agreement. Since July 11th several additional meetings have occurred relative to the negotiations, with the most recent discussion having taken place during a conference call on August 5, 2006.



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Attached for your review and consideration is the most recent draft of the proposed development agreement for the development of affordable housing units on the Ruck's Park site that has resulted from the ongoing negotiations as of August 7, 2006. The proposed affordable development is to include 136 townhouse over townhouse housing units with a condominium association and each unit having 3 bedrooms and 2 baths. In addition, the development will include an entry drive with call box, pool house/community center, pool and sundeck, tot lot and approximately 300 on-site parking spaces. Construction of the housing units is projected to start in March 2007 with the completion of construction by September 2008. Please note that a copy of the most recent site plan for the proposed project dated 6/23/06 is included as additional information for your reference as well as a timeline of key events and projected dates for the Ruck's Park site development.

As you review the attached proposed development agreement, please note the following key business points as listed below for consideration as well as the open issues upon which no agreement has yet been reached in the negotiations with NMH. All defined terms have the meaning set forth in the draft Development Agreement.

Key Business Points for the CRA

1. **Governmental Approvals.** Section 3.2 of the Agreement provides that the Developer will be responsible for initiating and diligently pursuing the Development Approval applications. The term Development Approvals as used in the Agreement means all City approvals, consents, permits, amendments, rezoning, conditional uses or variances as well as such other official actions of the federal, state or local governments which are necessary to develop the Project.

2. **Marketing and Sales.** Section 3.3 of the Agreement provides that the CRA is responsible for the marketing and sale of all of the Units included in the Project. The CRA is required to prepare a marketing plan including proposed sales prices of each of the Units, the qualification procedures to be instituted by the CRA with respect to the prospective purchasers and the form of purchase and sale agreement.

3. **Site Plan/Construction Documents.** Sections 3.4 and 3.5 of the Agreement respectively provide for the approval of the Site Plan and Construction Documents for the Project. Once approved, any material modifications to the Site Plan and/or Construction Documents are to be submitted to the CRA for its approval. Please note that the CRA's approval of the Site Plan and Construction Documents is separate and apart from the City's approval which is required to be obtained by the Developer as part of the Development Approvals.

4. **Condominium Association Documents.** Section 3.6 of the Agreement provides that the CRA is responsible for preparing the condominium association documents, including the prospectus, declaration of condominium, the articles of incorporation and by-laws for the association. The Developer has the right to serve as the manager of the condominium association pursuant to a management agreement reasonably acceptable to the CRA and Developer.

5. Development Plan. Section 4.2 of the Agreement provides that the Developer must prepare a proposed Development Plan for the Project, which Development Plan must include the following information: (a) a description in reasonable detail of the development requirements for the Project; (b) a line item budget for the estimated cost of the construction of the Project; (c) a construction schedule; (d) a description of the financing structure for the Project; (e) a list of the anticipated subsidies to be provided by the CRA; and (f) such other information as the CRA may reasonably request.

6. Construction Contract. Section 4.3 of the Agreement provides that, upon approval of the Development Plan, the Developer must use its good faith and diligent efforts to negotiate a general construction contract for the Project, which is consistent with the Development Budget. The Developer shall submit to the CRA the form Construction Contract on a guaranteed maximum price basis for the CRA's approval.

7. Financing. Section 4.5 of the Agreement provides that, upon approval of the Development Plan, the Developer is required to use its good faith and diligent efforts to obtain a commitment letter for the Construction Loan for the Project on terms consistent with the Development Budget. Upon the satisfaction of certain conditions precedent, the Developer is required to close n the Construction Loan. In addition, the CRA is to permit a mortgage to be placed on the real property (e.g. the project site) as collateral for the developer's pre-development loan.

8. Subsidies. Section 4.6 of the Agreement provides that the CRA shall provide the subsidies required under the Development Plan and Development Budget. The CRA may also arrange for subsidies from other Governmental Authorities.

9. Development Fee. Section 7.1 of the Agreement provides that the Developer is entitled to a Development Fee for services rendered by the Developer under the Agreement in an amount equal to fifteen percent (15%) of the aggregate hard and soft costs incurred by the Developer in connection with the Work. Subject to certain retainage requirements which are as much as 50%, the Development Fee is to be paid monthly with the funding of each draw request under the Construction Loan or as otherwise permitted to be funded by the lender under the Construction Loan.

10. Developer's Expenses and Project Overhead. Section 7.2 of the Agreement provides that the Developer is also entitled to be reimbursed for all expenses (including Project overhead expenses) incurred by Developer in accordance with the Pre-Development Budget and/or Development Budget. Project overhead expenses do not include the general administrative costs incident to the operation of Developer's general business operations, including home office utilities, rent, telecopier and photocopier expenses.

11. Limitation on Developer Fee and Expenses. Section 7.3 of the Agreement provides that the fees and costs paid to the Developer are intended as full compensation to Developer for developing the Project. Any net proceeds from the sale of the Units which exceed the amount required to fully repay the Construction Loan, fund

the Development Fee and to fund all other costs of the Project pursuant to the Pre-Development Budget and/or Development Budget are to be paid to the CRA.

12. Cost Overruns. Section 7.5 of the Agreement provides that, following the date the Development Budget has been approved by all of the parties to this Agreement, the Developer is responsible for all costs of the Project in excess of the aggregate amount set forth in the Development Budget except for certain cost overruns in connection with the performance of the CRA's obligations.

13. CRA Advance. Section 7.6 of the Agreement provides that, prior to the closing of the Construction Loan, the CRA shall make available to the Developer up to \$200,000 for expenses incurred by the Developer to commence and continue the pre-development services, demolition and site work of the project as set forth in the pre-development budget. The CRA hereby further agrees that, to the extent the funds available under the pre-development loan together with the CRA Advance are not sufficient to fund the pre-development services, demolition and site work expenses under the pre-development budget, the CRA shall prepare and submit for approval in its budget for FY 2006-07 an appropriation for the additional funds necessary for the pre-development of the project; provided, however, that the Developer acknowledges and agrees that approval of such budget by the City, CRA and County is required.

14. Performance of the Work. Section 5.1 provides that the developer shall commence the pre-development work to be performed and the site work and demolition promptly provided (i) the pre-development plan has been approved by the CRA, (ii) all required Development Approvals have been issued therefore, and (iii) the funds required to pay for the pre-development work are available to the Developer, whether from the CRA or any Pre-Development Loan.

Open Issues – Not Agreed to by NMH

1. **Competitive Selection of Major Subcontractors.** Although not legally required, Section 4.3 of the Development Agreement requires the Developer to competitively select the Major Subcontractors in the same manner that Applicable Laws require the CRA to select such contractors. Generally, Applicable Laws require that such contracts be awarded based on the submission of sealed bids, proposals submitted in response to a request for proposal, proposals submitted in response to a request for qualifications, or proposals submitted for competitive negotiation following public advertisement. The Developer has requested this Section be amended to provide that the Major Subcontractors be selected in accordance with the provisions of the Biscayne Landings Small Business Enterprise Program (BLSBEP). CRA staff and legal counsel are currently reviewing the BLSBEP to ascertain whether it contains the same requirements as applicable laws with respect to the competitive selection process.

2. Bonds. Section 5.2 of the Development Agreement requires the Developer to obtain and maintain a separate performance bond and a labor and material payment bond for the Work from the general contractor each in an amount equal to one hundred percent (100%) of the cost of the Work under the general construction contract. The Developer has requested that the Bonds from the general contractor only be for the general contractor's portion of the Work (approximately 35%) and that each of the Major Subcontractors provides Bonds for its portion of the remaining 65% of the Work. The CRA intends to have 100% of the work covered by Bonds. In this regard, the CRA staff and legal counsel are currently reviewing the Developer's proposal to ascertain whether it affords the 100% bond coverage on the same level as would be provided by a 100% Bond from the general contractor.
3. Phasing of the Project. The Development Agreement contemplates the Developer would complete the 136 Units at the same time. The Developer has requested that the Project be completed in three phases. While the Developer has indicated that the phasing will reduce financing costs and enable a number of Units to be completed ahead of schedule, the requested phasing will also create a number of negative impacts including lengthening the construction period by up to eight months, requiring early occupants to live within the construction site and additional maintenance costs to the CRA for completed infrastructure. CRA staff does not recommend that the Project be constructed in phases.
4. Allocation of Risk Regarding the Force Main. Sections 14.1 and 14.2 of the Development Agreement generally provide that the Developer will take commercially reasonable precautions to protect the existing 42" underground Force Main and also be responsible for any damage to the Force Main resulting from the construction of the Project. The Developer has indicated that the CRA, not the Developer should be responsible for any damage to the Force Main during construction. CRA staff does not recommend that the CRA have any responsibility relative to the Force Main. The Developer as the as the developer of the Project should be responsible for the Force Main.
5. Environmental Pollution Liability Insurance. In connection with the risk allocation issue regarding the Force Main, the Developer has suggested that the CRA purchase an environmental pollution liability insurance policy. CRA staff is awaiting information from the Developer as to whether such a policy will actually protect against the risks associated with damage to the Force Main during construction as well as the premium costs.
6. Conditions Precedent to Developer's Obligation to Proceed with Construction. The Developer's attorney provided revisions to Section 5.1 of the Development which provide certain conditions precedent to the Developer's commencement of the Work (other than the pre-development services and demolition and site work) as follows: (a) approval of the Plans and Specifications, the issuance of all required Development Approvals and the

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issuance by the City of a building permit, (b) the closing of the Construction Loan, (c) the satisfaction of the Pre-Sale Requirement, (d) the Development Plan has been approved by the CRA, (e) the Construction Contract and the Bond is in place, and (f) the Line of Credit has been approved and is available to the CRA. If the conditions are not satisfied, the Development Agreement as currently written provides that the CRA will be fully responsible for the repayment of the Predevelopment Loan and reimburse the Developer for all costs and expenses associated therewith. CRA staff recommends that it will be responsible for such costs if it fails to satisfy its obligations - (c), (d) and (f) above – and that the Developer should be responsible for such costs if it fails to meet its obligations – (a), (b) and (e) above. The Developer has not agreed to this recommendation.

In addition to the various issues cited above, please note that a revised and more final analysis and determination regarding homebuyer income affordability and targeting for the 136 housing units is pending the developer's submission and the CRA's approval of the total development budget for this project including the guaranteed maximum price construction contract.

Please carefully review the attached draft of the proposed development agreement to facilitate the discussion of issues and concerns during the upcoming meeting. Should you have any questions in advance of the meeting, please do not hesitate to contact me.

DEVELOPMENT AGREEMENT

Ruck's Park

THIS DEVELOPMENT AGREEMENT (Agreement) is made and entered into as of this ___ day of August, 2006, by and between **NORTH MIAMI HOUSING, LTD.**, a Florida limited partnership (the **Developer**) and the **NORTH MIAMI COMMUNITY REDEVELOPMENT AGENCY**, a body public and corporate of the State of Florida (the **CRA**).

W I T N E S S E T H:

WHEREAS, the CRA is the owner of that certain parcel of real property more particularly described on **Exhibit "A"** attached hereto (the **Property**); and

WHEREAS, the Property was conveyed by the City of North Miami (the **City**) to the CRA pursuant to that certain Quit-Claim Deed dated January 24, 2006, and recorded January 27, 2006, in Official Records Book 24185, Page 539, of the Public Records of Miami-Dade County, Florida, which conveyance by the City to CRA was made in accordance with, and subject to, the terms and provisions of that certain Interlocal Agreement between the City and CRA dated January 24, 2006; and

WHEREAS, the City and Preserve Partners, Ltd., a Florida limited partnership are parties to that certain Munisport Agreement dated as of November 16, 2002, and recorded in Official Records Book 20876, at Page 4370, of the Public Records of Miami-Dade County, Florida, as amended by that certain Amendment to Munisport Agreement dated October 26, 2004 recorded in Official Records Book 22817, at Page 292, of the Public Records of Miami-Dade County, Florida and as further amended by that certain Amendment to Munisport Agreement and Ground Lease dated as of June 10, 2005, recorded in Official Records Book 23521, at page 1, of the Public Records of Miami-Dade County, Florida (collectively, the **Munisport Agreement**); and

WHEREAS, pursuant to that certain Interlocal Agreement between the City and the CRA dated January 24, 2006, the City delegated to the CRA all of the City's rights, obligations and responsibilities set forth in Section 9.4 of the Munisport Agreement including, but not limited to, all necessary land acquisitions, payment of development fees, subsidies, approvals, permits, selection of qualified home buyers and all other matters regarding the construction and/or rehabilitation of the Affordable Housing Units as defined in and required by Section 9.4 of the Munisport Agreement; and

WHEREAS, pursuant to Section 9.4 of the Munisport Agreement, the CRA has requested that Developer develop an affordable housing project comprised of approximately one hundred thirty six (136) residential condominium units to be located on the Property (collectively, the **Units** and individually a **Unit**), together with related amenities, utilities, and required parking as generally set forth on the Site Plan attached as **Exhibit "B"** to this Agreement (the **Project**).

NOW, THEREFORE, for and in consideration of the mutual promises and covenants herein set forth, the Developer and CRA hereby agree as follows:

Section 1. Recitals. The foregoing recitals are true and correct and are incorporated herein by this reference.

Section 2. Definitions. As used in this Agreement, the following terms shall have the following meanings:

Agreement shall mean this Development Agreement.

Applicable Laws shall mean any applicable law, statute, code, ordinance, regulation, permit, license, approval or other rule or requirement now existing or hereafter enacted, adopted, promulgated, entered, or issued by Governmental Authorities including but not limited to, the Code and the Florida Building Code.

City shall have the meaning provided in the introductory paragraph hereto.

Code shall mean the City's Charter, Code of Ordinances, and Land Development Regulations now existing or hereafter enacted, adopted, promulgated, entered, or issued by the City.

Construction Contract shall have the meaning provided in Section 4.3.

Construction Documents shall have the meaning provided in Section 3.5.

CRA shall have the meaning provided in the introductory paragraph herein.

Development Approvals shall have the meaning provided in Section 3.2.

Development Budget shall have the meaning provided in Section 4.2.

Development Fee shall have the meaning provided in Section 7.1.

Developer shall have the meaning provided in the introductory paragraph herein.

Development Plan shall have the meaning provided in Section 4.2.

Environmental Reports shall mean those certain environmental reports listed on **Exhibit "C"** attached hereto.

Governmental Authorities shall mean the United States Government, the State of Florida, Miami-Dade County, the City or any other governmental agency or any instrumentality of any of them

Hazardous Materials shall mean any material which may be dangerous to health or to the environment, including without implied limitation all "hazardous matter", "hazardous waste", and "hazardous substances", and "oil" as defined in or contemplated by any applicable federal, state or local law, rule, order or regulation relating to the protection of human health and the environment or hazardous or toxic substances or wastes, pollutants or contaminants, including all of the following statutes and their implementing regulations, as the same may have been amended from time to time:

- (i) Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. §9601 et seq.;
- (ii) Toxic Substances Control Act, 15 U.S.C. §2601 et seq.;
- (iii) Federal Insecticide, Fungicide, and Rodenticide Act, 7 U.S.C. §136;
- (iv) Hazardous Materials Transportation Act, 49 U.S.C. §§1801-1812;
- (v) Federal Water Pollution Control Act, 33 U.S.C. §1251 et seq.;
- (vi) Resource Conservation and Recovery Act, 42 U.S.C. §6901 et seq.;
- (vii) Clean Air Act, 42 U.S.C. §7401 et seq.;
- (viii) Safe Drinking Water Act, 42 U.S.C. §3808 et seq.; or
- (ix) Applicable or equivalent laws and regulations of the State of Florida relating to hazardous matter, substances or wastes, oil or other petroleum products, and air or water quality.

Marketing Plan shall have the meaning provided in Section 3.3.

Pledgee shall have the meaning provided in Section 13.7.

Pre-Development Budget shall have the meaning provided in Section 3.1.

Project shall have the meaning provided in the third recital hereto.

Property shall have the meaning provided in the first recital hereto.

Site Plan shall have the meaning provided in Section 3.4.

Section 3. Pre-Development.

3.1 Pre-Development Plan and Pre-Development Budget. Prior to the closing of the Pre-Development Loan (as hereinafter defined), Developer shall prepare and submit to the CRA for approval, such approval not to be unreasonably withheld, conditioned or delayed, a pre-development plan and budget for the Project (as approved by the CRA, the **Pre-Development Budget**). The CRA hereby agrees to provide the Developer with a schedule of the CRA's expenses to be included in the Pre-Development Budget within thirty (30) days following the date hereof, which may include, without limitation, all of the marketing and sales expenses for the Project, condominium documents and sales agreement preparation expenses, attorneys fees and other professional fees to be incurred by the CRA in connection with the Project and all expenses related to the operation of the condominium prior to the turnover of control of condominium association to the Unit owners (collectively, the **CRA Project Expenses**) With respect to the Development Budget, the CRA hereby agrees to provide the Developer with a schedule of the CRA Project Expenses to be included in the Development Budget within sixty (60) days following the date hereof.

3.2 Governmental Approvals. The term **Development Approvals** as used in this Agreement, shall mean all City approvals, consents, permits, amendments, rezonings, conditional uses or variances as well as such other official actions of the Governmental Authorities which are necessary to develop the Project. The Developer shall submit to the CRA for its review and approval, all applications and other submittals required to obtain the Development Approvals, such approval not to be unreasonably withheld, unreasonably delayed or unreasonably conditioned provided applications and other submittals are consistent with the Project. Following such review and approval, the CRA hereby agrees to execute and deliver to the Developer in the CRA's capacity as the owner of the Property all applications and other submittals required to obtain the Development Approvals. If any such documents in which CRA's joinder is requested contain material financial obligations binding (or which may become binding) upon CRA, such obligations must be included in the Pre-Development Budget or Development Budget, as applicable. If this Agreement is terminated, then upon CRA's request, Developer shall withdraw all of its pending applications and terminate all agreements which are terminable and/or withdrawable by Developer, with respect to the Development Approvals, which foregoing obligations shall survive termination of this Agreement. The Developer will be responsible for initiating and diligently pursuing the Development Approval applications on behalf of the CRA. The CRA shall cooperate with the Developer in processing all necessary Development Approvals to be issued by the City as well as all federal, county and state agencies. The parties recognize that certain Development Approvals will require the City and/or its boards, departments or agencies, acting in their police power/quasi judicial capacity, to consider certain governmental actions. The parties further recognize that all such considerations and actions shall be undertaken in accordance with established requirements of state statute, and the City Charter and City Code and ordinances, in the exercise of the City's jurisdiction under the police power. Nothing in this Agreement is intended to limit or restrict the powers and responsibilities of the City in acting on such applications by virtue of the fact that the CRA may have been required to consent to such applications as the owner of the Property. Nothing in this Agreement shall entitle the Developer and/or the CRA to compel the City to take any action in its police power/quasi-judicial capacity, except to timely process the applications. The CRA hereby agrees to use good faith and diligent efforts to cause the City to waive all permit fees and impact fees payable to the City with respect to all applications for Development Approvals; provided, however, the Developer acknowledges and agrees that such waiver may not be permissible under Applicable Law and the CRA makes no representations or warranties to Developer that the City will provide such waiver. Furthermore, the CRA agrees to use its good faith efforts to assist the Developer in expediting the review and approval process with applicable Governmental Authorities. Nothing in this Agreement is intended to, nor shall be construed as, zoning by contract.

3.3 Marketing and Sales. The CRA shall be solely responsible for the marketing and sale of all of the Units included in the Project, which marketing and sales shall be undertaken by the CRA thereby rendering the need for real estate brokers, agents and related professionals unnecessary. The CRA shall prepare a marketing plan, which includes, without limitation, the proposed sales prices of each of the Units, the qualification procedures to be instituted by the CRA with respect to the prospective purchasers (the **Marketing Plan**). The CRA shall provide the Marketing Plan to the Developer within thirty (30) days following the date hereof for Developer's review and approval, such approval not to be unreasonably withheld or delayed.

The CRA acknowledges and agrees that the Developer's approval of the Marketing Plan shall not be deemed to be a representation or warranty that the Marketing Plan complies with Applicable Laws nor a guaranty that the Marketing Plan will be successful and, except for the approval rights set forth above, the Developer shall have no liability or responsibility with respect to said Marketing Plan. Upon completion of the Marketing Plan and approval of the same by Developer, the CRA shall use its good faith and diligent efforts to sell all of the Units included in the Project and otherwise comply with any pre-sale requirements of the construction lender (the presale requirements of the construction lender including any executed sale and purchase agreements required by the construction lender are collectively, the **Pre-Sale Requirement**). The Developer and CRA shall mutually cooperate with each other in connection with negotiating the Pre-Sale Requirement with the construction lender and the CRA shall have the right to directly communicate with the construction lender on this issue; provided the Developer also participates in such communication. The CRA hereby agrees to convey the Units to the buyers in accordance with the applicable purchase and sale agreements. The CRA shall be responsible for handling the closings of the Units with the buyers including the selection of title insurance agents, preferred lenders and other real estate closing service providers in accordance with Applicable Laws. The CRA has advised the Developer that it does not intend on utilizing any real estate brokers in connection with the implementation of the Marketing Plan; however, in the event any brokerage commissions are due and payable in connection with the sales of the Unit, the Developer shall have no obligation to fund such commissions, and either the CRA or the buyers shall be obligated to pay any commissions, referral fees or compensation payable to real estate brokers, agents or real estate professionals.

3.4 Site Plan. The Developer has previously provided a site plan and elevations to the CRA for the Project as referenced on **Exhibit "B"** attached hereto (the attached site plan and elevations are collectively, the **Site Plan**). The CRA hereby acknowledges and agrees that the Site Plan is acceptable to the CRA. The foregoing shall in no way constitute or be construed as the approval or issuance of a development order, it being expressly acknowledged and agreed by the Developer that the Site Plan will require separate submission, review, and approval pursuant to the requirements of the City's Code. Except for a Permitted Change (as hereinafter defined), no changes, alterations or modifications shall be made to the Site Plan (either prior to or after approval by the City) without the prior written approval of the CRA, which approval shall not be unreasonably withheld, delayed or conditioned; provided, however such approval may be withheld in the CRA's sole and absolute discretion if the requested change, alteration or modification consists of a Material Change. For purposes of this Agreement, a "Material Change" means and refers to a requested change, alteration or modification that (i) increases or decreases the number of Units, (ii) in the aggregate with all other changes, alterations and modifications increases or decreases the square footage of common areas by ten percent (10%) or more, (iii) changes the number of stories of a building, and/or (iv) deletes any material amenities. Following approval of the Site Plan for the Project by the City staff pursuant to the City's Code, except for Permitted Changes, the Developer shall not initiate or request review by City staff of any changes or alterations to the approved Site Plan for the Project without the prior written approval of the CRA, which approval shall not be unreasonably withheld, conditioned or delayed.

3.5 Plans and Specifications; Construction Documents. Following approval of the Site Plan and prior to commencement of any construction for the Project (other than demolition and site work), Developer shall submit to the CRA for review and its reasonable approval, all design documents prepared or furnished, in connection with the Work (as hereinafter defined), including, without limitation, architectural, structural, mechanical, electrical, plumbing, fire protection and any other engineering documents necessary for the permitting and construction of the Project for and through all phases of design and construction (e.g., schematic, design development, and construction) (collectively referred to as the **Plans and Specifications**). The Plans and Specifications shall comply with all Applicable Laws including, without limitation, the Florida Building Code and all design requirements established by the Florida Accessibility Code and the Americans with Disabilities Act. CRA shall provide its written approval or disapproval (specifying the basis for disapproval and/or comments) to any such Plans and Specifications within ten (10) Business Days of receipt of request for same, it being understood that CRA review and approval of the Plans and Specifications as set forth herein is not the review required by the City, but only a general review for compliance with the terms and conditions of this Agreement and, therefore, such review need not be limited to, governmental requirements; provided, however, if the CRA fails to either approve or disapprove (either with or without conditions) the submitted Plans and Specifications within ten (10) Business Days following submittal by Developer to CRA, the Plans and Specifications in the form submitted shall be deemed approved by CRA. Without limiting the foregoing, the approval of the Plans and Specifications pursuant to this Agreement shall in no way constitute or be construed as the approval or issuance of a development order, it being expressly acknowledged and agreed by Developer that the Plans and Specifications will require separate submission, review, and approval pursuant to the requirements of the City's Code and/or its applicable rules and regulations. Once any Plans and Specifications receive the written approval of the CRA or are deemed approved pursuant to this Agreement, such Plans and Specifications shall be deemed the **Construction Documents**. The Construction Documents for the Project or any portion thereof shall be signed and sealed by the Developer's design professional and shall consist of: (a) working drawings, (b) technical specifications, (c) schedule for accomplishing improvements, and (d) such other information as may be required by the City in accordance with its Code and as otherwise necessary to confirm compliance with this Agreement. No material changes or alterations (other than Permitted Changes) shall be made to any Construction Documents, without the prior written approval of the CRA, which approval shall not be unreasonably withheld, delayed or conditioned. Developer is hereby authorized to make Permitted Changes without CRA approval. A "Permitted Change" shall mean (i) a change which is required to be made to comply with Applicable Laws; (ii) a change which involves only substituting materials of comparable or better quality; (iii) a change required by the failure of the Construction Documents to satisfy field conditions where the change will not have a material adverse effect on the quality, appearance or function of Project; and (iv) a change which is made to correct inconsistencies in various Construction Documents. The Developer shall provide written notice to the CRA prior to making any Permitted Changes except to the extent such Permitted Change is required in an emergency situation, in which event the Developer shall provide notice to the CRA as soon as reasonable possible thereafter. The approval or deemed approval by the CRA of any Plans and Specifications, site plans, designs or other documents submitted to CRA pursuant to this Agreement shall not constitute a representation or warranty that such comply with all Applicable Laws and/or and procedures of all applicable Governmental Authorities, it being

expressly understood that the responsibility therefore shall at all times remain with the Developer.

3.6 Condominium Documents. The CRA shall be responsible for preparing, or causing to be prepared, the condominium documents, including, without limitation, the prospectus, declaration of condominium, purchase and sale agreement and the articles of incorporation and by-laws for the condominium association (collectively, the **Condominium Documents**), and shall submit the same to the Developer for its review and approval, such approval not to be unreasonably withheld, unreasonably conditioned or unreasonably delayed; provided, however, the CRA agrees to clearly state in the Condominium Documents that the Developer is not the “developer” or “declarant” of the condominium under Section 718, Florida Statutes. The CRA acknowledges and agrees that the Developer’s approval of the Condominium Documents shall not be deemed a representation or warranty that the Condominium Documents comply with Applicable Laws, and the Developer shall not be liable or responsible with respect to the Condominium Documents. Following approval by the Developer of the Condominium Documents, the CRA shall initiate and diligently pursue the approval of the Condominium Documents by applicable Governmental Authorities. The CRA, as the owner of the Property, shall be the declarant/developer under the Condominium Documents and shall execute the approved form of documents and, as required by the Condominium Documents, convey fee simple title to the common areas to the condominium association prior to turnover of control of the association to the individual Unit owners. In accordance with the terms and provisions of the Munisport Agreement, the Developer shall have the right to serve as the manager of the condominium association pursuant to a management agreement reasonably acceptable to the CRA and Developer, which management agreement shall be part of, and approved with, the Condominium Documents. If the Developer elects not to serve as the manager of the condominium association, pursuant to its procurement policies the CRA shall select a management company to serve as the manager of the condominium association. Simultaneously with the approval of Condominium Documents by the Developer, the Developer shall advise the CRA as to whether it elects to serve as the manager of the condominium association.

Section 4. Development Services.

4.1 General Obligations. Subject to the terms and provisions of this Agreement, Developer shall be responsible for the design, engineering, permitting and construction of the Project (substantially in accordance with the Construction Documents). In connection therewith, Developer shall provide or cause to be provided and furnish or cause to be furnished, all materials, supplies, apparatus, appliances, equipment, fixtures, tools, implements and all other facilities provided for in the Construction Documents, and shall provide all labor, supervision, transportation, utilities and all other services, as and when required for or in connection with the construction, furnishing or equipping of, or for inclusion or incorporation in the Project (collectively, the **Work**). Developer shall cause the design, engineering, permitting and construction of the Project to be prosecuted with diligence and continuity and will achieve Substantial Completion (as hereinafter defined) of the Work, free and clear of liens or claims for liens for materials supplied and for labor or services performed in connection therewith on or before the Completion Date (as hereinafter defined). The CRA hereby agrees to look solely to the applicable design professional, general contractor and/or subcontractor with respect to any

design and/or construction defect claims provided that the warranties in the contracts with the applicable design professional, general contractor and/or subcontractor are expressly stated to be for the benefit of the CRA or such warranties are otherwise assigned to the CRA, such assignment is permitted under the underlying contracts and all conditions for such assignment have been fulfilled by the applicable parties. For the purposes of this Agreement, **Substantial Completion** shall mean (i) the Project architect shall have certified in his/her reasonable discretion that the Project has been completed substantially in accordance with the Construction Documents, (ii) all temporary certificates of occupancy (or their equivalent) and all other certificates, licenses, consents and approvals required for the temporary occupancy, use and operation of all of the Units and common areas in the Project shall have been issued by or obtained from the appropriate Governmental Authorities (provided that in order for the Project to be deemed finally completed based upon the issuance of temporary certificates of occupancy [or their equivalent], following the issuance thereof, Developer shall diligently and in good faith proceed to obtain the issuance of all permanent certificates of occupancy [or their equivalent] and all other certificates, licenses, consents, and approvals required for the permanent occupancy, use and operation of the Project, all within the time frames required by Applicable Laws including any legally permitted extension periods) and (iii) all construction costs and other costs and expenses incurred in connection with the Work have been paid in full or bonded, other than the costs to complete any punch list work or otherwise necessary to obtain the final certificates of occupancy. For the purposes of this Agreement, **Final Completion** shall mean (a) the Project and all Work shall have been fully completed including all punch list items substantially in accordance with Construction Documents, (b) all final certificates of occupancy (or their equivalent) all other certificates, licenses, consents and approvals required for the permanent occupancy, use and operation of all of the Units and common areas in the Project shall have been issued or obtained from the appropriate Governmental Authorities, (c) all construction costs and other costs and expenses incurred in connection with the Work including punch list items have been paid in full or bonded, (d) all contractor certificates and final waivers of lien for the Work have been obtained, and (e) all record drawings (other than as-builts to be delivered pursuant to Section 5.7), electronic files, warranties and manuals have been delivered to the CRA. Substantial Completion shall occur not later than the Completion Date (as defined below) and Final Completion shall occur no later than ninety (90) days after the Completion Date, subject to a day for day extension for events of Force Majeure. For purposes of this Agreement, the Completion Date shall be September 15, 2008, subject only to a day for day extension for (x) events of Force Majeure and (y) each day beyond _____ that the conditions precedent set forth in Section 5.1(c), (d) and (f) below are not fully satisfied.

4.2 Development Plan and Development Budget. Prior to commencing the Work (other than demolition and site work), Developer shall prepare a proposed development plan and development budget (the **Development Plan**) for the Project and submit the same to the CRA for its approval, such approval not to be unreasonably withheld, unreasonably conditioned or unreasonably delayed. The Development Plan shall include the following information:

(a) a description in reasonable detail of the development requirements for the Project;

(b) a line item budget for the estimated cost of the construction of the Project based upon the one hundred percent (100%) Construction Documents (once approved by the CRA, the **Development Budget**);

(c) a construction schedule which shall be updated throughout construction and shall encompass design and engineering, and all of the trades necessary for the construction of the Work;

(d) a description of the financing structure for the Project;

(e) a list of the anticipated subsidies to be provided by the CRA;

(f) such other information as the CRA may reasonably request; and

(g) any relevant information provided by the CRA to the Developer including, but not limited to, information regarding CRA Project Expenses, subsidies from other Governmental Authorities and purchase assistance to be provided to the buyers.

As used in this Agreement, the term **Development Plan** shall also include the approved Development Budget.

4.3 Construction Contract. Upon approval of the Development Plan and provided that the CRA has met the Pre-Sale Requirement, the Developer shall use its good faith and diligent efforts to select a general contractor for the performance of the Work and thereafter enter into a general construction contract for the Project on a guaranteed maximum price basis (the **Construction Contract**). Prior to entering into the Construction Contract, the Developer shall submit the initial and final forms of the Construction Contract to the CRA for its review and approval, such approval not to be unreasonably withheld, unreasonably conditioned or unreasonably delayed; provided, however, the Construction Contract shall require the general contractor to competitively select the contractors providing electrical, plumbing, structural and mechanical services (collectively, the **Major Subcontractors**) in the same manner that Applicable Laws require the CRA to competitively select such contractors. Without limiting the foregoing, the Construction Contract shall provide for customary retainage reasonably acceptable to the CRA. The Developer shall also use its good faith and diligent efforts to include in the Construction Contract and all other direct contracts for the design, engineering, construction, administration, and inspection of the Work (a) an indemnity, release and hold harmless agreements by the general contractor, design professional, consultant, contractor or subcontractor (for themselves and their agents, employees, invitees and licensees) in favor of the CRA, (b) a requirement that the CRA be copied on all notices of default from the Developer to the general contractor, design professional, consultant, contractor or subcontractor, and vice versa, (c) a liquidated damages provision in an amount reasonably acceptable to the CRA for the failure of the general contractor to achieve Substantial Completion by the Completion Date and Final Completion within ninety (90) days thereafter, subject only to the extensions set forth in Section 4.1, (d) the assignment by the general contractor to the CRA of all warranties including the one (1) year warranty by the general contractor set forth in Section 5.8 below and (e) the consent of the design professional, consultant, contractor or subcontractor to the assignment of the

applicable contract by the Developer to the CRA, at the CRA's option, in the event of an uncured default by Developer, and the assumption of the applicable contract by the CRA (subject to lender's rights); provided, however, that as between the CRA and Developer, the Developer shall remain responsible for any loss or damage relating to its default, which loss or damage may be cured by making a claim on the Bonds following written notice by CRA to Developer and a reasonable opportunity to cure as appropriate in the context of the default. Nothing contained herein shall, however, create any obligation on the CRA to assume the Construction Contract or any contractor contract or consultant contract or make any payment to any contractor or consultant unless City chooses to request contractor or consultant to perform pursuant to this Section 4.3 or as otherwise provided in this Agreement, and nothing contained herein shall create any contractual relationship between the CRA and any contractor, subcontractor, consultant or subconsultant (other than the benefit in favor of the CRA of certain provisions as set forth in the applicable contracts).

4.4 Professional Services. All entities, firms and/or persons providing professional services (as defined in Section 287.055, Florida Statutes, the **CCNA**) as part of, in connection with or related to the Work shall be competitively selected in accordance with the requirements of the CCNA. In such case, prior to advertisement of the solicitation document(s), the Developer shall submit the solicitation document(s) for the applicable professional services contract(s) to the CRA for its review and approval. Prior to award of any professional services contract(s) to the entities, firms and/or persons selected by the Developer, the Developer shall submit the professional services contract(s) to the CRA for its review and approval. If, within ten (10) days following the CRA's receipt the professional services contract(s) the CRA and Developer cannot agree upon approval of the professional services contract(s), (i) the parties may mutually agree to extend the time period for negotiation, or (ii) the parties may agree that it is necessary to rebid the professional services contracts.

4.5 Financing. Upon approval of the Pre-Development Plan, the Developer shall use its good faith and diligent efforts to obtain a loan to fund certain pre-development expenses (the **Pre-Development Loan**) on terms consistent with the Pre-Development Plan. The CRA shall permit a mortgage to be placed on the Property as collateral for the Pre-Development Loan, provided (a) the lender is an institutional lender which shall mean an established bank, trust company or other such recognized financial institution of good repute and sound financial condition and having assets in excess of One Hundred Million Dollars (\$100,000,000); and (b) the loan documents are in a form and substance reasonably acceptable to the CRA and its legal counsel and shall include at a minimum, requirements that (i) the lender shall, in the manner provided in the loan documents, give notice to the CRA of each notice of default given to Developer under the loan documents and (ii) the CRA shall have the right, for a reasonable period beyond the cure period that is given to Developer, to remedy or cause to be remedied any default which is the basis of a notice and the lender shall accept performance by the CRA as performance by the Developer. The CRA acknowledges and agrees that to the extent the conditions precedent set forth in Section 5.1(c), (d) and (f) below are not satisfied, the CRA shall be solely responsible for the repayment of the Pre-Development Loan, and the CRA shall reimburse the Developer (and/or any principal or affiliate of Developer who has guaranteed the Pre-Development Loan) for all third party costs and expenses (including, without limitation, reasonable attorneys' fees and court costs at trial and all appellate levels) incurred by the

Developer with respect to the Pre-Development Loan within ten (10) Business Days following receipt of written demand therefor. Except as set forth in the preceding sentence, the Developer (and any principal or affiliate of Developer who has guaranteed the Pre-Development Loan) shall be solely responsible for the repayment of the Pre-Development Loan, and the Developer shall reimburse the CRA for all third party costs and expenses (including, without limitation, reasonable attorneys' fees and court costs at trial and all appellate levels) incurred by the CRA with respect to the failure of the Developer to repay the Pre-Development Loan within ten (10) Business Days following receipt of written demand therefor. Upon approval of the Development Plan, the Developer shall use its good faith and diligent efforts to obtain a term sheet and/or commitment letter for a construction loan for the Project in the amount consistent with the Development Budget and on terms reasonably acceptable to the Developer and CRA (the **Construction Loan**). To the extent Developer is able to obtain a term sheet and/or commitment letter for the Construction Loan, provided that the CRA has met the Pre-Sale Requirement, all other conditions precedent under Section 5.1 below (other than obtaining the Construction Loan) have been satisfied and any other conditions precedent to the closing of the Construction Loan have been satisfied, the Developer shall be obligated to close on the Construction Loan. The CRA shall permit a mortgage to be placed on the Property as collateral for the Construction Loan provided that (a) the lender is an institutional lender which shall mean an established bank, trust company or other such recognized financial institution of good repute and sound financial condition and having assets in excess of One Hundred Million Dollars (\$100,000,000); (b) the loan documents are in a form and substance reasonably acceptable to the CRA and its legal counsel and shall include at a minimum, requirements that (i) the lender shall, in the manner provided in the loan documents, give notice to the CRA of each notice of default given to Developer under the loan documents and (ii) the CRA shall have the right, for a reasonable period beyond the cure period that is given to Developer, to remedy or cause to be remedied any default which is the basis of a notice and the lender shall accept performance by the CRA as performance by the Developer; (c) the Developer provides the CRA with a guaranty of the Developer's obligations under Section 7.5 of this Agreement, in a form and substance reasonably acceptable to the CRA and its legal counsel, from an entity or individual reasonably acceptable to the CRA, taking into account the combined assets of such entity and/or individual; and (d) the Pre-Development Loan is satisfied with the first draw of the Construction Loan and all collateral provided by the CRA in connection with the Pre-Development Loan including the mortgage placed on the Property is released, amended, assigned or otherwise modified as to secure the Property as collateral for the Construction Loan. Except for the Pre-Development Loan and Construction Loan, the CRA shall have no obligation to allow any of its property (real or personal) to be mortgaged, assigned, pledged or hypothecated as security for any obligation of Developer in connection with the Project. To the extent required by the lender making the Pre-Development Loan and/or Construction Loan, the CRA shall join in and execute the loan documents, provided such documents are non-recourse to the CRA. At the time of the closing of the Units, the proceeds of the sale shall be used to satisfy the Construction Loan in the manner prescribed by the loan documents.

4.6 **Subsidies.** The CRA shall provide the subsidies required under the Development Plan and Development Budget (the **Subsidies**), which Subsidies are currently intended to be provided by a line of credit (**Line of Credit**), which Line of Credit shall also provide the funding for the Development Fee (as defined below). The CRA may also provide for or arrange for

subsidies from other Governmental Authorities. At the time of execution of this Agreement, the CRA has previously received approval by the CRA Board and the City Council to apply for the Line of Credit; provided, however, that the County is also required to approve the ability of the CRA to apply for the Line of Credit. The CRA shall diligently pursue the approval of the County for the Line of Credit, which is expected to be considered by the Board of County Commissioners in September 2006. If required by the CRA or other Governmental Authorities, the Developer agrees to cooperate with the completion of any and all applications and other submittals required to obtain the Subsidies as well as subsidies from other Governmental Authorities. If any such documents which the Developer is required to cooperate in completing contain material financial obligations, such obligations must be included in the Pre-Development Budget or Development Budget, as applicable.

4.7 Third Party Services. All third party services including telecommunications services (which may include cable, internet, voice data, video and alarm monitoring) for the Project shall be provided by independent third party service providers and not by the Developer or its affiliates; provided, however, the CRA hereby acknowledges and agrees that the affiliates listed on **Exhibit "D"** attached hereto may provide services for the Project without the CRA's approval provided such services are otherwise provided on an arms-length basis and generally in accordance with applicable industry standards. Any Developer affiliates not listed on Exhibit "D" shall require the approval of the CRA, which approval may be withheld in the CRA's sole discretion. Subject to any competitive selection process required by Applicable Laws, all proposed third party service providers (other than Developer affiliates who are set forth on Exhibit "D" or subsequently approved by CRA as set forth above) who are providing services to the Project following the completion thereof (and related service agreements) shall require the approval of the CRA, such approval not to be unreasonably withheld, unreasonably conditioned or unreasonably delayed provided that such company is an established company of good repute and sound financial condition, and such agreements are on terms and conditions (including, but not limited to, price and duration) as generally accepted in such service industry.

Section 5. Performance of the Work.

5.1 Developer shall commence the pre-development work to be performed hereunder and the site work and demolition promptly following the date hereof, provided (i) the Pre-Development Plan has been approved by the CRA, (ii) all requisite Development Approvals have been issued therefor, and (iii) the funds required to pay for the pre-development work are available to the Developer, whether from the CRA or any Pre-Development Loan. Developer shall commence the Work (other than the pre-development services and demolition and site work, which are addressed above) as soon as practicable following the satisfaction (or waiver in writing by all of the parties hereto) of the following conditions: (a) approval of the Plans and Specifications, the issuance of all required Development Approvals and the expiration of any and all appeal periods with respect thereto without the filing of any appeals, including, without limitation, issuance by the City of a building permit authorizing the construction of the Work, (b) the closing of the Construction Loan, which is sufficient to fund the costs of the Work remaining to be funded under the Development Budget (other than the Development Fee which is to be funded under the Line of Credit), (c) the satisfaction of the Pre-Sale Requirement, (d) the Development Plan has been approved by the CRA (provided Developer has submitted such to

the CRA as required by this Agreement), (e) the Construction Contract consistent with the requirements of this Agreement and the Development Plan has been fully executed and the Bond is in place, and (f) the Line of Credit (including the Subsidies) has been approved and is available to the CRA. Following commencement of the Work, Developer shall diligently pursue in good faith the completion of the Work so that Substantial Completion of the Project is achieved no later than the Completion Date, subject to extension as provided in this Agreement.

5.2 Prior to commencement of the Work or any portion thereof (other than pre-development services and demolition and site work), Developer shall obtain and deliver to the CRA, and at all times during the performance of the Work require and obtain (i) a separate performance bond and a labor and material payment bond from each of the Major Subcontractors in an amount equal to one hundred percent (100%) of the cost of the portion of the Work being performed by each Major Subcontractor, and (ii) a separate performance bond and a labor and material payment bond from the general contractor in an amount equal to the cost of the balance of the Work under the general construction contract (collectively referred to herein as the "Bonds"), which Bonds shall be dual obligee bonds in favor of Developer and the CRA. The Bonds shall in all respects conform to the requirements of the laws of the State of Florida and shall (a) name the Developer and CRA as obligees: and (b) be in a form and substance reasonably satisfactory to the CRA and its legal counsel. The surety(ies) providing the Bonds must be licensed, duly authorized, and admitted to do business in the State of Florida and must be listed in the Federal Register (Dept. of Treasury, Circular 570). The cost of the premiums for the Bonds shall be included in the Development Budget. Within ten (10) days of issuance, Developer shall record the Bonds in the Public Records of Miami-Dade Beach County, which may be recorded by attaching the same to the notice of commencement.

5.3 Except as may be otherwise expressly set forth in this Agreement and specifically excluding the CRA Project Expenses and all costs and expenses incurred by the CRA to administer this Agreement or otherwise perform its obligations hereunder, Developer shall be responsible for all costs and expenses for the design, engineering, permitting, construction, administration, and inspection of the Work including, but not limited to, the following: (a) all labor and materials for the construction of the Work; (b) all compensation for the design professionals and engineers (and any other consultants) in connection with the preparation of the site plan, Plans and Specifications, and other documents; (c) except as otherwise waived by this Agreement, all permit, license, connection and impact fees and other fees of Governmental Authorities which are legally required at any time during the Developer's performance of the Work; (d) all costs associated with the installation, connection, removal, replacement, relocation and protection of all utilities and all related infrastructure including but not limited to water, sewer, stormwater drainage, telephone, cable, or electric, (e) all sales, consumer, use and other similar taxes for the Work, which are legally required at any time during the Developer's performance of the Work; and (f) all royalties and license fees that are legally required at any time during the Developer's performance of the Work. The parties acknowledge and agree that such costs and expenses are to be included in the Pre-Development Budget and/or Development Budget, which is to be funded from the CRA Advances, Pre-Development Loan and/or Construction Loan, subject to the provisions of Section 7.5. The Developer shall defend all suits or claims for infringement of any patent rights related to the Work to be performed by Developer hereunder and shall hold CRA harmless from any loss, liability or expense on account thereof, including reasonable attorneys' fees (at both the trial and appellate levels) unless any claim

results from an act of the CRA or arises in connection with the CRA performing its obligations hereunder.

5.4 The Developer agrees that the Work performed under this Agreement shall be performed in accordance with Applicable Laws including the Florida Building Code.

5.5 The Developer agrees and represents that the direct contracts entered into by Developer shall require that (i) its contractors, subcontractors, design professionals, engineers and consultants possess the licenses required by Applicable Laws to cause to be performed the Work, and (ii) the Work shall be executed in a good and workmanlike manner, free from defects, and that all materials shall be new (not used or reconditioned), except as otherwise expressly provided for in the Plans and Specifications.

5.6 The Developer shall, and shall cause its contractors, consultants, subconsultants, or subcontractors to use good faith efforts to reasonably cooperate with the CRA in connection with the design, engineering and construction of the Work.

5.7 Within one hundred twenty (120) days after the Final Completion of the Project, Developer shall provide the CRA with a complete set of “as built” plans and specifications, including mylar reproducible “record” drawings, and one set of machine readable disks containing electronic data in a format of the “as-constructed” or “record” plans for the Project.

5.8 In addition to any warranties provided by Applicable Laws, Developer shall cause the general contractor to warrant the Work for a period of one (1) year from the date of Final Completion. Subject to the foregoing warranty, all maintenance and repair obligations with respect to the Work shall be the responsibility of the condominium association, which shall maintain and repair the Project and related sidewalks and landscaping at condominium association’s cost and expense.

Section 6. Books and Records.

6.1 The Developer shall maintain complete and accurate books, records and accounts of all costs and expenses incurred in connection with the development of the Project. Upon the request of the CRA, all such books and records of the Developer which relate to the Project shall be available for inspection and audit by the CRA or any of its authorized representatives at all reasonable times during normal business hours. The Developer shall be entitled to retain such copies of the books and records as the Developer deems appropriate.

6.2 Developer’s books and records shall be maintained or caused to be maintained in accordance with Generally Accepted Accounting Principles in a consistent manner, together with the pertinent documentation and data to provide reasonable audit trails for a period of seven (7) years following Final Completion.

Section 7. Compensation and Reimbursement of the Developer; Project Expenses.

7.1 **Development Fee.** The Developer shall be entitled to a development fee (the **Development Fee**) for services rendered by the Developer under and pursuant to the terms

hereof in an amount equal to fifteen percent (15%) of the those actual costs incurred and paid by the Developer in connection with the performance of the Work (including professional services, engineering and design services as well as the construction work) in accordance with this Agreement, excluding only those items set forth below:

- (a) The CRA Project Expenses.
- (b) All costs reimbursed by the CRA/City to the Developer for services performed and costs incurred or paid by the Developer prior to the date of this Agreement with respect to the original proposal for the development of the Property commonly known as "Ruck's I" and specifically identified as such on the Pre-Development Budget.
- (c) All cost overruns required to be funded by Developer under Section 7.5 of this Agreement.
- (d) Developer's overhead and home office costs generally consisting of salaries and benefits of the Developer's personnel associated with the Developer's home office (e.g., partners, directors, officers, managers, general office personnel, purchasing, secretarial, estimating and accounting departments and clerical staff) and not personnel directly assigned to the Project and all other costs (including, but not limited to, telephone, copying, fax and computer charges), services and related expenses required to maintain and operate the Developer's home offices and not any offices located at the Project.
- (e) Federal, state, municipal, sales, use, income, franchise and other taxes, as applicable to the Project, all with respect to services performed or materials furnished for the Work.
- (f) Legal and accounting fees and expenses incurred in preparing and negotiating this Agreement.
- (g) Costs due to the negligence of the Developer, any of its contractors, consultants or suppliers employed by the Developer or anyone directly or indirectly employed by any of them, or for whose acts any of them may be liable, including but not limited to the correction of defective work, disposal of materials and equipment wrongfully supplied, or making good any damage to property but only to the extent such costs exceed the Development Budget, it being understood that Developer may reallocate cost items in the Development Budget to avoid cost overruns.

Subject to the requirements and limitations set forth in this Section 7.1, the Development Fee shall be paid by the CRA to the Developer on an installment basis commencing on the closing of the Construction Loan; it being understood and agreed that the first installment of the Development Fee shall include the portion of the Development Fee attributable to the period prior to the closing of the Construction Loan. Simultaneously with the Developer's request to the lender for a disbursement, but not more often than monthly, the Developer shall submit a written request to the CRA for the portion of the Development Fee attributable to the requested Construction Loan disbursement. Such request to the CRA shall show a breakdown of (i) the

actual portion of the Work completed and the amount of the Development Fee due, (ii) the share of the Development Budget allocated to that portion of the Work, (iii) such supporting evidence as may be reasonably requested by the CRA, and (iv) if required by the CRA, copies of payment vouchers, vendors' invoices, payrolls and other data substantiating actual expenditures, as well as a partial or final, as applicable, waivers of lien from each contractor, subcontractor, material man, or vendor up through the previous disbursement of funds for those who have filed a Notice to Owner. The Developer's request for an installment of the Development Fee shall constitute a representation to the CRA that (x) the Work has progressed to the point indicated and (y) the quality of the Work is in substantial accordance with the Plans and Specifications. Provided that the Developer submits all required documentation as required herein and the lender approves the Construction Loan disbursement, CRA shall tender the installment of the Development Fee to the Developer within thirty (30) calendar days of receipt of the written request or sooner if practicable less the retainage required below and minus amounts, if any, for which CRA has withheld funds pursuant to its rights under this Section 7.1 and Section 7.5 of this Agreement.

The Developer agrees that fifty percent (50%) of the amount due for the Development Fee as set forth in each request shall be retained by CRA until Substantial Completion. Notwithstanding the foregoing, once fifty percent (50%) of the Work has been completed (as determined on a cost basis pursuant to the Development Budget the amount of the retainage shall be reduced to twenty-five percent (25%) of the amount due for the Development Fee as set forth in the applicable request at which time the CRA shall disburse any portion of the Development Fee previously retained (i.e., any portion of the previously retained fifty percent [50%]); provided the CRA shall not be obligated to reduce the retainage to twenty-five percent (25%) or release any of the previously held retainage if the CRA, in its good faith judgment, determines that the portion of the Development Fee then remaining unpaid (including the previously held retainage) will not be sufficient to cover the cost of the remaining Work and/or cost overruns for which Developer is responsible under Section 7.5 of this Agreement, in which event the retainage shall be reduced when such cost overrun deficiency is eliminated.

Upon achieving Substantial Completion of the Work, (1) the amount of the retainage (including the previously held retainage) shall be reduced to ten percent (10%) of the amount due for the Development Fee as set forth in the applicable request and (2) the amount of retainage previously withheld in excess of ten percent (10%) shall be paid to Developer within fifteen (15) days following Substantial Completion of the Work; provided the CRA shall not be obligated to reduce the retainage to ten percent (10%) or release any of the previously held retainage if the CRA, in its good faith judgment, determines that the portion of the Development Fee then remaining unpaid (including the previously held retainage) will not be sufficient to cover the cost of the remaining Work and/or cost overruns for which Developer is responsible under Section 7.5 of this Agreement, in which event the retainage shall be reduced when such cost overrun deficiency is eliminated.

Within thirty (30) days after Final Completion or as soon thereafter as possible, the Developer shall submit a final request for any unpaid portion and all retainage of the Development Fee. The final request shall not be made until the Developer delivers to the CRA copies of releases of all liens and claims signed by all contractors, materialmen, suppliers, and

vendors and an affidavit that so far as the Developer has knowledge or information, the releases include and cover all Work for which a lien or claim could be filed. In addition, and as a condition precedent to CRA's obligations to pay the final installment of the Development Fee and release all retainage, the Developer shall execute and deliver to the CRA (A) Contractor's final affidavit and final waiver of liens and (B) the written consent of Developer's surety to the extent required under the Bond(s); provided, however, that releases will not be required with respect to any lien which has been transferred to bond. Within thirty (30) days following the CRA's approval of the final request, the CRA shall pay the Developer the amount of the Development Fee due under such final request less any portions thereof necessary to pay any unpaid cost overruns which are the Developer's responsibility hereunder under Section 7.5 of this Agreement.

Any provision hereof to the contrary notwithstanding, CRA shall not be obligated to make any payment to the Developer of any portion of the Development Fee if any one or more of the following conditions exists:

(a) the Developer is in default of any of its obligations under any of this Agreement, the Contract Contract or the Construction Loan; provided, however, upon the cure of such default, the CRA shall promptly bring the Development Fee current subject to the retainage provisions in effect at the time; and/or

(b) any part of such payment is attributable to Work which is defective or not performed in accordance with the Plans and Specifications and has not yet been corrected (provided that the portion of the Development Fee withheld cannot exceed the amount attributable to the defective work and such withheld payment shall be made following the correction of such defective Work); and/or

(c) if CRA, in its good faith and reasonable judgment, determines that the portion of the Development Fee then remaining unpaid will not be sufficient to cover any cost overruns for which Developer is responsible under Section 7.5 of this Agreement, whereupon no additional installments of the Development Fee will be due the Developer hereunder unless and until the Developer performs, or causes to be performed, a sufficient portion of the Work so that such portion of the Development Fee then remaining unpaid is not necessary for the payment of any cost overruns for which Developer is responsible under Section 7.5 of this Agreement in connection with the completion of the Work.

7.2 Developer's Expenses and Project Overhead. The Developer shall also be entitled to be reimbursed from the Construction Loan for all expenses (including, without limitation, direct Project overhead expenses) incurred by Developer in accordance with the Pre-Development Budget and/or Development Budget, including, without limitation, costs and expenses which were incurred by the Developer prior to the execution and delivery of this Agreement. For purposes of this paragraph, "Project overhead expenses" shall not include general administrative costs incident to the operation of Developer's home office, including, without limitation, home office utilities, rent, telecopier and photocopier expenses. All equipment and personnel assigned to the Project by Developer, either on or off-site, will be included in the Pre-Development Budget and Development Budget as an expense of the Project.

7.3 Limitation. It is understood that the Development Fee paid by the CRA to the Developer under this Section 7 is intended as full compensation to Developer for developing the Project and performing its obligations under this Agreement. Any net proceeds from the sale of Units which exceed the amount required to fully repay the Construction Loan, fund the Development Fee (to the extent not funded under the Construction Loan or the Line of Credit) and fund all other costs of the Project pursuant to the Pre-Development Budget and/or Development Budget (to the extent not funded under the Construction Loan) shall be paid to the CRA.

7.4 Project Expenses. The expense of any third party independent contractor retained by the CRA or by the Developer on behalf of the CRA and in accordance with the Pre-Development Budget and/or Development Budget or otherwise approved of by the CRA shall be an expense of the Project.

7.5 Cost Overruns. Following the date the Development Budget has been approved by all of the parties to this Agreement and the Construction Contract which is consistent with the Development Budget has been fully executed, the Developer shall be responsible for all costs of the Work, including, but not limited to, labor and materials, in excess of the aggregate amount set forth in the Development Budget, but excluding (a) costs and expenses incurred by the CRA in connection with the performance of the CRA's obligations under this Agreement or the administration of this Agreement by the CRA, including, without limitation, the CRA Project Expenses and any deductibles under the insurance coverages to be provided by the CRA, (b) costs and expenses incurred as a result of a change in the Plans and Specifications required by Governmental Authorities or the CRA but not including any other Permitted Changes, (c) costs and expenses incurred as a result of a breach by the CRA of its obligations under this Agreement, (d) costs and expenses incurred as a result of the discovery of Hazardous Materials not included in the Environmental Reports, and (f) costs and expenses incurred as a result of a failure of end buyers to acquire title to the Units within thirty (30) days following the issuance of a temporary certificate of occupancy therefor, including, without limitation, interest expenses under the Construction Loan; it being the intention of the parties that the CRA shall be responsible for all Development Budget overruns and any and all expenses (including reasonable attorneys' fees and court costs at trial and all appellate levels) incurred by Developer (or any affiliate or principal of Developer who has provided a guaranty of the Construction Loan) as a result of items (a) through (f) above, including, without limitation, all soft costs of the Work which exceed the Development Budget as a result of any Units not closing within thirty (30) days following the issuance of a temporary certificate of occupancy therefor. Developer shall have the right to reallocate line items in the Development Budget and allocate contingency as Developer determines in its sole and absolute discretion. In the event of a cost overrun which is the Developer's responsibility hereunder, the CRA shall have the right to withhold any payments of the Development Fee or other amounts due Developer then due or to become due until such time as the Developer has funded its cost overrun obligations under this Section 7.5. In the event Developer fails to pay such excess costs, the CRA may offset such amounts due against the Development Fee or other amounts due Developer which are then due or to become due hereunder.

7.6 CRA Advance. Prior to the closing of the Construction Loan, the CRA shall make available to the Developer up to Two Hundred Thousand and 00/100 Dollars

(\$200,000.00) (the **CRA Advance**) for expenses incurred by Developer to commence and continue the pre-development services, demolition and site work of the Project as set forth in the Pre-Development Budget. The CRA hereby further agrees that to the extent the funds available under the Pre-Development Loan, together with the CRA Advance are not sufficient to fund the pre-development services, demolition and site work expenses under the Pre-Development Budget, the CRA shall prepare and submit for approval in its budget for Fiscal Year 2006-07 an appropriation for the additional funds necessary for pre-development of the Project; provided, however, that the Developer acknowledges and agrees that approval of such budget by the City, CRA and County is required. The Developer further recognizes that the budget approval shall be undertaken in accordance with established requirements of state statute and the City and County Codes. Nothing in this Agreement is intended to limit or restrict the powers and responsibilities of the City, CRA and County in approving such budget. If the necessary budget appropriation is not approved and there are no funds available to Developer from the CRA Advance and the Pre-Development Loan to continue the predevelopment services, demolition and site work, the Developer shall not be obligated to continue the predevelopment, demolition and site work until such time as funds are available but no later than the closing of the Construction Loan. Any such amounts advanced by the CRA to the Developer under this Section 7.6 shall be reimbursed to the CRA from the initial disbursement of the Construction Loan.

Section 8. Default; Termination.

8.1 Default.

(a) If there is a material breach by the Developer under this Agreement which is not cured within thirty (30) days following Developer's receipt of written notice thereof (or such longer period of time as may be reasonably required by Developer to cure the breach if such breach is by its nature not reasonably susceptible of being cured within such thirty (30) day period provided that the Developer advises the CRA in writing of such fact and commences cure within the initial thirty [30] day period), the CRA shall be entitled to seek any available legal and equitable remedies including, but not limited to the right to terminate this Agreement, a lawsuit for monetary damages (excluding consequential and punitive damages) and/or specific performance of Developer's obligations hereunder.

(b) If (i) the CRA fails to timely make payments due hereunder and such failure continues for ten (10) days following the CRA's receipt of written notice thereof, or (ii) there is a material breach by the CRA under this Agreement (other than a failure to timely make payments) which is not cured within thirty (30) days following the CRA's receipt of written notice thereof (or such longer period of time as may be reasonably required by the CRA to cure the breach if such breach is by its nature not reasonably susceptible of being cured within such thirty (30) day period provided that the CRA advises the Developer in writing of such fact and commences cure within the initial thirty [30] day period), the Developer shall be entitled to seek to any available legal and equitable remedies including, but not limited to the right to terminate this Agreement, a lawsuit for monetary damages (excluding consequential and punitive damages) and/or specific performance of CRA's obligations hereunder.

8.2. Termination. This Agreement shall terminate upon the occurrence of the earlier of the following events:

(a) A termination under Section 8.1 above; or

(b) The completion of the development and construction of the Work and the remaining obligations of the parties under this Agreement with respect to the Project pursuant to the terms and conditions of this Agreement.

8.3 Effect of Termination. Upon termination of this Agreement, the Developer shall, as soon as practicable but in no event later than the forty fifth (45th) day after notice is given in accordance with Section 8.1 hereof:

(a) Deliver to the CRA all materials, equipment, tools and supplies, keys, contracts and documents relating to the Project, and copies of such other accountings, papers, and records as the CRA shall request pertaining to the Project;

(b) Assign such existing contracts relating to the development of the Project as the CRA shall require;

(c) Vacate any portion of the Project then occupied by the Developer as a consequence of this Agreement; and

(d) Furnish all such information and otherwise cooperate in good faith in order to effectuate an orderly and systematic ending of the Developer's duties and activities hereunder. Within ten (10) days after any such termination, the Developer shall deliver to the CRA any written reports required hereunder for any period not covered by prior reports at the time of termination. With regard to the originals of all papers and records pertaining to the Project, the possession of which are retained by the Developer after termination, the Developer shall: (i) reproduce and retain copies of such records as it desires; (ii) deliver the originals to the CRA; and (iii) not destroy originals without first offering to deliver the same to the CRA.

Section 9. Indemnification.

9.1 Indemnification by the CRA. Subject to the provisions and monetary limitations of Section 768.28, Florida Statutes, as such may be amended, the CRA agrees to indemnify and hold the Developer, its officers, directors, partners, agents and employees harmless to the fullest extent permitted by law from and against any and all liabilities, losses, interest, damages, costs or expenses (including, without limitation, reasonable attorneys' fees, whether suit is instituted or not, and if instituted, whether incurred at any trial or appellate level or post judgment) threatened or assessed against, levied upon, or collected from, the Developer, arising out of, from, or in any way arising from the gross negligence, fraud, or breach of trust of the CRA or from a failure of the CRA to perform its obligations under this Agreement. Notwithstanding the foregoing, the CRA shall not be required to indemnify the Developer with respect to any liability, loss, damages, cost or expense suffered as a result of the gross negligence or willful misconduct of Developer. The Developer shall be designated as an additional insured on all liability insurance policies maintained by the CRA with respect to the Project.

9.2 Indemnification by the Developer. The Developer agrees to indemnify and hold the CRA, its board members, and employees harmless to the fullest extent permitted by law from all liabilities, losses, interest, damages, costs or expenses (including without limitation,

reasonable attorneys' fees, whether suit is instituted or not and if instituted, whether incurred at any trial, appellate or post judgment level), threatened or assessed against, levied upon, or collected from, the CRA arising out of, from, or in any way arising from the gross negligence, fraud, or breach of trust of the Developer or from a failure of the Developer to perform its obligations under this Agreement.

9.3 Notice of Indemnification. A party's duty to indemnify pursuant to the provision of this Section 9 shall be conditioned upon the giving of notice by such party of any suit or proceeding and upon the indemnifying party being permitted to assume in conjunction with the indemnitor the defense of any such action, suit or proceeding in accordance with Section 9.4 hereof.

9.4 Third Party Claim Procedure. If a third party (including, without limitation, a governmental organization) asserts a claim against a party to this Agreement and indemnification in respect of such claim is sought under the provisions of this Section 9 by such party against another party to this Agreement, the party seeking indemnification hereunder (the "Indemnified Party") shall promptly (but in no event later than ten (10) Business Days prior to the time in which an answer or other responsive pleading or notice with respect to the claim is required) give written notice to the party against whom indemnification is sought (the "Indemnifying Party") of such claim. The Indemnifying Party shall have the right at its election to take over the defense or settlement of such claim by giving prompt written notice to the Indemnified Party at least five (5) Business Days prior to the time when an answer or other responsive pleading or notice with respect thereto is required. If the Indemnifying Party makes such election, it may conduct the defense of such claim through counsel or representative of its choosing (subject to the Indemnified Party's approval of such counsel or representative, which approval shall not be unreasonably withheld), shall be responsible for the expenses of such defense, and shall be bound by the results of its defense or settlement of claim to the extent it produces damage or loss to the Indemnified Party. The Indemnifying Party shall not settle any such claim without prior notice to and consultation with the Indemnified Party, and no such settlement involving any equitable relief or which might have a material and adverse effect on the Indemnified Party may be agreed to without its written consent. So long as the Indemnifying Party is diligently contesting any such claim in good faith, the Indemnified Party may pay or settle such claim only at its own expense. Within twenty (20) Business Days after the receipt by the Indemnifying Party of written request by the Indemnified Party at any time, the Indemnifying Party shall make financial arrangements reasonably satisfactory to the Indemnified Party, such as the posting of a bond or a letter of credit, to secure the payment of its obligations under this Section 9 in respect of such claim. If the Indemnifying Party does not make such election, or having made such election does not proceed diligently to defend such claim, or does not make the financial arrangements described in the immediately preceding sentence, then the Indemnified Party may, upon three (3) Business Days' written notice (or shorter notice if a pleading must be filed prior thereto) and at the expense of the Indemnifying Party, take over the defense of and proceed to handle such claim in its exclusive discretion and the Indemnifying Party shall be bound by any defense or settlement that the Indemnified Party may make in good faith with respect to such claim. The parties agree to cooperate in defending such third party claims and the defending party shall have access to records, information and personnel in control of the other party or parties which are pertinent to the defense thereof.

9.5 Survival. The provisions of this Article 9 shall survive the expiration or earlier termination of this Agreement.

Section 10. Insurance.

10.1 CRA's Insurance.

(a) Commercial general liability insurance coverage with limits of no less than \$1,000,000 combined single limit including personal injury and property damage. The CRA's insurance will include the Developer as an additional insured.

(b) Any insurance required to be maintained by the condominium association prior to turnover of control of the association to the Unit owners.

CRA shall furnish Developer with a certificate of insurance evidencing the coverage described above. Such certificate will provide Developer with no less than thirty (30) days advance written notice of cancellation of any of the foregoing required policies.

In the event of a loss that might be covered by any of the above insurance policies, the Developer shall:

- (x) notify CRA and the insurance carrier as soon as reasonably possible after Developer receives notice of any such loss, or injury;
- (y) take no action (such as admission of liability) which might bar CRA from obtaining any protection afforded by any policy CRA may hold or which might prejudice CRA in its defense to a claim based on such loss, damage or injury; and
- (z) agree that CRA or its insurance carrier shall have the exclusive right, at its option, to conduct the defense to any claim, demand or suit.

The Developer shall furnish whatever information is requested by the CRA for the purpose of establishing the placement of insurance coverages and shall aid and cooperate in every reasonable way with respect to such insurance and any loss covered thereunder.

10.2 Developer's Insurance. Developer shall maintain the following insurance coverages at all times during the Term and furnish a certificate of insurance to CRA evidencing:

- (a) Worker's Compensation insurance coverage in accordance with Florida statutory requirements.
- (b) Employers' Liability insurance coverage with limits of \$500,000 for bodily injury by accident per accident/\$500,000 for bodily injury by disease per employee/\$500,000 for bodily injury by disease policy limit.

- (c) Commercial general liability insurance coverage with limits of no less than \$1,000,000 per occurrence and \$2,000,000 in the aggregate, which policy shall include coverage of the contractual liabilities contained in this Agreement.
- (d) Business Auto Liability including hired and non-owned auto coverage with minimum limits of \$1,000,000 combined single limit.
- (e) Builder's risk insurance (including flood insurance) during any period of construction of improvements upon the Property insuring such improvements against all casualties on a progressively insured basis for not less than 100% of the replacement cost.
- (f) Umbrella/excess liability insurance coverage, with limits of no less than \$10,000,000 per occurrence and \$10,000,000 in the aggregate.

The certificate shall provide that CRA will be given at least thirty (30) days prior written notice of cancellation of the policy. The cost of the Developer's insurance shall be included in the Pre-Development Budget and Development Budget as a Project expense.

10.3 Subcontractor's Insurance. The Construction Contract shall require that all Major Subcontractors brought onto the Property have insurance coverage at the subcontractor's expense, in the following minimum amounts:

- (a) Worker's Compensation insurance coverage in accordance with Florida statutory requirements.
- (b) Employers' Liability insurance coverage with limits of \$500,000 for bodily injury by accident per accident/\$500,000 for bodily injury by disease per employee/\$500,000 for bodily injury by disease policy limit.
- (c) Commercial general liability insurance coverage with limits of no less than \$1,000,000 per occurrence and \$1,000,000 in the aggregate.
- (d) Business Auto Liability including hired and non-owned auto coverage with minimum limits of \$1,000,000 combined single limit.

This insurance will be primary and noncontributory with respect to insurance outlined in Section 10.1. Developer shall ensure that Developer and CRA are named as additional insureds on the independent contractor's Commercial General Liability and Umbrella/excess insurance policies. Developer shall require the independent contractor and its insurers to waive all rights of subrogation with respect to the CRA and the Developer.

10.4 Certificates of Insurance. Developer shall obtain and keep on file Certificates of Insurance for any independent contractors performing services on the CRA's premises, Developer must obtain the CRA's permission to waive any of the above requirements. Higher amounts may be required if the work to be performed is sufficiently hazardous.

10.5 Waiver of Subrogation Rights. CRA and Developer, for themselves and anyone claiming through them, hereby waive all rights of their insurers to subrogation against the other to the extent permitted by law. To the extent commercially available at reasonable rates, the CRA and Developer agree that their policies will include such a waiver or an endorsement to that effect. This mutual waiver of subrogation shall apply regardless of the cause or origin of the loss or damage, including negligence of the parties hereto, their respective agents and employees except that it shall not apply to willful conduct.

Section 11. CRA's Disclosure; Environmental Condition of Property. CRA agrees to disclose to Developer any and all information which CRA has regarding the condition of the Property, including but not limited to, the presence and location of Hazardous Materials and underground storage tanks in, on, or about the Property. In the event that the Developer discovers any Hazardous Materials on the Property other than as set forth in the Environmental Reports, Developer shall promptly notify the CRA of such discovery. To the extent that the Work cannot legally proceed until such Hazardous Materials have been remediated, the Developer shall not proceed with any further Work until the remediation is complete to the Developer is otherwise legally permitted to recommence the Work.. The cost of remediating such Hazardous Materials shall be the CRA's sole responsibility. The CRA, at the CRA's sole cost and expense, shall diligently proceed to take such actions as may be required by the applicable Governmental Authorities to complete such remediation and to otherwise comply with the requirements under the Construction Loan. The CRA shall pay to Developer (or any affiliate or principal of Developer who has provided a guaranty of the Pre-Development Loan or Construction Loan) any and all costs and expenses, including, without limitation, reasonable attorneys' fees and court costs at trial and all appellate levels, arising from or in connection with the presence of any Hazardous Materials on the Property other than as set forth in the Environmental Reports. The provisions of this paragraph shall survive the termination of this Agreement.

Section 12. Representations and Warranties.

12.1 Developer. The Developer represents and warrants to the CRA as follows:

(a) That (i) it is duly organized, validly existing and in good standing under the laws of Florida; (ii) the execution, delivery and performance of this Agreement and the consummation of the transactions provided for in this Agreement have been duly authorized and upon execution and delivery by the Developer will constitute the valid and binding agreement of the Developer enforceable in accordance with its terms; and (iii) the execution and delivery of this Agreement and the performance by the Developer hereunder, will not conflict with, or breach or result in a default under, any agreement to which it is bound.

(b) That there are no pending, threatened, judicial, municipal or administrative proceedings, consent decrees or judgments against Developer which would materially and adversely affect Developer's ability to perform its obligations hereunder.

12.2 CRA. The CRA represents and warrants to the Developer as follows:

(a) That it is a public body corporate and politic of the State of Florida duly organized under the laws of the State of Florida, (ii) the execution, delivery and performance of transactions provided for this Agreement have been duly authorized and upon execution and delivery by the CRA will constitute the valid and binding agreement of the CRA enforceable in accordance with its terms; and (iii) the execution and delivery of this Agreement and the performance by the CRA hereunder, will not conflict with, or breach or result in a default under any agreement to which it is bound.

(b) That there are no pending, threatened, judicial, municipal, or administrative proceedings, consent decrees or judgments against the CRA which would materially and adversely affect the CRA's ability to perform its obligations hereunder.

12.3 Survival. The representative and warranties set forth in this Article 12 shall survive the expiration or earlier termination of this Agreement.

Section 13. Miscellaneous.

13.1 Notices. All notices, requests, consents and other communications required or permitted under this Agreement shall be in writing and shall be (as elected by the person giving such notice) hand delivered, delivered by overnight courier by a nationally recognized courier, delivered by facsimile or mailed (airmail or international) by registered or certified mail (Postage prepaid), return receipt requested, addressed to:

(a) If to the CRA:

North Miami Community Redevelopment Agency
615 N.E. 124th Street
North Miami, Florida 33161
Attn: Tony E. Crapp, Sr., Executive Director

With a copy to:

North Miami Community Redevelopment Agency
P.O. Box 610655
North Miami, FL 33261-0655
Attn: Tony E. Crapp, Sr., Executive Director

Gray Robinson, P.A.
401 East Las Olas Boulevard
Suite 1850
Fort Lauderdale, Florida 33301
Attn: Steven W. Zelkowitz, Esq.

(b) If to the Developer:

555 N.E. 15th Street, Suite 213
Miami, Florida 33132

Attn: Otis Pitts

With a copy to:

321 E. Hillsborough Blvd.
Deerfield Beach, Florida 33441
Attn: Ted Stotzer, Esq.

With a copy to:

Greenberg, Traurig, P.A.
1221 Brickell Avenue
Miami, Florida 33131
Attn: Joel K. Goldman, Esq.

Each such notice shall be deemed delivered (a) on the date faxed with confirmation of receipt, (b) next business day after deposited with an overnight courier, (c) the date of delivery if delivered by hand, and (d) on the date upon which the return receipt is signed or delivery is refused, as the case may be, if mailed. For purposes of this Agreement, copies of notices shall not constitute notice and may be delivered by means other than as required herein.

13.2 Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed an original and all of which counterparts together shall constitute one and the same instrument.

13.3 Assignment. The Developer may not assign its respective rights and obligations, in whole or in part, without the prior written consent of the CRA (which may be withheld in the CRA's sole discretion); provided, however, the Developer may assign its rights and obligations hereunder to a wholly-owned subsidiary of Developer or an entity which has the same beneficial owners as Developer. In such event, Developer shall remain liable for its obligations hereunder. The CRA shall not assign its respective rights and/or obligations under this Agreement.

13.4 Project Representatives. The CRA hereby appoints the CRA Executive Director to serve as its representative. The CRA Executive Director shall have the right and authority to provide all consents and approvals, and take other actions, required hereunder on behalf of the CRA; provided, however, (i) the CRA Executive Director shall obtain the consent of the CRA Board to the extent required by Applicable Laws, and (ii) the CRA Executive Director may, in the CRA Executive Director's discretion, submit any matter to the CRA Board for their review and approval. The Developer hereby appoints Otis Pitts, Jr. to serve as its representative. The parties may change their respective designated representative at any time by providing written notice thereof to the other party.

13.5 Small Business Enterprise Program. The Developer agrees that in connection with its development of the Project, it will comply with the Small Business Enterprise (SBE) Program adopted by the City on June 28, 2005 pursuant to Resolution No. R-2005-69 (the **Resolution**).

13.6 No Permit. This Agreement is not and shall not be construed as a development agreement under Chapter 163, Florida Statutes, nor a development permit, development approval or authorization to commence development.

13.7 Pledgee Protection Provisions. The CRA acknowledges that the equity interests in the Developer have been pledged to HSH NordBank AG New York Branch and Bonefish Partners, LLC and Preserve Partners, LLC (including their respective successors and/or assigns or any other future pledgee of such equity interests in Developer, “**Pledgee**”). Pledgee shall have the right, but not the obligation, at any time prior to the termination of this Agreement, and without any payment or penalty, to do any act or thing required of the Developer; and to do any act or thing which may be necessary or proper to be done in the performance and observance of the agreement, covenants and conditions hereof imposed upon the Developer. All payments so made and all things so done and performed by any Pledgee shall be effective to prevent a default under this Agreement as the same would have been if made, done and performed by Developer instead of by said Pledgee. Any event of default under this Agreement which in the nature thereof cannot be remedied by a Pledgee without completing the foreclosure of the equity interests in Developer shall be deemed to be remedied if: (a) within thirty (30) days after receiving written notice from the CRA setting forth the nature of such event of default, or prior thereto, the Pledgee shall have acquired the equity interests in the Developer or shall have commenced foreclosure or other appropriate proceedings in the nature thereof, (b) the Pledgee diligently prosecutes any such proceedings to completion, (c) the Pledgee shall have fully cured any default in the payment of any monetary obligation owed the CRA hereunder within such thirty (30) day period and shall thereafter continue to perform faithfully all such non-monetary obligations which do not require foreclosure of the equity interests, and (d) after acquiring the equity interests in Developer through foreclosure or otherwise, the Pledgee performs all other obligations of the Developer hereunder as and when the same are due. The CRA shall mail or deliver to any Pledgee who has provided its address to the CRA any and all notices of default which the CRA may from time to time give to or serve upon the Developer pursuant to the provisions of this Agreement and such copies shall be mailed or delivered to such Pledgee simultaneously with the mailing or delivery of the same to the Developer. No violation of this Agreement by, or enforcement of this Agreement against, Developer, shall impair, defeat or render invalid the lien of any pledge of equity interests in Developer. CRA hereby agrees to cooperate reasonably with the Developer in regard to the satisfaction of the requests or requirements by the Pledgee; provided that the CRA shall not be deemed obligated to accede to any request that materially and adversely affects its rights under this Agreement. In the event of any conflict between the provisions of this Section 13.7 and the other provisions of this Agreement, this Section 13.7 shall control.

13.8 Governing Law. The nature, validity and effect of this Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Florida.

13.9 Captions. Captions are for descriptive purposes only and shall not control or alter the meaning of this Agreement as set forth in the text.

13.10 Entire Agreement and Amendment. This Agreement constitutes the entire agreement between the parties hereto related to the development and construction of the Project and no modification hereof shall be effective unless made by a supplemental agreement in

writing executed by all of the parties hereto. In the event there is a Pledgee at the time of such amendment, the consent in writing of such Pledgee to any proposed amendment must be obtained in order for such amendment to be enforceable against or binding upon such Pledgee (or the Developer following the date the Pledgee acquires the equity interests in Developer), provided such Pledgee has provided its address to the CRA and notified them that such consent is required in connection with any amendments of this Agreement.

13.11 No Joint Venture. The Developer shall not be deemed to be a partner or a joint venturer with the CRA, and the Developer shall not have any obligation or liability, in tort or in contract, with respect to the Property, either by virtue of this Agreement or otherwise, except as may be set forth to the contrary herein.

13.12 Severability. If any provision of this Agreement, or the application of such provision to any person or circumstances, shall be held invalid, the remainder of the Agreement, or the application of such provision to persons or circumstances other than those to which it is held invalid, shall not be affected thereby.

13.13 Successors. Except as herein otherwise specifically provided, this Agreement shall be binding upon and inure to the benefit of the parties and their successors and permitted assigns.

13.14 Pronouns. Whenever from the context it appears appropriate, each term stated in either the singular or the plural shall include the singular and the plural, and pronouns stated in either the masculine, the feminine or the neuter gender shall include the masculine, feminine and neuter.

13.15 Attorneys' Fees. If any party commences an action against the other party to interpret or enforce any of the terms of this Agreement or as the result of a breach by the other party of any terms hereof, the non-prevailing party shall pay to the prevailing party all reasonable attorneys' fees, costs and expenses incurred in connection with the prosecution or defense of such action, including those incurred in any appellate proceedings, and whether or not the action is prosecuted to a final judgment.

13.16 Further Assurances. The parties to this Agreement have negotiated in good faith. It is the intent and agreement of the parties that they shall cooperate with each other in good faith to effectuate the purposes and intent of, and to satisfy their obligations under, this Agreement in order to secure to themselves the mutual benefits created under this Agreement; and, in that regard, the parties shall execute such further documents as may be reasonably necessary to effectuate the provisions of this Agreement; provided that the foregoing shall in no way be deemed to inhibit, restrict or require the exercise of the City's police power or actions of the City when acting in a quasi-judicial capacity.

13.17 Equitable Remedies. In the event of a breach or threatened breach of this Agreement by any party, the remedy at law in favor of the other party will be inadequate and such other party, in addition to any and all other rights which may be available, shall accordingly have the right of specific performance in the event of any breach, or injunction in the event of any threatened breach of this Agreement by any party.

13.18 Force Majeure. For purposes of this Agreement, **Force Majeure** shall mean the inability of either party to commence or complete its obligations hereunder by the dates herein required resulting from delays caused by strikes, picketing, acts of God, war, governmental action or inaction, acts of terrorism, emergencies or other causes beyond either party's reasonable control which shall have been timely communicated to the other party. Events of Force Majeure shall extend the period for the performance of the obligations for the period equal to the period(s) of any such delay(s).

13.19 Third Party Rights. The provisions of this Agreement are for the exclusive benefit of the parties to this Agreement and no other party (including without limitation, any creditor of the CRA or the Developer) shall have any right or claim against the CRA or the Developer by reason of those provisions or be entitled to enforce any of those provisions against the CRA or the Developer.

13.20 Survival. All covenants, agreements, representations and warranties made herein or otherwise made in writing by any party pursuant hereto shall survive the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby.

13.21 Remedies Cumulative; No Waiver. The rights and remedies given in this Agreement and by law to a non-defaulting party shall be deemed cumulative, and the exercise of one of such remedies shall not operate to bar the exercise of any other rights and remedies reserved to a non-defaulting party under the provisions of this Agreement or given to a non-defaulting party by law.

13.22 No Waiver. One or more waivers of the breach of any provision of this Agreement by any party shall not be construed as a waiver of a subsequent breach of the same or any other provision, nor shall any delay or omission by a non-defaulting party to seek a remedy for any breach of this Agreement or to exercise the rights accruing to a non-defaulting party of its remedies and rights with respect to such breach.

13.23 Signage. Subject to the reasonable approval of the CRA and in accordance with Applicable Laws, the Developer shall have the right to place one or more appropriate signs upon the Property indicating that the Developer is providing development services for the Property.

13.24 Construction. This Agreement shall be interpreted without regard to any presumption or rule requiring construction against the party causing this Agreement to be drafted.

13.25 Jurisdiction; Venue; and Waiver of Jury Trial. EACH OF THE PARTIES IRREVOCABLY AND UNCONDITIONALLY (A) AGREES THAT ANY SUIT, ACTION OR OTHER LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT SHALL BE BROUGHT IN THE FEDERAL OR STATE COURT SITUATED IN MIAMI-DADE COUNTY, FLORIDA; (B) CONSENTS TO THE JURISDICTION OF EACH SUCH COURT IN ANY SUCH SUIT, ACTION OR PROCEEDING; (C) WAIVES ANY OBJECTION WHICH IT MAY HAVE TO THE LAYING OF VENUE OF ANY SUCH SUIT, ACTION OR PROCEEDING IN ANY OF SUCH COURTS; AND (D) AGREES THAT SERVICE OF ANY COURT PAPER MAY BE EFFECTED ON SUCH PARTY BY MAIL, AS

PROVIDED IN SECTION 13.1 HEREOF, OR IN SUCH OTHER MANNER AS MAY BE PROVIDED UNDER APPLICABLE LAWS OR COURT RULES. EACH PARTY WAIVES ALL RIGHTS TO ANY TRIAL BY JURY IN ALL LITIGATION RELATING TO OR ARISING OUT OF THIS AGREEMENT.

Section 14. Safety and Protection.

14.1 Developer shall be responsible for initiating, maintaining and supervising commercially reasonable safety precautions and programs in connection with the Work taking into consideration the effect on the Development Budget. Developer shall take all necessary precautions required by Applicable Laws for the safety of, and shall take commercially reasonable precautions, taking into consideration the effect on the Development Budget, to prevent damage, injury or loss to:

- (a) all persons on Property or who may be affected by the construction;
- (b) all Work and materials and equipment to be incorporated in the Project, whether in storage on or off the Property; and
- (c) other property at the Property or adjacent thereto, including trees, shrubs, lawns, walks, pavements, roadway, structures, utilities and underground facilities (i.e., the 42” force main located under the Property, the **Force Main**) not designated for removal, relocation or replacement in the course of construction.

14.2 Developer shall comply with Applicable Laws of Governmental Authorities having jurisdiction for safety or persons or property to protect them from damage, injury or loss; and shall erect and maintain commercially reasonable safeguards for such safety and protection, taking into consideration the effect on the Development Budget. Developer shall notify owners of adjacent property regarding the commencement of the Work (and other matters as reasonably determined by Developer), and of underground facilities and utility owners as required by Applicable Laws. All damage, injury or loss to any property including, without limitation, the Force Main caused, directly or indirectly, in whole or in part, by Developer, any contractor, subcontractor, materialman, supplier, vendor, or any other individual or entity directly or indirectly employed by any of them to perform or furnish any of the Work or anyone for whose acts any of them may be liable, shall be remedied by Developer. Developer’s duties and responsibilities for safety and for protection of the construction shall continue until Final Completion.

14.3 In connection with the approval of the Construction Contract, the parties may mutually agree to cause the general contractor to designate a qualified and experienced safety representative at the Property whose duties and responsibilities shall be the prevention of accidents and the maintaining and supervising of safety precautions and programs.

14.4 Developer shall cause its general contractor to be responsible for coordinating any exchange of material safety data sheets or other hazard communication information required to

be made available to or exchanged between or among employers at the site in accordance with Applicable Laws.

14.5 In emergencies affecting the safety or protection of persons or the construction or property at the Property Site or adjacent thereto, Developer, without special instruction or authorization from the CRA, is obligated to act to prevent threatened damage, injury or loss. Developer shall give CRA prompt written notice if Developer believes that any significant changes in the construction or variation from the Construction Documents have been caused thereby.

15. Use of Property and Other Areas.

15.1 Developer shall confine construction equipment, the storage of materials and equipment and the operations of construction workers to the Property and other land and area permitted by Applicable Laws and regulations, rights-of-way, permits and easements, and shall not unreasonably encumber any such land or area's with construction equipment or other materials or equipment. Developer shall assume full responsibility for any damage to any such land or area, or to the owner or occupant thereof or any adjacent land or areas, resulting from the performance of the construction.

15.2 During the performance of the Work, Developer shall keep the Property free from accumulations of waste materials, rubbish, dust and other debris resulting from the construction. Upon Final Completion of the Work, Developer shall remove all waste materials, rubbish and debris from and about the premises as well as all tools, appliances, construction equipment, temporary construction and machinery and surplus materials. Developer shall leave the Property clean and ready for occupancy by the Unit buyers at Substantial Completion except as necessary to achieve Final Completion.

15.3 Regardless of whether such is permitted by Applicable Laws, the Developer shall not allow, or seek to allow, Work to occur outside of the City's designated hours for construction without the prior written consent of the CRA in each instance, which consent shall not be unreasonably withheld, delayed or conditioned.

16. Owner's Representative. The parties acknowledge and agree that the CRA may engage in one or more consultants to assist the CRA in the administration of this Agreement and the Project. Any such consultants shall act as an "owner's representative" and shall not have authority to bind the CRA or direct the Developer. Developer agrees to reasonably cooperate with any such consultants engaged by the CRA.

17. Munisport Agreement. The parties acknowledge and agree that the terms and provisions of this Agreement may be inconsistent with the rights, obligations and responsibilities of the parties under Section 9.4 of the Munisport Agreement as a result of certain accommodations made by the parties solely with respect to the Project. The parties further acknowledge and agree that nothing set forth in this Agreement shall constitute a waiver of any of the rights, obligations and responsibilities of the parties under Section 9.4 of the Munisport Agreement with respect to any future projects subject thereto.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be duly executed by their duly authorized officer where applicable and sealed as of the date first above written.

DEVELOPER:

NORTH MIAMI HOUSING, LTD., a Florida limited partnership

By: North Miami Housing GP, LLC a Florida limited liability company, as general partner

By: _____
Name: _____
Title: _____

CRA:

NORTH MIAMI COMMUNITY REDEVELOPMENT AGENCY,
a public body corporate and politic

By: _____
Kevin A. Burns, Chairman

By: _____
Tony E. Crapp, Sr., Executive Director

Attest:

By: _____
Frank Wolland, City Clerk

Approved as to form and legal sufficiency:

By: _____
Gray Robinson, P.A., CRA Attorney

ITEM VI

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be duly executed by their duly authorized officer where applicable and sealed as of the date first above written.

DEVELOPER:

NORTH MIAMI HOUSING, LTD., a Florida limited partnership

By: North Miami Housing GP, LLC a Florida limited liability company, as general partner

By: _____
Name: _____
Title: _____

CRA:

NORTH MIAMI COMMUNITY REDEVELOPMENT AGENCY,
a public body corporate and politic

By: _____
Kevin A. Burns, Chairman

By: _____
Tony E. Crapp, Sr., Executive Director

Attest:

By: _____
Frank Wolland, City Clerk

Approved as to form and legal sufficiency:

By: _____
Gray Robinson, P.A., CRA Attorney

**Timeline of Key Prior Events and Projected Dates
for the Ruck's Park Site Housing Development**
(As of August 4, 2006)

(1) Date	(2) Event/Action	(3) Principal Responsible Party	(4) Comment
April 2004	SRC Comments Requiring Platting and Easements to be shown on the site plan provided to North Miami Housing	City	
April 9, 2004	Proposal from Craven Thompson Associates (City Surveyor) provided to prepare survey and plat, and process plat approval at cost of \$55K	City	
August 17, 2004	Check received from Swerdlow for \$55K to pay for platting services	NMH	
August 31, 2004	Proposal from Craven Thompson executed by City for platting services	City	
September 2004	Craven Thompson commences preparation of	City	
November 2004	Resolve Site Boundary Issues	City	
December 2004	Review Title and Easements	City	
January 2005	Resolve Easement Issues with County and WASA	City	
April 2005	Planning Commission Approval	City	
May 5, 2005	City Council Approves Tentative Plat	City	
July 22, 2005	Miami-Dade County issues Tentative Plat Action Report	City	
July 27, 2005	City executes contract with Craven Thompson to prepare sketch and descriptions to vacate easements on site	City	
September 21, 2005	Contract for \$5K sent to North Miami Housing for Craven Thompson to process vacation of easements for County and WASA approval	NMH	
November 2005	Craven Thompson prepares and submits sketch and descriptions of easements to City	City	

ITEM VI A

December 20, 2005	North Miami Housing executes contract for Craven Thompson to process easement vacation	NMH	
January 10, 2006	NMCRA Board Meeting on Ruck's Park	NMCRA	NMCRA Board directs the redesign of the project for increased density.
January 24, 2006	Interlocal Agreement executed between the City and the CRA for the conveyance of the Ruck's Park site to the CRA	NMCRA/City	
January 24, 2006	CRA Board Adopts Resolution No. R-1-2006-3 relating to the implementation of the development of Ruck's Park as an affordable housing project including direction to staff to negotiate a proposed development agreement with North Miami Housing	NMCRA	
February 2, 2006	A&E Process starts	NMH	Expected completion date is 09/14/06. On 03/28/06 the NMCRA Board selected the project design option for 144 townhouse over townhouse units versus 72 townhouse units.
February 9, 2006	Plat Approval process starts	City	Expected completion date is 01/02/07 with Final Plat. T-Plat was approved by City Council on 06/27/06 Approval for the Vacation of Utility Easements and Right of Way is expected on 08/22/06
May 18, 2006	Permit Process starts	NMH	Expected completion date is 11/13/06 Demolition Permit approval is expected by 08/21/06 (prior dates were 08/01/06 and then 08/10/06). Site Work Permit approval is expected by 08/04/06. Foundation Permit approval is

ITEM VI A

			<p>expected by 09/11/06 (prior dates were 08/04/06 and 10/09/06).</p> <p>Structure Permit approval is expected by 11/13/06 (prior date was 08/04/06).</p>
June 27, 2006	Site Plan/Conditional Use Permit approved by City Council	City/NMH	
July 1, 2006	Preparation of Condo Documents starts	NMCRA	<p>Expected completion date is 11/13/06.</p> <p>Final documents are expected to be submitted to the State by 08/14/06.</p> <p>State final approval is expected by 10/16/06.</p>
August/September, 2006	Process for Marketing/Pre-Qualification of Potential Homebuyers starts	NMCRA	Expected completion date is 11/17/06.
August 29, 2006 (Prior dates were 08/23/06 and 08/31/06)	Demolition/Asbestos Abatement Starts	NMH/CRA	Expected completion date is 09/25/06 reflecting additional time for asbestos abatement (prior dates were 09/19/06 and 09/28/06).
September 19, 2006	NMCRA Subsidy Funding approved and available pursuant to approval by Miami-Dade County	NMCRA	The County TIF Committee approved request on June 14, 2006.
September 28, 2006	Acquisition and Development Loan closing and funding	NMH	
September 29, 2006	Site Work starts	NMH	<p>Prior projected start date was 09/25/06.</p> <p>Expected completion date is 12/21/06 (prior date was 11/23/06)</p>

ITEM VI A

November 13, 2006	Condo Documents completed for Pre-Sales Contracting Process to start	NMCRA	
January 2, 2007	Final Plat Recordation	City	
February 9, 2007	Financing process to be completed	NMH	Acquisition and Development Loan closing and funding is expected by 09/28/06 (prior date was 08/17/06). Construction Loan closing and funding is expected by 02/09/07.
February 12, 2007	Foundation Work starts	NMH	Prior projected start date was 01/17/07. Expected completion date is 03/09/07 (prior date was 02/23/07).
March 12, 2007	Housing Construction starts	NMH	Prior projected dates were 01/31/07 and 02/26/07.
September 15, 2008 (Note that this date is the proposed contract delivery date. The target working date is 07/25/08)	Housing Construction is completed	NMH	Prior projected dates were 03/25/08, 04/18/08 and 07/25/08.

Legend:

City = City of North Miami

NMCRA= North Miami Community Redevelopment Agency

NMH= North Miami Housing

Timeline of Key Events and Projected Dates for the Ruck Park Site Development final as of 080706pm

**Florida Redevelopment Association
2006 Annual Conference
October 17-20, 2006 – Radisson Hotel Miami**

Conference Registration Form

ITEM VII C

Return completed form with registration fees to **FRA Annual Conference**, P.O. Box 1757, Tallahassee, Florida 32302-1757. Checks should be made payable to **FRA Annual Conference**. Payments by Visa or MasterCard only may be FAXed to 850/222-3806. On-line registration is also available at www.redevelopment.net. If you have any questions, contact Melanie Howe at 850/222-9684. **NOTE: All registrations must be received by October 6, 2006.**

Please type or print information requested. Complete a separate form for each registrant.

Full Name: _____ Nickname: _____

Title: _____ Agency Affiliation: _____

Mailing Address: _____

City: _____ State: _____ Zip: _____

Phone: _____ FAX: _____ E-Mail: _____ @ _____

Spouse Name: _____ Nickname: _____

(**Only** if purchasing Spouse Registration below.)

Payment Must Accompany Each Registration

Check (Payable to **FRA Annual Conference**) Visa MasterCard

Credit Card Number _____ Expiration Date _____

(NOTE: Charge will appear as being from the "Florida League of Cities".)

Card Holder's Name _____ Signature _____

Registration Type	Member	Non - Member	Total
Full Registration*	\$295	\$375	
Tuesday Only**	\$250	\$275	
Wednesday Only**	\$235	\$260	
Thursday Only**	\$250	\$275	
Guest/Spouse***	\$220	\$250	

* **Full registration** includes **all** workshops and meal functions scheduled for the Conference.
 ** **One-day registration** includes workshops and meal functions scheduled for that day **only**.
 *** **Guest/Spouse registration** includes all workshops, lunches and Friday's breakfast **only**. Tickets for all evening events must be purchased separately.

NOTE: The mobile tours are **NOT** included with any registration package. These tickets **must** be purchased separately.

NOTE ON EXTRA TICKETS: 1 ticket for all events, except the mobile tours, is included with all Full and One-day registrations. Guest/Spouse registration includes lunch tickets and Friday's breakfast only. Tickets for evening events **must be purchased separately for guests/spouses. **Do not** purchase extra tickets unless you need evening event tickets for registered guests, or event tickets for a non-registered guest.**

Special Needs: If you are physically challenged and require special services, or if you have special dietary needs, please attach a written description to your advance registration.

Cancellations must be received in writing by October 6, 2006 to entitle registrant to a refund of registration fees.

EXTRA TICKETS - SEE IMPORTANT INFO TO THE RIGHT BEFORE PURCHASING

Event	Member	Non - Member	Total
Tues. Miami Beach CRAs Tour	\$20 x ____	\$20 x ____	
Tues. Mixed Urban Infill Tour	\$20 x ____	\$20 x ____	
Tues. Reception/Dinner	\$45 x ____	\$55 x ____	
Wed. Lunch	\$25 x ____	\$35 x ____	
Wed. Miami Overtown CRA Tour	\$10 x ____	\$10 x ____	
Wed. Reception	\$30 x ____	\$40 x ____	
Thurs. Lunch	\$25 x ____	\$35 x ____	
Thurs. Omni CRA Tour	\$10 x ____	\$10 x ____	
Thurs. Night Event	\$45 x ____	\$55 x ____	
Fri. Breakfast	\$25 x ____	\$35 x ____	

Total Fees Enclosed: \$ _____



CONFERENCE AT A GLANCE

ITEM VII C

Tuesday - October 17, 2006

- 10:00 a.m.** Registration Desk Open
- 11:00 a.m.** Mobile Tours – Miami Beach CRAs
Mixed Use Urban Infill
- 3:00 p.m.** General Session: Red Hot Downtown Retail
- 5:00 p.m.** Reception at Miami Performing Arts Center
- 6:00 p.m.** Guest Speaker: Emilio Estefan and Dinner at Bongo’s Restaurant

Wednesday - October 18, 2006

- 7:30 a.m.** Registration Desk Open
- 8:00 a.m.** Continental Breakfast in Exhibit Hall
- 9:00 a.m.** Overlay Districts and Developments of Regional Impact
- 9:00 a.m.** New Market Tax Credits
- 9:00 a.m.** Builders, Bankers, Land Use Attorneys Tell Their Side of Affordable Housing Issues
- 10:45 a.m.** Infrastructure and Mass Transit in Redevelopment – Miami and Others
- 10:45 a.m.** Project Financial Analysis – Do They Really Need My Money?
- 10:45 a.m.** Promoting Affordable Housing Using Carrots and Sticks
- 12:00 p.m.** Awards Luncheon: Keynote Speaker – Ambassador Louis Lauredo & the Honorable Manuel Diaz, Mayor of Miami
- 2:15 p.m.** Police Programs and How They Work Downtown
- 2:15 p.m.** Borrowing, Bonding, Credit and Ways to Use Other People’s Money
- 2:15 p.m.** Housing Partnerships and Community Land Trusts
- 2:30 p.m.** Tour: Miami Overtown CRA
- 4:00 p.m.** General Session: Residential Development – What’s Hot and What’s Not
- 6:00 p.m.** Reception in Exhibit Hall
- 6:30 p.m.** Open – Continuous Transportation Provided to Hot Spots

Thursday - October 19, 2005

- 7:30 a.m.** Registration Desk Open
- 8:00 a.m.** Continental Breakfast in Exhibit Hall
- 9:00 a.m.** FDOT Session – Project Management Made Easy
- 9:00 a.m.** Shameless Self Promotion – Why You Need It
- 9:00 a.m.** Developers, Land Use, Permitting and Other Affordable Housing Process Issues
- 11:00 a.m.** Audits, Special District Reporting and Spending Money the Right Way
- 11:00 a.m.** Buying, Selling and Assembling Land
- 11:00 a.m.** New Housing Money: CWHIP and CDBG
- 12:00 p.m.** Lunch in Exhibit Hall
- 2:15 p.m.** Public Spaces and Quality Urban Design
- 2:15 p.m.** How Can the ULI, APA, CNU and ICSC Help You
- 2:15 p.m.** Housing: The California Experience – Our Future?
- 2:30 p.m.** Tour: Miami Omni CRA
- 4:00 p.m.** General Session: Show Me the Money - Beyond TIF
- 6:00 p.m.** Dinner and Dancing Overlooking Beautiful Biscayne Bay

Friday - October 20, 2005

- 8:00 a.m.** Annual Legislative Breakfast Guest Speaker: Sen. Mel Martinez (Invited)



Florida Redevelopment Association
 301 S. Bronough Street, Suite 300
 Tallahassee, FL 32301
 (800) 342-8112
www.redevelopment.net





NORTH MIAMI COMMUNITY REDEVELOPMENT AGENCY

CRA Board
Kevin A. Burns, Chair
Michael R. Blynn
Jacques Despinosse
Scott Galvin
Marie Elande Steril

Executive Director
Tony E. Crapp, Sr.

Chief of Staff
Chuck Adams

CRA Attorney
Steven W. Zelkowitz

Date: August 8, 2006

To: Honorable Chairman and Members
CRA Board of Commissioners

From: Tony E. Crapp, Sr.
Executive Director

Subject: Status Report regarding "Blue Roofs" in the City of North Miami

In follow-up to the update that was provided to the CRA Board during the meeting held on July 11, 2006, attached please find a copy of a memorandum dated July 14, 2006 from the Director of the Department of Community Planning and Development Partnership for Recovery, Inc. (PFR) "No Blue Roofs" program relative to the issue of un-repaired, Hurricane-damaged roofs in the City of North Miami. The memorandum provides a recommendation to the City Manager in response to a letter dated July 6, 2006 from Mr. Ronald L. Book, Chairman, Partnership for Recovery, Inc. that seeks matching support and funding for the repair of seven (7) blue roofs in the City of North Miami. Relative to the to the letter to the City Manager that provides background information on the request from the Partnership for Recovery, the CPD Director has recommended that (1) the CPD Housing Division will assess the seven (7) properties and income qualify the residents in an effort to utilize CDBG funds as the source of the requested \$15,000 contribution toward the cost of repairs, (2) all applicable permit fees be waived, and (3) the CPD Housing Inspector will conduct the pre-construction inspections and complete the checklist as requested by the PFR. Please note that of the seven (7) homes approved for repair through the PFR program, one (1) has already been repaired leaving six (6) pending repair.

In an effort to quantify the magnitude of the "blue roof" problem in the City of North Miami, CRA staff requested the CPD Department's assistance in determining the number and location of all blue roofs in the City and the number of blue roofs on properties that have low-income owners who may need financial assistance to get the roofs repaired in order to protect the investment in their homes. In response, CPD inspectors conducted surveys of zones within the City that identified some 209 single or two-family properties with blue tarps/roofs. A summary and analysis of the location of the properties is indicated in the attached table. Below please find a summary regarding the previously referenced seven (7) properties.



PO Box 610655
North Miami, FL 33261-0655
P: 305.899.0272
F: 305.899.9376

www.NorthMiamiCRA.org



NORTH MIAMI COMMUNITY REDEVELOPMENT AGENCY

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CRA Attorney
Steven W. Zelkowitz

Table with 3 columns: Location of Property to be assisted by the Partnership for Recovery "No Blue Roofs" Program, Property Located in the CRA Boundaries? Yes/No, Property Listed in the City Property Survey? Yes/No. Rows include addresses like 1400 NE 141 Street, 1330 NE 138 Street, etc.

It is requested that the CRA Board review this report and consider authorizing the Executive Director to (a) partner with the City in providing the requested \$15,000 in matching funds for the six (6) identified home repairs by providing up to \$7,500 of the requested funding, and to (b) work with the PFR to identify additional homes within the boundaries of the NMCRA and to provide additional matching funds up to \$17,500 for additional blue roof repairs.



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ITEM VII F

City of North Miami
Number and Location of Blue Tarp Roof Properties per a Survey on July 10-12, 2006

Geographic Area in City	Number of Properties with Blue Tarps on Roof	Estimated Number of Properties in CRA Area	Estimated Number of Properties in the Non-CRA Area of the City	# Questionable Addresses as to CRA Boundary/# Incorrect Addresses
Central Section	64	49	15	7/1
Zone B-18 (East of NE 12 th Avenue)	33	9	24	16/2
NW 7 th Avenue from 119 th Street – NW 135 th Street	62	52	10	7/3
Griffing Boulevard	50	21	29	29/-0-
TOTAL	209	131	78	59/6

Blue Tarp Roofs in the City of North Miami 080806



Memo

DATE: July 14, 2006

TO: Clarence Patterson, City Manager

FROM: Maxine Calloway *Maxine Calloway* Interim Director, Community Planning and Development

CC: Dennis Kelly, Deputy City Manager
John Jackson, Building Official
Miguel Seco, Grants Administrator
Tony Crapp, Executive CRA Director
Tom Calderon, Housing Administrator

RE: No Blue Roofs Program.

I am in receipt of your memo dated July 13, 2006 regarding the Partnership for Recovery (PFR) "No Blue Roofs" program. The July 6, 2006 attached letter from the PFR identifies seven (7) properties within the City of North Miami that have already received preapproval for assistance for roof damage repairs. The PFR is seeking to partner with the City of North Miami and is requesting the following:

- City of North Miami contribute \$15,000 towards the repair of the seven homes
- That all applicable building permit fees be waived
- Staff conduct a Preconstruction Home Inspection Checklist for the seven homes

The subject homes are as follows:

- | | |
|---|--|
| • Marie Joachin
1400 NE 141 Street | * Marie Pierre
12615 NW 10 Avenue |
| • Roberta Lightbourne
1330 NE 138 Street | * Carlos Rivera (Already repaired)
1205 NE 142 Street |
| • Charles Pierre
1125 NW 126 Street | * Karen Saravia
910 NE 140 Street |

- Raymond Barberousse
12010 NW 1 Court

My recommendation is as follows:

- Community Planning and Development's Housing Division will assess the properties and income qualify the residents in an effort to utilize CDBG funds as the source of the \$15,000 contribution.
- I will require your written approval to waive all applicable fees.
- Community Planning and Development's Housing Inspector will conduct the preconstruction inspections and furnish the checklist.

I am available should you require further clarification or discussion on the matter. Thanks

MAC:mac

Attachments

MEMORANDUM
Office of the City Manager

TO: Maxine Calloway
Director, CP&D

Miguel Seco
Grants Administrator

FROM: Clarence Patterson
City Manager

RE: **NO BLUE ROOFS PROGRAM**

DATE: July 13, 2006

Attached is a copy of the "No Blue Roof" program which Ron Book forwarded to my office.

Please review and advise.

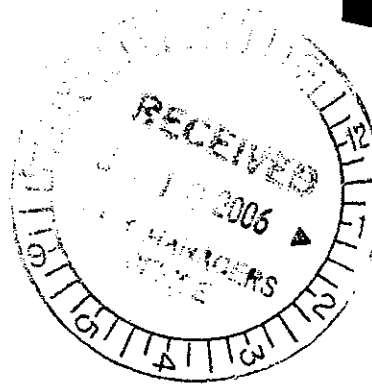
Thank you.

CP:mp



July 6, 2006

Clarence Patterson, City Manager
City of North Miami
776 NE 125 Street
North Miami, FL 33161



Dear Mr. Patterson:

The Partnership for Recovery (PFR) is a not-for-profit 501(c)3 organization created to assist residents still recovering from the wrath of Hurricane Wilma. There are six (6) homeowners in your municipality who have been approved for assistance through our program and I would like to give the City of North Miami the opportunity to be involved in their recovery. At its inception, the PFR provided basic necessities and relocation services to storm victims. As the need for these services were fulfilled, the PFR created the **"No Blue Roofs"** program to focus its efforts on assisting homeowners who are still living in their homes, but have damaged roofs. Many of these residents are low-income and can not afford to repair their roofs. FEMA and State aid was usually not enough and many residents cannot cover their insurance deductible. In many cases, residents have no insurance at all.

As you know, hurricane season began June 1. If these roofs are not repaired soon, they will fall prey to heavy rain and winds, possibly causing residents to lose everything. **"No Blue Roofs"** is designed to help eligible low-income homeowners meet the gap in funding between what the resident is able to pay and what is necessary to get their roof repaired. This is being achieved by engaging the considerable resources and talents of the Greater Miami community and using those resources to speed the recovery of those whose lives were devastated by this stealth hurricane.

Through a County-wide marketing campaign, low-income homeowners were urged to submit an application to the **"No Blue Roofs"** program at one of 22 intake locations throughout Miami-Dade County from April 17-April 28. From the pool of applicants, we have already approved 383 homeowners in Miami-Dade County. Six (6) of these homeowners are residents of the City of North Miami.

We have partnered with the Roofing Contractor Association of South Florida and the Florida Roofing and Sheet Metal Contractors who are ready to begin work on these homes immediately. We are now seeking to engage the City of North Miami in this effort by requesting monetary and staff assistance. Using figures submitted by the Miami-Dade County Code Compliance Office, **"No Blue Roofs"** estimates each roof will cost \$10,000 to repair. We are asking that the City of North Miami contribute \$15,000 towards the repair of the six homes that have already received pre-approval for assistance and that all applicable building permit fees are waived. **"No Blue Roofs"** will pay the remainder of the cost to provide a safe haven for the families living with this misfortune. With this additional funding from the City of North Miami, we will be able to meet the larger need of the community, which as I've stated is great. This service will be delivered to the homeowner in the


form of a grant, costing them nothing other than what has been paid to them by Federal Emergency Management Agency (FEMA) and/or their insurance carrier. Additionally, please keep in mind that this is just the first phase of program. As additional funding is acquired, we will re-open registration and continue repairing the roofs of eligible homeowners. **ITEM VII F**

We would also like to have a City of North Miami Building Inspector, Code Compliance Officer, or Community Outreach Employee visit the six (6) homes and fill out a simple "Pre-Construction Home Inspection Checklist." We need to confirm basic information about the residence before sending a roofing contractor to begin work. This is the last step that is necessary before removing the tarps and beginning repair work. I hope that you can help facilitate this by telling your Building Official that Mark Zehnal, Building Code Compliance Specialist, will be notifying them. With hurricane season already underway, we need to move quickly.

Support for "No Blue Roofs" is growing and we are excited about this opportunity to assist residents awaiting a long-term solution to their housing needs as they seek healing in Hurricane Wilma's wake. Your contribution will make a tremendous impact on the lives of these individuals, and on the health of your community as a whole.

With your support, we can move forward with this initiative and the City of North Miami residents can continue to recover from Hurricane Wilma. Please do not hesitate to contact me; I would be pleased to discuss the "No Blue Roofs" vision and plans with you in greater detail.

Best Regards,



Ronald L. Book, Chairman
Partnership for Recovery
305-935-1866
ron@rlbookpa.com

cc: Kevin Burns, Mayor
North Miami

Attachments:
IRS Determination Letter
List of Approved Residents in North Miami
"No Blue Roofs" Press Release
Miami Herald Article
Board of Directors
Photo Sheet

Residents Approved for the "No Blue Roofs" Program

Marie Joachin
1400 NE 141 Street
North Miami, Fl 33161

Roberta Lightbourne
1330 NE 138 Street
North Miami, Fl 33161

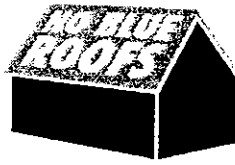
Charles Pierre
1125 NW 126 Street
North Miami, Fl 33168

Marie Pierre
12615 NW 10 Avenue
North Miami, Fl 33168

Carlos Rivera (already had roof repaired)
1205 NE 142 Street
North Miami, Fl 33161

Karen Saravia
910 NE 140 Street
North Miami, Fl 33161

Raymond Barberousse
12010 NW 1 Court
North Miami, Fl 33168



PRESS RELEASE

For Immediate Release: April 13th 2006

**NEW NON-PROFIT PROGRAM TO MAKE BLUE ROOF TARPS
A THING OF THE PAST**

No Blue Roofs Will Provide Assistance to Low-income Miami-Dade Homeowners for Hurricane-related Roof Repairs

(Miami, FL) - With the 2006 hurricane season less than two months away, many homes in Miami-Dade County still have blue tarps on their roofs. The Partnership for Recovery (a 501 (c)(3) Corporation) and its "No Blue Roofs" program are designed to assist eligible low-income homeowners with repairs or roof replacement damaged as a result of Hurricane Wilma. The program will begin distributing and accepting applications on Monday, April 17th at 22 locations throughout Miami-Dade County. Applications will be accepted Monday through Friday from 9:00am to 4:00pm through Friday, April 28, 2006 at all 22 locations.

Residents must submit all supporting documentation to meet eligibility requirements. Priority will be given to the elders (age 62 and older) and individuals with disabilities. Applicants may dial 3-1-1 Mondays through Fridays from 8:00am to 8:00pm and Saturdays and Sundays from 8:00am to 5:00pm for more information.

Program Requirements:

- Household income must be at 60% of the Area Median Income (AMI) or below, adjusted for family size. For single household applicants, priority will be given to single applicants earning \$19,550 or less.
- Proof of damage to roof.
- Applicant must own and reside in a single-family home, townhouse or duplex. Homes in foreclosure and/or listed for sale are not eligible.
- Applicant must provide proof of residency in Miami-Dade County at time of Hurricane Wilma landfall.
- Applicant must sign a FEMA Authorization to Release Confidential Information and a Hold Harmless Agreement.
- Applicant's home must meet structural requirements for roof repair or installation as determined by a pre-construction evaluation, if applicant is selected.
- After inspection and program acceptance, applicant must submit all applicable insurance/FEMA payments to the No Blue Roof Program Escrow Account.

Tax exempt donations are still welcome. Please make checks payable to the Partnership for Recovery.

For more information contact: 305-375-1249.

###

GROUP WORKS TO REMEDY BLUE-TARPED ROOF BLUES

Miami Herald Online

April 15, 2006

Written by: Amy Driscoll

Email: adriscoll@MiamiHerald.com

With thousands of blue-tarped roofs still visible as painful reminders of Hurricane Wilma's force and a new hurricane season six weeks away, a Miami-Dade organization is offering help to those most in need.

The Partnership for Recovery, a public-private group started after Wilma, has set up a program to assist low-income homeowners with repairs and roof replacement. The No Blue Roofs program will match licensed and insured Florida roofers with Miami-Dade residents who qualify for financial assistance.

More than 16,000 roofs in Miami-Dade are still covered in blue tarps to protect them from further water damage until they are repaired, according to information by the Partnership for Recovery.

Seniors, disabled people and those with the lowest incomes will have priority under the new program. To qualify, applicants must own the home - **no** trailers or condos - and have been residents when Wilma hit on Oct. 24.

Those who have received money from FEMA or their insurance companies must put that money toward the repairs; the program will pay for the rest. Homes in foreclosure proceedings or listed for sale will not be considered.

"The whole idea here is to provide these desperate families with help to repair their roofs. We don't know what the demand will be but our best guess is we'll have applications in the thousands," said Leonard **Turkel**, executive director of **No Blue Roofs**.

The program is aimed at low-income residents. Gross income for a household of four cannot exceed \$33,540, according to Liz Regalado, a social services administrator for the county who is on loan to the program. For residents living alone, the income cut-off is \$19,550 or less.

If an overwhelming number of people apply, the program may resort to a lottery system, she said.

Applications will be accepted for two weeks starting Monday at 22 locations in Miami-Dade County from Florida City to Opa-locka and South Beach.

Once an applicant is initially qualified, inspectors will check the home to make sure damage isn't too extensive. **Turkel**, a retired Miami-Dade general contractor, hopes the first repairs will be under way by the first week of May.

Back when Wilma hit and thousands of South Floridians were displaced, organizers of the group announced plans to raise as much as \$25 million for the assistance program. So far, they have

about \$3 million, **Turkel** and others said, but they hope to raise more at a fundraiser tentatively scheduled for early May.

"It's big bucks that we need," **Turkel** said. "Roofing costs are at the highest they've ever been around here. It's going to cost a lot of money to redo these **roofs** but it needs to be done."

Ron Book, co-chair of the partnership, said the group is asking for \$3.5 million from the state Legislature. If the money is allocated, he says he'll ask for matching funds from the county. Even with another infusion of cash from the private sector, he knows that won't be enough to fix the whole problem.

"There are nearly 17,000 **blue roofs** in Miami-Dade alone. We can't fix everyone's roof but we think we can make a substantial dent," he said. "If we have another bad hurricane season, the problem will just be exacerbated."

Edition: Final

Section: Metro & State

Page: 4B

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Record Number: 0604170070



**Partnership For Recovery
Board of Directors**

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Mayor
Miami-Dade County

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President & CEO
Greenberg Traurig LLP

Ronald L. Book, P.A.
Governmental Consultants, Inc.

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Braman Enterprises

George Burgess
County Manager
Miami-Dade County

Ben Burton
Executive Director
Miami Coalition for the Homeless

Alvah Chapman
Founding Chairman
Community Partnership for the Homeless Inc.

Linda Coll
Director
Carnival Foundation

George Foyo
Market President
Blue Cross Blue Shield

Barry Johnson
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Greater Miami Chamber of Commerce

Cyrus Jollivette
Senior Vice President, Public Affairs
Blue Cross Blue Shield of Florida

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Arthur Rosenberg
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Miami Coalition for the Homeless

Ruth Shack
President
Dade Community Foundation

Michael Swerdlow
Chairman
The Swerdlow Group

Dan Vincent
Executive Director
Community Partnership for the Homeless Inc.

Bob Dickinson
President
Carnival Corporation

Bob Chisholm
Chairman
Community Partnership for the Homeless, Inc

Bruce Hayden
Miami Behavioral Health Center

Jacob Solomon
Executive Vice President
Greater Miami Jewish Federation

Carlos R. Fernandez-Guzman
Executive Vice President-Bank Services
BankUnited

Ann R. Kashmer
Director, South Florida Partnership Office
Fannie Mae

Revised 2/3/06