Real Estate RESEARCH
CONSULTANTS

MEMORANDUM

TO: CMPA Board of Directors

FROM: Owen M. Beitsch, PhD, AICP, CRE

DATE: October 6, 2008

RE: Status of Negotiations Concerning Maritime Park
(RERC 28151)

This memo is purposefully very brief because extensive documentation remains to be prepared over the next few weeks if you elect to continue discussions with Land Capital Group. As you'll see from the footers, there have been many versions of the attached materials provided to me over the last few weeks. Based on the positive efforts to date, it is my recommendation to continue your negotiations with Land Capital Group and to authorize the drafting of a detailed development agreement, consistent with the attached document.

In sum, the attached document represents a ***term sheet*** which captures the many business points to which Scott Davison's team is committing at this time. It is ***not a development agreement*** which takes these global business points and lays out a set of particulars for each one. You should expect the development agreement to be largely in harmony with achieving these points that are also consistent with the proposal he submitted earlier this year.

Having talked, I believe, with all members individually, I am of the opinion the major issues have been addressed subject to the remaining need for detail. You are encouraged to read the entire document but I might call a couple of items to your attention:

- The budget has been tightened. What you can expect to receive for specific dollars is reasonably clear.

- The schedule is reasonably clear, knowing what we do today.

- A meeting and activities venue appears to be a factor in developing the initial budget, an issue that will challenge any project sponsor, even the community itself should the decision be made to implement the larger concept as a public works project. The approach taken here appears reasonable and practical.

- The commitment to capital is addressed based on what we know about the status of the potential improvements.

- The term sheet places some responsibilities on CMPA and others to perform which is only reasonable.

- There is a tentative commitment to pay ground rent regardless of the schedule for private improvements.

- The covenant to the community takes precedence by being codified appropriately in the documentation between CMPA and the Developer.

I have reported previously that it will take many more days to detail these and other points but the attached term sheet establishes the parameters for shaping consensus. Personally, I am pleased with the progress since the last board meeting. The sequence of moving from a term sheet to a more detailed agreement should be seen as a generally normal and customary approach to complex negotiations.

That said, CMPA absolutely cannot allow discussions with Scott to continue without a termination date unless we are in full agreement that the unresolved issues are well beyond anything that might be controlled or reasonably foreseeable. At this time, I encourage the CMPA board to accept my recommendation to continue the process as outlined with Land Capital Group and work to prepare a detailed development agreement and relevant associated documents for your consideration over the next 45-60 days.

COMMUNITY MARITIME PARK

SUMMARY OF TERM SHEET

The Term Sheet makes clear that it is intended as guidance to the parties and subject to terms to be more specifically set forth in the agreements described in the Term Sheet. It describes the site, and briefly summarizes an approach to drafting implementing documents for development of the Maritime Park (the "Project").

The Project is defined to include Public and Private Improvements, and there is a general description of what is included in both types of improvements. The University of West Florida projects are also identified.

The Term Sheet describes the basic structure for the Project. Community Maritime Park Associates, Inc. ("CMPA") would enter into a Development Agreement and a Sub-Lease with Maritime Park Development Partners LLC ("Developer" and "Sub-Lessee") that will provide for the manner in which the property is to be developed. These agreements are subordinate to the March 27, 2006, Master Development Agreement and Master Lease between the City and CMPA.

The Development Agreement will govern all aspects of the relationship between CMPA and the Developer for as long as improvements are continuing to be made on the property. Provisions for amendment and restatement, upon mutual agreement of the parties and the City, will allow for future clarification as implementation progresses and the Project matures in light of market and other extraneous factors and conditions. The Sub-Lease will govern the Private Improvement areas of the property. The Sub-Lease will be consistent with the ground lease between the City and CMPA which requires rent at fair value for Private Improvements. The Development Agreement and Sub-Lease will need to effectively and cooperatively address the timing and configuration of the University of West Florida projects, including the impacts and consequences of substantial delays or fund raising shortfalls, if any, experienced by the University of West Florida.

Provision is made for payment of the cost of the Public Improvements from a bond issue, in one or more series, sized to produce a $40 million construction fund. The payment of all Private Improvements will be underwritten by revenues generated by the Private Improvements and from construction costs paid by private developers. Construction costs for the Maritime Museum are to be paid by private and State funding. Although recent Florida Supreme Court decisions may be helpful, all parties must continue to work to identify, refine and secure specific funding vehicles and sources of revenues.

Project design and definition are to conform with the Design Criteria approved by CMPA on November 28, 2007. All property on which both Public and Private Improvements are constructed is to continue to be owned by the City, subject to the Master Lease and Sub-Lease. All improvements are owned by the City except for those improvements made by private developers on lands subject to a ground lease.

Subject to ongoing approvals by CMPA in the relevant documents, the Developer/Sub-Lessee will operate and manage the Private Improvements and the Public Improvements controlled by CMPA. Revenues from operations on the property are to be paid to CMPA. CMPA will use such revenues to fund costs of operations. Such management and operational aspects may be accomplished under a separate agreement or by the Development Agreement.

The Term Sheet outlines detailed conditions that are to be included in the Development Agreement and the Sub-Lease, and likely will reference a joinder or amendment of the 2006 agreements between the City and CMPA to restate and clarify conditions of those agreements.

TERM SHEET
for
COMMUNITY MARITIME PARK

Pensacola, Florida

These terms provide guidance to the parties and are subject to the Community Maritime Park Associates, Inc., a Florida nonprofit corporation ("CMPA") and Maritime Park Development Partners LLC ("Developer" and "Sub-Lessee") agreeing upon definitive terms and conditions and entering into definitive form(s) of legally binding agreement(s) necessary to implement the Community Maritime Park Project, as more completely described below (the "Project") in accordance with all requirements of applicable law, including the community redevelopment plan for the area including the Property (as defined below).

This Term Sheet provides guidance to the parties and accurately reflects the preliminary non-binding basic terms of a business deal between CMPA and the Developer pertaining to the development, financing, planning, construction and operation of the Project, all as to be more specifically set forth in the Development Agreement, Sub-Lease, and such other documents as are required, all of *which shall be prepared and entered into by the CMPA and the Developer as soon as is reasonably possible.*

As the structure and implementation of the Project mature, it is reasonable to anticipate that the City as the underlying landowner will need to ratify and confirm the Development Agreement, Sub-Lease and certain other documentation, and modifications thereto.

Local, minority, women-owned, and small businesses are anticipated to play major roles in the design, development, and operation of the Project. By agreement with the CMPA, the Developer will covenant with the community to will employ a concerted effort to solicit, attract and use whenever reasonably possible minority businesses in all phases of the Project which reflect the percentages of the minorities in the general population. The Developer will covenant to establish and promote the Contractor's Academy, which will provide technical, administrative, and managerial training to individuals, and small and minority owned businesses. The Developer, either directly or through the general contractors involved, will covenant to contribute $250,000 to the Contractor's Academy in the form of in kind services. With regard to the Private Improvements, the Developer will pledge to commit 25% of the Developer's profit above a 12% IRR to the Contractor's Academy, up to $500,000 per year. As the operating budget allows, the Developer will also work with CMPA to fund scholarships for City youth in need of assistance for enrollment in activities such as sporting camps, educational camps, and recreational camps.

SITE:

This term sheet is based on the understanding that the site of the Project will be real property owned by the City of Pensacola, Florida ("City"), consisting of approximately 30 unimproved acres, bordered by Pensacola Bay on the south, Main Street on the north, and as extended, to the BDI property on the west, and Port Royal Way on the east (the "Property").

The Developer has made a proposal, tentatively accepted by CMPA after publication of RFP No. 2007-03, and subject to negotiation and approval by CMPA, to develop the Project for the Public Improvements and the Private Improvements as described below.

THE PROJECT: The Project is governed by two agreements dated March 27, 2006, between the City and CMPA: (1) a Master Development Agreement (Community Maritime Park Project), under which CMPA is designated the master developer (the "Master Development Agreement (2006)"); and (2) a Master Lease (Community Maritime Park), under which the City is designated the lessor and CMPA is designated the lessee (the "Master Lease (2006)"). To advance development of the Project, CMPA issued RFP No. 2007-03 seeking a master developer for the Project. To avoid confusion resulting from duplicative usage of the term "master developer," that term will continue to apply to CMPA, and Maritime Park Development Partners LLC will be referred to as the Developer. Similarly, Maritime Park Development Partners LLC will be referred to as Sub-Lessee.

The Project is intended to include the following: (a) the Public Improvements consisting of (1) open space for a public park; (2) a community multi-use facility to be used for baseball and other athletic events, festivals and other public events and functions; and (3) site preparation and infrastructure (e.g. bulk heading, land fill and similar work, utilities, landscaping, roads, walkways, surface parking or other similar work) (collectively the "Public Improvements"); and (b) the Private Improvements consisting of some or all of the following as market conditions allow: (1) a parking garage or garages; (2) office and retail space; (3) a hotel; (4) residential; and other improvements (collectively, the "Private Improvements") in the general areas reflected in Exhibit 1 attached hereto, as may be adjusted by agreement of CMPA and the Developer. The parties remain committed to providing a conference center venue in which conferences, seminars, meetings and similar events can be held. Dependent upon commitment of use and funding from third parties the conference center may be a stand alone facility, or incorporated into the community multi-use facility, office facilities or as a functional part of a hotel facility with access and use available to the public. In conjunction with the Public Improvements and the Private Improvements, the parties understand and agree that the University of West Florida ("UWF") also plans to undertake significant Project activity including a Maritime Museum, Maritime Research Facility, Heritage Center, Amphitheater (exclusive of grounds), and classroom space.

DEVELOPMENT AGREEMENT: CMPA and the Developer will enter into a Development Agreement under which the Developer will be given the authority, subject to such approvals, authorizations, conditions, restrictions and other obligations as CMPA shall require, to develop the Public Improvements and Private Improvements on the Property, consistent with the Master Development Agreement (2006). The

Development Agreement will include all provisions for site development, and reference to such other documents as may be required for development, construction and completion of the Project and each part thereof. The Development Agreement shall continue in full force and effect until all of the Public Improvements and all of the Private Improvements are complete and available for use by the public, unless sooner terminated pursuant to the terms of the Development Agreement

From time to time, in the future and as mutually determined appropriate by the parties, the Development Agreement (including the Project design and layout) may be amended and restated to more effectively address the maturation of the Project, market conditions, challenges and opportunities, performance by the Project participants, and other extraneous factors.

The site preparation and infrastructure work to be provided for in the Development Agreement will include bulk heading, land fill or similar work, utilities, landscaping, roads, walkways, surface parking, and other similar work. The cost of all site development work on the Property shall be paid from the Public Financing. (See "Funding" below).

The initial schedule for Project completion is set forth in Exhibit 2. The Development Agreement shall provide a process for any changes to the schedule, provided that any such changes will be subject to the mutual approval of CMPA and the Developer.

At the time the Development Agreement is executed, the Developer shall pay CMPA $75,000 as an earnest money deposit in consideration for exclusive development rights in the Project, which shall be returned to the Developer upon the sooner of commencement of construction of the Public Improvements, or termination of the Development Agreement by CMPA without cause.

For the Developer's use in performing its role as Project Coordinator and other Project duties, the CMPA will encourage the City to rent to the Developer office space at 222 West Main Street. On a space available basis, the office space shall be at least 5,000 square feet, and the rental rate shall be $1/year for 5 years.

The Development Agreement will be subject to the City's approval and acceptance.

SUB-LEASES: As the lessee under the Master Lease (2006), CMPA will commit to enter into a single Sub-Lease with the Sub-Lessee responsible for developing and administering the portions of the Project characterized as the Private Improvements. The Sub-Lease shall be for a unified

term(s). The Developer shall negotiate with the City to extend the term for the Sub-Lease for an effective term ending in 99 years. Except for any lands to be subleased to UWF, the commencement of rent for the lands associated with the Private Improvements will be at the fair value of 6% per year applied to the estimated value of the unimproved property as described in Abramson & Associates Report dated December 6, 2005.

The Sub-Lease payments shall begin prorata upon the completion of construction of each Private Improvement structure as defined by the City building department's issuance of a certificate of occupancy for final build-out. Sub-Lease payments shall be due only for the prorata area of the Project on which vertical Private Improvements have been made. If Developer has not commenced construction of any Private Improvements within a reasonable period of substantial completion of the initial phase of the Public Improvements, then the Development Agreement will require and identify the rent the Developer shall begin paying under the Sub-Lease

The Developer, on behalf of the CMPA, will cooperatively negotiate separate subleases or agreements with the Pensacola Pelicans baseball team (the "Pelicans") and with the University of West Florida ("UWF") regarding portions of the Public Improvements and the UWF projects. The separate agreements will be consistent with the Development Agreement, the sub-lease for the Private Improvements, be subject to approval by CMPA, and contain timelines and conditions for advancing the overall vision and vertical construction within the Project and will provide for contingencies in the event such timelines or conditions are not satisfied.

The subleases will be subject to the City's joinder, approval and acceptance.

CAPITAL FUNDING: The funding for all Project costs (meaning all hard and soft costs of the Public Improvements) shall come from the following sources: cost of the Public Improvements (exclusive of any grants or similar contributions) shall be paid from the $40 million net proceeds from a debt obligation of the City or the Pensacola Community Redevelopment Agency ("CRA"), the repayment of which shall be primarily secured by increment revenues of the CRA in the redevelopment trust fund pursuant to an interlocal agreement between the City and CRA. Unless agreed to otherwise by the City or its CRA, the total amount of public funding for the Project shall be limited to $40 million net proceeds from the City or CRA debt obligations plus any federal, state or other grants received by the City pertaining to the Property (the "Public Financing").

The City, CMPA, UWF and other parties must agree to cooperate in obtaining grants and similar contributions.

The funding for the Private Improvements shall be paid from sources of revenue generated by the Private Improvements.

The initial budget and programmatic description of each of the components of the Public Improvements is set forth in Exhibit 3 and allows for expenditures made by the City or CMPA to date.

The Development Agreement shall address budget shortfalls and reimbursements, provide a process for any changes to the budget and programmatic descriptions of the Public Improvements components, provided that any such changes will be subject to the approval of CMPA.

SCHEDULE: The initial schedule relating to site preparation and the initial phase of the Public Improvements is attached as Exhibit 2. The Developer and CMPA shall agree to review and modify the schedule as permitting and development approvals are obtained, the Public Financing materializes, construction of the Public Improvements occur and market or other material conditions affect the Project.

PROJECT DESIGN: The final design of the Project shall be in general conformance with the Design Criteria approved by CMPA on November 28, 2007; provided, however, that from time to time the parties may agree to design changes deemed necessary in light of market and other financial conditions. Fees have been incurred to date for design of the Public Improvements which have been paid from or will be reimbursed from net proceeds from the Public Financing, and design fees incurred after entering into the Development Agreement for the Private Improvements may be advanced by the Developer or the users or sublesees of the Private Improvements.

OWNERSHIP: The vertical and horizontal improvements constructed as part of the Public Improvements will be owned by the City. That part of the Property on which the Private Improvements are constructed will be owned by the City, subject to the Master Lease (2006) and the Sub-Lease. The vertical and horizontal improvements constructed by the Developer as part of the Private Improvements will be owned by the Developer or any subleases subject to the terms of the Sub-Lease.

OPERATING RESPONSIBILITY: As construction of the Public Improvements and Private Improvements is completed, the Developer will operate the facilities as provided in the Sub-Lease or other agreements between CMPA and the Developer. The Developer will manage all Private Improvements (retail,

restaurants, office, residential, hospitality and associated common areas).

CMPA will be responsible for all operating costs of the Public Improvements. The Developer will act as CMPA's agent in managing the facilities and property controlled by CMPA (multi-use stadium, executive education center, conference center, and the public park). The Developer will coordinate with the Pelicans and UWF both during the planning and construction phases and during the ongoing operations of the Public Improvements on behalf of CMPA. Operational responsibilities will include event programming, security, parking, maintenance, and other management related activities. The CMPA will not be responsible for maintaining public streets and utilities which will be dedicated to the City and other local utility providers. However, efficient provisions for use and event-type closure of streets within the Project by CMPA and the Developer will be required.

UWF will manage its own facilities (Maritime Museum, Maritime Research Facility, Heritage Center, and Amphitheater).

CMPA OPERATIONS FUNDING: CMPA will significantly reduce its estimated annual operating budget of $440,000 by requiring the Developer to operate and manage all CMPA-controlled facilities, including the public park. The source of funds for the CMPA Operating Budget is anticipated to be (1) $175,000/yr from the Pelicans' use agreement; (2) all of the Pelican's profits (including guaranteed $250,000/year commitment for first five years); and (3) in the event of any shortfall, (a) a direct payment by the Developer to CMPA in exchange for a dollar-for-dollar credit or reduction in the Sub-Lease payments, (b) a special assessment or other fees or surcharges imposed upon or charged to Project tenants, and/or (c) a portion of the tax increment actually generated by the Project.

REVENUES: All net cash flows from the operations of the Public Improvements shall be the property of CMPA, but in all events used to advance the Project according to the Development Agreement and generally accepted accounting principles. Net cash flows are defined as gross revenues less cost of goods sold, operating expenses, facilities management expenses, and reserves for capital expenses and improvements.

DEVELOPMENT AND MANAGEMENT FEES: The Developer shall be paid a development fee equal to 3% of the Public Improvements. Upon substantial completion of the Public Improvements, CMPA shall also pay the following property management fees equal to 4% of all office, classroom or other income (exclusive of

the multi-use stadium); 10% of actual and verifiable costs administered by the Developer for operation and maintenance of Public Improvements; 10% of gross revenues for event production administered by the Developer; and, an annual facility management fee of $250,000 for managing the multi-use stadium, said fee to be adjusted annually to reflect the local consumer price index for each year after substantial completion of the Public Improvements.

The development fee shall be deemed earned upon execution of the Development Agreement, included as a portion of the project cost in any Public Financing, with one half of the fee released to the Developer at the closing of any Public Financing and the remainder released in equal monthly amounts over the anticipated construction period for the initial construction phase of the Public Improvements.

In the event the Public Financing does not materialize or the Project does not proceed, the Developer shall be entitled to reimbursement of all actual, verifiable costs it incurs in developing the site preparation for the Project and Public Improvements.

Upon any termination before the end of the term of the Development Agreement or the Sub-Lease without cause, the Developer shall be entitled to and have a lien upon CMPA's interest in the Property equivalent to the development fee together with all actual, verifiable costs it incurred or expended in good faith in excess of amounts already reimbursed to the Developer.

TAXES:

Exclusive of any lands leased or subleased to others within the Project, the Developer shall be obligated to pay real estate taxes on the lands subject to the Sub-Lease for the Private Improvements.

REPORTING AND AUDIT:

Developer will annually supply anticipated operating budgets to CMPA and offer on a quarterly basis to supply associated summary financial position documentation related to the management and operation of the Public Improvements for which the Developer has contracted to operate and manage.

CMPA may, in its discretion, conduct or cause an independent accounting firm to conduct an audit of the financial records of the Developer relating to the Public Improvements for any fiscal year. The cost of such audit shall be paid by CMPA. The Developer agrees to cooperate with such audit and to provide all financial and other records to the auditing entity.

WAIVER OF FEES:

The City will waive, to the extent permitted by law, contract, or covenants, its normal and customary fees related to the construction of the Public Improvements, and the City and CMPA assist the Developer for negotiation of reduced fees with Escambia County, the Emerald Coast Utilities Authority or other similar governments or service providers, and negotiate to have electric power provided to the Public Improvements to be billed through the City at the City's electric power rates.

PERMITS AND APPROVALS:

The Developer or its contractor, on behalf of and with CMPA's cooperation, will apply for and secure any and all permits, approvals, consents, and licenses required for construction, installation, and equipping of the Project; provided, however, the Developer will not be responsible for permits for UWF projects.

CONDITIONS PRECEDENT TO CONSTRUCTION OF PUBLIC IMPROVEMENTS:

Although it is believed that many of the conditions in the Master Development Agreement and Master Lease Agreement between the City and CMPA have been or are being accomplished, the following will be conditions to construction of the Public Improvement:

In association with the Public Financing, City and CRA have already or will immediately adopt a reimbursement resolution for the Project.

The bulk head, fill and site improvement related approvals and permits necessary for site development have been obtained and issued to City and CMPA.

Adoption of an Interlocal Agreement between City and CRA (and possibly CMPA and Developer) committing revenues to support bond issuance; validation pursuant to Chapter 75, Florida Statutes, of debt issuance and all related matters, if reasonably required.

Development of design plans and drawings (in phases if necessary) to a stage from which contractors can provide guaranteed maximum price commitment consistent with the Development Agreement.

Agreement and documented commitment from Studer organization concerning use of conference center and other facilities within the project including form of agreement, consistent with Development Agreement.

Agreement and documented commitment from the Pelicans committing to use multi-purpose facility, including form of agreement, consistent with Development Agreement.

Agreement and documented commitment from UWF concerning Maritime Museum, Maritime Research Facility, Heritage Center, Amphitheater (exclusive of grounds), classroom space, and use of conference center (including form of sublease); all of which are consistent with Development Agreement.

No pending referendum to reverse City Council action which would adversely affect the Project.

EXHIBITS:

Exhibit 1 – Graphic of Project
Exhibit 2 – Initial Schedule
Exhibit 3 – Initial Budget

Exhibit 1
Graphic of Project
Community Maritime Park Development
October 6, 2008

A Multi-Purpose Stadium
B Maritime Museum/Center for Research
C Plaza DeVilliers
D DeVilliers Wharf
E Waterfront Promenade
F Spring Street Park
G South Park
H Water Garden
I Structured parking
J Mixed-Use Development
K Surface parking

Ultimate Development Master Plan

Exhibit 2
Initial Project Schedule
Community Maritime Park Phase 1a Development
October 6, 2008

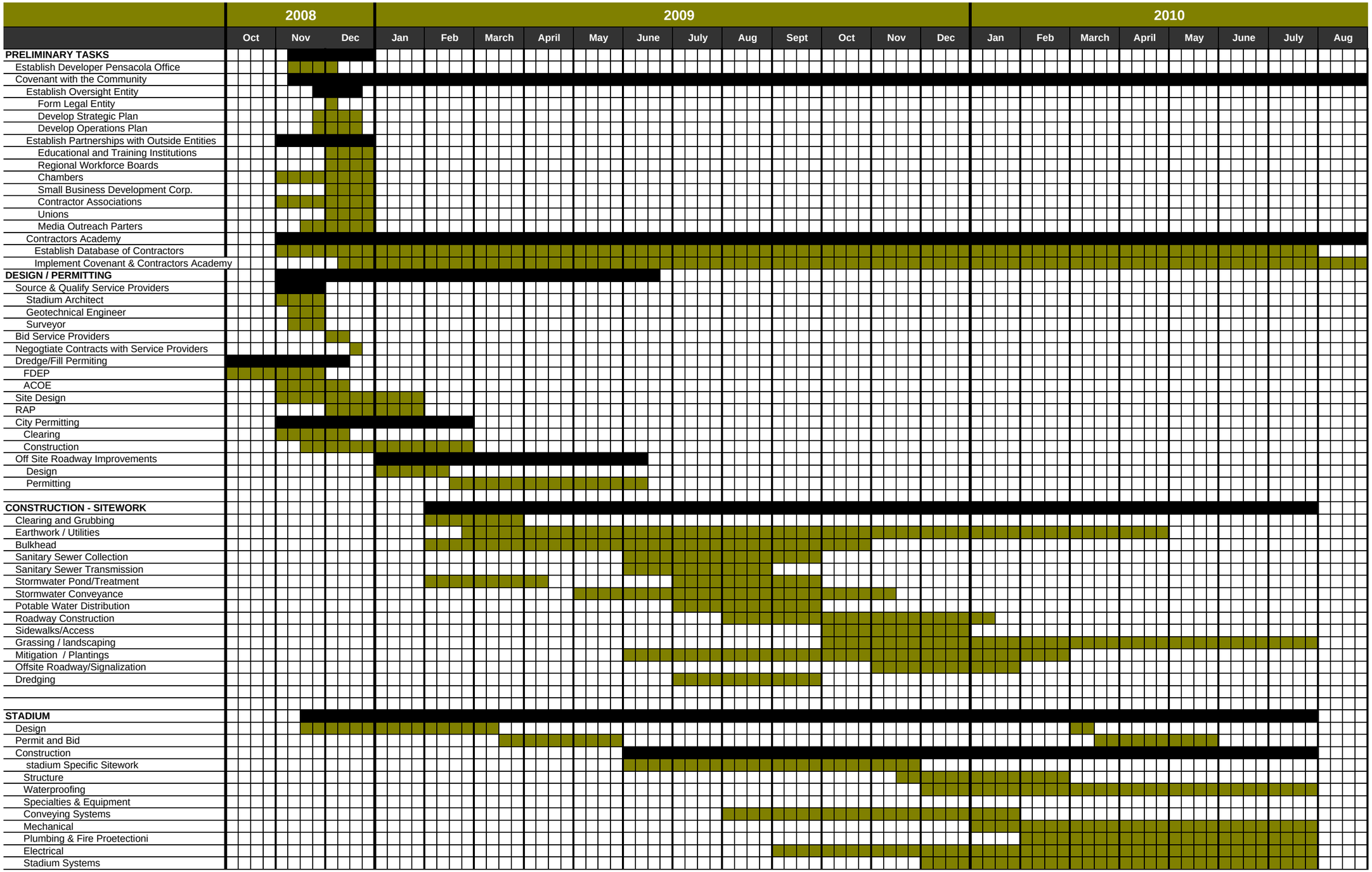

Exhibit 3
Initial Project Budget - Sources and Uses of Funds
Community Maritime Park Phase 1a Development
October 6, 2008

DESCRIPTION	%	2008	2009				2010			TOTAL
		Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	
USES OF FUNDS										
CONSTRUCTION COSTS:										
Remediation/Site Work/Utilities/Landscaping		-	1,012,000	3,191,870	3,644,760	2,390,605	2,314,290	1,325,674	1,403,530	15,282,729
Stadium Structure and Equipment				475,002	2,210,055	3,308,826	1,868,846	1,611,871	1,104,367	10,578,967
General Conditions	8.00%	-	80,960	293,350	468,385	455,954	334,651	235,004	200,632	2,068,936
NET CONSTRUCTION COSTS		-	1,092,960	3,960,222	6,323,200	6,155,385	4,517,787	3,172,549	2,708,529	27,930,632
GC OVERHEAD & PROFIT:										
Overhead	7.00%	-	76,507	277,216	442,624	430,877	316,245	222,078	189,597	1,955,144
Profit	7.00%	-	76,507	277,216	442,624	430,877	316,245	222,078	189,597	1,955,144
TOTAL CONSTRUCTION COSTS BEFORE ESCALATIONS		-	1,245,974	4,514,653	7,208,448	7,017,139	5,150,277	3,616,705	3,087,723	31,840,920
Inflation Escalation	5.00%	-	54,648	198,011	316,160	307,769	225,889	158,627	135,426	1,396,532
TOTAL CONSTRUCTION COSTS		**-**	**1,300,622**	**4,712,664**	**7,524,608**	**7,324,909**	**5,376,166**	**3,775,333**	**3,223,149**	**33,237,452**
WETLANDS MITIGATION						**255,000**	**255,000**	**255,000**	**255,000**	**1,020,000**
SOFT COSTS:										
Civil Engineering & Permitting		344,671	344,671	25,850	43,084	43,084	43,084	43,084		887,527
Architectural Design & Permitting	10.00%	317,369	423,159	105,790	105,790	42,316	21,158	42,316		550,000
Miscellaneous Professional Fees		75,000	75,000	75,000	75,000	75,000	75,000	75,000	25,000	500,000
Impact Fees (ECUA)					500,000					500,000
Miscellaneous Costs		80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	640,000
Developer Fee	3.00%	54,559	245,517	245,517	109,119	109,119	109,119	109,119	109,119	1,091,186
TOTAL SOFT COSTS		**871,599**	**1,168,346**	**532,157**	**912,992**	**349,518**	**328,360**	**349,518**	**214,119**	**4,726,610**
Total Project Costs Before Contingency		871,599	2,468,969	5,244,821	8,437,600	7,929,427	5,959,527	4,379,851	3,692,268	38,984,062
CONTINGENCY	5.00%	**43,580**	**123,448**	**262,241**	**421,880**	**396,471**	**297,976**	**218,993**	**184,613**	**1,949,203**
TOTAL PROJECT COSTS		**915,179**	**2,592,417**	**5,507,062**	**8,859,480**	**8,325,898**	**6,257,503**	**4,598,844**	**3,876,881**	**40,933,265**
SOURCES OF FUNDS										
DEVELOPER LOAN TO PROJECT (if not funded through other sources)		915,179	296,747	(1,211,926)					2,933,265	2,933,265
CRA FUNDING			2,295,670	(2,295,670)						-
CRA BOND FUNDING				9,014,658	8,859,480	8,325,898	6,257,503	4,598,844	943,616	38,000,000
TOTAL SOURCES OF FUNDS		**915,179**	**2,592,417**	**5,507,062**	**8,859,480**	**8,325,898**	**6,257,503**	**4,598,844**	**3,876,881**	**40,933,265**

Exhibit 3 - continued
Scope of Work - Phase 1a & 1b
Community Maritime Park Public Improvements
October 6, 2008

PHASE 1A			PHASE 1B
Earthwork			
Clearing and Grubbing			
Grading			
Onsite Remediation			
Site Fill and Compaction including creation of additional 80,000 sf of land			
Raise building sites to 13' above Sea Level			
Bulkheads			
East			
West			
South 100' Extension			
Dredge West Basin			
Utilities			
Storm Water System			
Detention Pond			
Sanitary Sewer System			
Potable Water System			
Electrical			
Streets			
Spring/Cedar Street	Landscaping	Standard Lighting	Upgraded Landscaping and Street Lighting as Needed
Devilliers Street	Landscaping	Standard Lighting	Upgraded Landscaping and Street Lighting as Needed
Museum Lane	Landscaping	Standard Lighting	Upgraded Landscaping and Street Lighting as Needed
Parks, Plazas and Gardens			
Devilliers Square			Upgraded Devilliers Square as Needed
South Park	Lawn, Trees and Irrigation		Upgraded Landscaping as Needed
	Terraced Amphitheater Lawn Seating		Seating Plaza
	Amphitheater (UWF Expense)		Additional Walkways as Needed

PHASE 1A		PHASE 1B
Parks, Plazas and Gardens (continued)		
		Children's Play Gardens (C12)
Devilliers Seaside Walk		Devilliers Wooden Promenade as Needed
Spring Street Park and Walk		Upgraded Landscaping as Needed
Water Garden		Upgraded Landscaping as Needed
Multi-use Stadium Facility		
Stadium Structure		
Mechanical Systems		
Elevators (2)		
Electrical Systems		
Plumbing		
Fire Protection Systems		
Lighting Systems		
Grass Playing Field	Irrigated	
Seating		
3000 Permanent Seats		
1000 Temporary Event Seats		
4000 Total Seats		
Press Box		
Suite Box Shell		
Turnstiles		
Trash Compactor		
Lockers		
Laundry Equipment		
Graphics and Signage		
Sound Reinforcement System		Modified Sound System as Needed
Matrix Scoreboard		LED Scoreboard as Needed
OTHER		
		Conference Center Venue
		Trellis Promenade (C14)
		Pergola
		Lighthouse
Total Initial Project Budget - Phase 1a	**$40,923,265**	Flagpoles

Note: Letters and numbers in parenthesis indicated Design Criteria Pattern Book where descriptions of improvements are located.