

MEMORANDUM

DATE: August 4, 2008

TO: CMPA Board of Directors

FROM: Owen Beitsch, PhD, AICP, CRE
REAL ESTATE RESEARCH CONSULTANTS
14 East Washington Street, Suite 500
Orlando, FL 32801

PH (407) 843-5635 FAX (407) 839-6197

RE: Continued Review of Proposals

On July 16, 2008, I sent a list of questions to each of the development teams. The questions and related answers were to clarify the proposals and comments made to the board in June.

Attached to this memorandum are a copy of the correspondence I provided to you several days ago as well as the additional material I was provided by each of the teams. This memorandum should give you an idea where I focused my attention.

BACKGROUND AND HISTORY

In July, I reported the information provided by the developer teams was insufficient to make a recommendation about the superior proposal. It was difficult to compare budgets, approaches, and financial solutions. Above all, it was virtually impossible to ascertain how either team might satisfy the budgetary shortfalls they identified. Based on the questions during the interviews, it appears these and related issues were also of concern to the board. While questions still remain about essential details, it has become clearer that each team envisions some financial commitments which will evolve more specifically as a development agreement is negotiated.

Also in July, I mentioned that I confined my evaluation to the materials submitted by Trinity Capital Advisors and Land Capital Group in response to the Request for Proposal (RFP) because the respective teams had already been prequalified by CMPA. I also watched the taped presentations made by the two development teams to see how their comments on the record reconciled to the representations made in the proposal documents themselves. In effect,

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the RFP asked that certain information be provided. After our last meeting, CMPA waived these limitations allowing extended phone conversations to clarify their responses with additional information.

The balance of this memorandum discusses each proposal relative to the criteria outlined in the Request for Proposal and my interpretation of the responses provided.

TAB 1: GENERAL CRITERIA AND INFORMATION

In the initial Request for Qualifications (RFQ), the CMPA board deemed four teams qualified to receive the detailed RFP. It is my interpretation that the screening process in place was to establish *minimal* credentials to perform. Ultimately, one team might be recognized as superior in the context of the full proposals delivered. Without reopening CMPA's earlier decision about broad qualifications, I did consider the totality of the responses in determining which team seems the best positioned relative to the package and approach being presented.

Trinity Capital. Generally, Trinity offers the larger portfolio of experience and appears to be the most experienced at managing complex situations such as the one proposed. The Philadelphia Girard project, on its face, is much more complex and involved than Maritime Park but it is still evolving and not developed. In my opinion, Trinity has more varied experience than Land Capital and may be the more experienced *lead entity* of the two groups. Certainly, it appears to have been involved in many of the different aspects required of the current RFP. The organization is among the largest developers in Philadelphia. It is obvious that Weston can complete the remediation and construction necessary to implement a basic greenfield condition which is necessary to move ahead with both the public and private phases of development. Trinity's specific financial partners are not altogether clear but all references were favorable. Trinity did a pretty good job of pulling information together as requested.

Land Capital. Land Capital has engaged a development manager to support the team on, at least initially, a consulting basis. This individual has been involved in projects of this or greater complexity within the state of Florida and within the confines of the Miami CRA demonstrating a capability to function in the regulatory environment unique to this state. Substantive parts of these projects are developed and others are in various stages of planning. While I have inferred that he has no financial position in these projects, his credentials are impressive and he is an important contributor to this team. CORE has been involved in the remediation analysis to date at the Maritime Park site and is starting at a point of good working knowledge. Magi is the major financial partner and will be involved in some aspects of development.

Advantage. Trinity Capital. While I believe Land Capital showed far greater sensitivity to the requirements outlined in the RFP and subsequent request for information, I believe the *team* at Trinity appears to have had more direct involvement in projects of this scale. Land Capital's development manager would offer substantive expertise.

TAB 2: NATURE OF SPECIFIC EXPERIENCE

The criteria in the RFP speak to specific assignments of each firm, each individual, and their intended contributions to the assignment. I requested references and other information.

Trinity Capital. Please refer to my comments associated with Tab 1. At the end of the day, I think the skills of this firm at the organizational level are superior but the position of the parties in charge remains a little muddled. Clearly the representatives at Weston are more than capable of completing the first phase of program implementation as they have defined it. The group has the obvious advantage of engaging HKS which is responsible for designing the multi-use facility. References provided.

Land Capital. Land Capital has done an excellent job of identifying key groups to participate including, Core, HOK Sport and Bruce Cutright, each with an assigned role. While I prefer to see HKS stay involved maximizing prior work, I think the most material contributions are from CORE enabling permitting to continue. HOK may open the door to alternative budgetary considerations that could be valuable in planning. Changing environmental advisors at this stage, however, may result in loss of valuable institutional knowledge. Letters and references provided.

Advantage. Tie. Each group has obvious advantages and limitations based on the information available to me. Bruce Cutright is a promising and well qualified team member who has made himself available to Land Capital but his role is evolving.

TAB 3: CONCEPT

The RFP identified multiple dimensions with probably the most important focusing on the need to establish a successful business relationship with the major public entities, initial tenants, and prospective tenants or users, understanding of course that the market and economy are in a state of uncertainty. The comments here should be read together with those of Tab 4.

Trinity Capital. Trinity has indicated it will follow the general development program outlined in the Design Criteria with adjustments sensitive to market conditions. Understandably, given the current economic climate, the group is reluctant to address anything other than the initial steps in the development sequence which generally encompass site remediation and preparation. This reluctance makes it virtually impossible to understand how the developer and any future private development can share in the capital shortfalls associated with the public improvements. Trinity adopts this position because it does not want to raise false expectations but these expectations should be CMPA's to evaluate and to manage within some foreseeable range of possible outcomes. On the other hand, Trinity is only actually *committing* to the initial phase, leaving subsequent phases to be awarded or not while assuming much of the risk for Phase I as this group has defined it. The materials provided by Trinity suggest that dialogues with key tenants and users are occurring but there are no specific proposals for UWF or Studer. Even after reviewing the additional materials provided by Trinity, a cost comparison between the two proposals remains difficult. The most apt comparison appears to be between Trinity's Phase IA/1B *less* the construction costs budgeted for some hardscape features (say \$7,500,000 or approximately half) and *less* the construction costs budgeted for a major office building and

related support or indirect costs for certain physical elements (say \$13,000,000). These adjustments would reduce the submitted budget of about \$100,000,000 to some \$80,000,000 which could undoubtedly be reduced further. Trinity's development budget does indicate the potential costs for the longer term development program generally encompassed as Phase II. At \$123,000,000 these are substantially higher than the costs budgeted by Land Capital but these costs have no direct impact on the public spaces as the budget is laid out.

Land Capital. Land Capital has also indicated it will implement the development program captured in the Design Criteria and this submission follows that program. While also guarded about what might actually occur, Land Capital has also laid out a concept for the longer term private elements. We have discussed its timeframe and it seems plausible, given a description of what is outlined. The schedules for I and II may not be achieved but they are not unreasonable within the time periods discussed with me. Land Capital's budget for these additional, private improvements is substantially less than that estimated by Trinity but again the private program has no direct bearing on the ability to implement the public uses of the initial phase(s). What remains unclear is how these concepts will integrate into the bigger program financially. Land Capital appears to have interacted with the key tenants and users, describing reasonable business and management approaches with all parties. As noted, after reviewing the additional materials provided by Land Capital, a cost comparison between the two proposals remains difficult. To reconcile this budget to Trinity's, it would be necessary to take the basic cost for public improvements reported at approximately \$50,000,000 and *add* the cost a major office building and related support or indirect costs for certain physical elements which was estimated above between \$13,000,000 and \$20,000,000. In effect, the budgets provided by the respective teams for Phases IA/IB are within some 15%-20% subject to detailed confirmation and evaluation. Phase II is not comparable.

Advantage. Trinity. Although the budgets differ for phase IA/IB, I'm not sure these differences are material at this stage. Later costs differ materially but these have little bearing on the public spaces proposed for phase 1A/IB and may or may not get constructed as expected. In my opinion, the identified costs provided by the respective teams for the public elements are sufficiently comparable at this point that they should not really be a factor in making a decision. Both are well above the funding now available. While one could not call Trinity's commitment to Phase IA a guaranteed price -- nor should it be construed as such -- it is intended to remove some risk from CMPA within the confines of now available dollars.

TAB 4: FINANCING

The basic criteria here called for the respondents to demonstrate that they could cover the obvious shortfalls by thinking through the longer term business and development opportunities. What has to be considered in this capacity to raise and commit the capital when required. The comments here should be read together with those of Tab 3.

Trinity Capital. Trinity has indicated a small shortfall in its Phase 1A development program which is largely comprised of remediation and infrastructure but a substantial shortfall of several million dollars for its combined IA and IB program. Trinity has agreed to make sure some portion of these shortfalls are covered by equity or loans subordinate to other claims although an exact structure would have to be specified. Grants will still be pursued but they are not the initial

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fallback position for covering the anticipated deficits. There are major shortfalls in Phase IB as well but these could be evaluated at that point and budgets adjusted according to community priorities. It can be assumed that longer term approaches and private development might offset costs but, again, Trinity does not feel it can address these opportunities adequately at this time. Importantly, Trinity is prepared to invest its own capital at risk to complete IA for about \$40,000,000 which is a major commitment but this commitment is just one part of the picture. Fees, going primarily to Weston to accomplish the initial remediation for phase IA, are not clearly specified but have been represented to be minimal. Trinity has arranged financing of this scale before so this project is not at all beyond the organization's resources and experience. No specific information was provided on the way land leases would be calculated or their value. Although a consideration viscerally, lease payments, whatever they are, do not immediately impact the capital shortfalls because of structural conditions in the present master lease requiring these monies to go to the City. References check out favorably.

Land Capital. Land Capital by itself has done large deals but these are primarily retail. Other efforts completed by its development partner Magi and the feedback from references suggest an ability to perform. Like Trinity, there is a commitment to fund some shortfalls as either equity or loans subordinate to other claims although an exact structure would have to be specified. The distinctions between phase IA and IB, as defined by Trinity, are less clear here as are the financial commitments that would be tied to the respective parts of these phases, so it is more difficult to address the actual level of financial contribution. One difference in the Land Capital proposal centers on the use of additional funding proceeds which could be available through other bonds which are not addressed in the Trinity proposal. These may or may not be available when it is time to perform financially but the team has made a conscientious effort to consider alternatives that might solve the obvious funding problems. Trinity has thought about these options but wants to discuss them as part of the longer term planning stage of the project. Land Capital has offered an initial payment on the land leases based on today's values. This is unlikely to be acceptable but lease payments, as observed above, do not immediately impact the capital shortfall because of structural conditions in the present master lease. Land Capital has suggested the lease may need to be revisited.

Advantage. Trinity, primarily because of its overall financial capabilities and its soft commitment to a specified cost of Phase 1A. Land Capital, in fairness, has demonstrated some creativity in its thinking but this by itself is not sufficient to cover the shortfalls. Whatever amount of money needs to be committed to the project initially, there are reasonable concerns about making this money available in the short term. Trinity has discussed with me one specific approach that is conceptually tied to the funds already allocated for the project and a similar approach might be negotiated with Land Capital if deemed desirable. The longer term program might be more critical if proceeds could be channeled into the public improvements but that is not the case at the moment. Bottom line, both indicate some willingness to contribute money to the public stages of development but the manner in which these funds will be received will only be settled through further negotiations. The size of the Trinity portfolio demonstrates the scale of the projects this team can and has undertaken. From the reservations of Trinity capital it is apparent that there are expectations of considerable risk in the initial phase of the development. A strategy to remove this risk may be in order.

TAB 5: MARKETING

The basic criteria here called for the respondents to demonstrate knowledge of the market and commitment to the project

Trinity Capital. Generally, the responses to these criteria were inadequate. Trinity provided secondary information about the marketplace and reiterated its position that the actual condition and uses for the private uses are very speculative at this time. This position is consistent with the balance of its proposal.

Land Capital. Land Capital provided a very basic program as a benchmark but offered little in the way of a detailed understanding about this program. The advantages Land Capital brings to the project are addressed in Tab 3.

Advantage. Tie. Both are reluctant to spell out tenants and faculties. Neither team has provided a fully informative picture of what might be accomplished. The limitations are inherent in the uncertainty about the final approach to the program and the market as it might be when the properties are available for use.

TAB 6: MANAGEMENT OPERATIONS

The basic criteria here called for the respondents to demonstrate the ways in which they would interact with the owners, tenants, City and CMPA.

Trinity Capital. Trinity described loosely cooperative agreements with each of the users on the property, dependent substantively on the actual development program implemented and the structure of each business agreement.

Land Capital. Land Capital demonstrated some obvious comfort with the users and the roles each would play. This developer identified a basic and acceptable structure with CMPA, Studer, UWF and the various private users.

Advantage. Land Capital. This group has apparently given considerable thought to the relationship that must be maintained over the life of the leasehold and development agreement. I believe Land Capital has wisely spent time with key principals but the approaches which are attractive to key users inherently will accrue to either developer. I don't see this as a significant business advantage to Land Capital's proposal but it is informative.

TAB 8: COVENANT

The proposals must demonstrate an understanding of the contractor's academy and must describe specific objectives to meet hiring and training commitments for various trades.

Trinity Capital. Trinity's team has minority interests on it. Weston has had the most experience in dealing with broad minority recruitment and has the general responsibility to manage a minority and disadvantaged training program. Weston submitted additional evidence of its

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experience and capability in this regard and it is impressive. There is a clear understanding of what the community is seeking but this group believes it is essential to evaluate what the needs and stated objectives of the academy actually are. Trinity has made no direct commitment to fund the contractor's academy on a short or long term basis

Land Capital. Land Capital has met regularly with members of the minority community to discuss the needs of the contractor's community and generally agrees with Trinity that some objectives need to be defined. Land Capital has laid out a program that will reach to neighboring counties but makes no specific benchmark commitments. Land Capital does suggest that some capital may be made available to the program as the company's rates of return are realized. Like Trinity, Land Capital also has minority development partner. In this case, financial resources are pledged but not initially and only after financial criteria are satisfied.

Advantage. Tie. I believe that either approach is acceptable and that a detailed evaluation of the skills and trade resources available is appropriate. In my mind, the standard to be applied to the covenant is pass/fail. These kinds of commitments are difficult to achieve but should reflect a strong best effort regardless. It remains speculation if *either* group can do what the covenant requires but both have reasonable plans. Based on Weston's record alone, it would be an absolute mistake to suggest that Trinity's efforts are not good faith but it is also true that Land Capital is offering to address the issues the community has raised.

TAB 8 TIME LINE

There are no specific criteria other than expectations that the timeline is reasonable and will be maintained.

Trinity Capital. Trinity has indicated a shortfall of several million dollars for its phase one development program which is largely comprised of remediation and infrastructure. It has a loner timetable to accomplish Phase 1 and the longer term buildout.

Land Capital. Overall timetable shorter. Though speculative, the longer term schedule seems reasonable.

Advantage. Tie. I don't believe that either schedule cannot or will not be modified as negotiations continue. If Land Capital could honor its timeframe for the development agreement, I believe it has the more attractive schedule but I personally so not believe this is possible. I prefer to see the details addressed at the front end, much as these have described by Trinity, rather than being confined to a shorter end completion date. The mitigation and remediation plans will dictate the real schedule in either case.

ISSUES IN MAKING POLICY DECISIONS

Both proposals at this point reflect *some* effort to address the funding shortfalls that seem inevitable if the current program as specified is to be implemented. The sums amount to more than \$2,000,000 but they are inadequate to meet the budgeted needs that have been *tentatively* identified. A specific approach to cost savings or guaranteed capitalization is impossible to

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determine since both teams want to work through some planning and permitting requirements before they make particular commitments.

This observation is not a criticism of the proposals but it does suggest there may be a reason to rethink the process. As the developer selection process is now structured, it is virtually impossible to assure that only developer capital will be at risk through the initial stage of planning. These concerns will not be altogether removed whichever developer is selected despite representations made to contain costs and cover some shortfalls. Inevitably, there are financial matters to address because of the scale of the gap.

What emerges in the discussions with each developer is the need for substantial compromises which will have to be made in the existing master lease agreement, the overall budget, the program itself, the approach, or possibly all deal elements. In the case of Trinity, there is a reluctance to commit beyond basic site infrastructure which is understandable because remediation and mitigation can be very costly. In the case of Land Capital, there are a budget and some pledges of capital relative to that budget but there are still substantial unknowns that must be addressed to move the site into a productive condition.

Land Capital seems somewhat less concerned than Trinity but the concerns about the site's speculative conditions and the budgetary deficiencies are reasonable and well founded. The private development opportunities do not appear sufficient to entice either developer to say affirmatively, "*I can and will do this for the budget allocated subject to these conditions....*"

In effect, the greatest period of risk and cost overruns is associated with the earlier stages of activity and future returns to either developer are largely dependent on how the remediation and mitigation issues are handled. Effectively, about half the budget will have to be allocated to creating a greenfield site with subsequent returns to a developer dependent upon the availability of that site. Whatever the pledges or assurances being offered, they are ultimately subject to further negotiation in the development agreement, but these points will emerge as material to getting an acceptable document to codify respective responsibilities and interests.

In a true partnership agreement, the respective parties would assume risk and responsibilities in proportion to their greatest skills and abilities. Here, more involvement by the public sector in preparing the site for development may be in order to realize the goals anticipated. Controlling the permitting and implementing the basic infrastructure program may be the best ways of reducing development risk and enhancing the overall value of the actual proposals.

The budgets outlined by the developers indicate funds are available to improve the site and construct *some* facilities but not all. CMPA and/or the City has to decide if it is the *developers* who should identify the priorities in the program and related ways to save money. If CMPA is not satisfied that the developers should be allowed to negotiate these priorities then the public or non-profit side needs to intervene directly

RECOMMENDATIONS

My recommendations hinge on answers to the following questions.

- Are we prepared to make modifications to the program, budget or underlying agreements?
- If so, are we prepared to let the developers identify priorities among options and processes?
- Do we want to continue to move the process ahead as priorities are being explored?

I see no reason to delay the process any further but I don't believe it is appropriate to negotiate with either of the proposed developers regarding what is an uncertain initial implementation effort as well as a longer term uncertain development strategy. Although I have not discussed options with the teams, it is implicit in their proposals that they will be better prepared to focus on the private opportunities once all site issues are settled. Land Capital has laid out a reasonable *longer term program* with optimistic assumptions about site conditions. Trinity has laid out a reasonable *process* with optimistic assumptions about future opportunities. Both represent they can make only modest commitments at this stage.

Since having further discussions with the developers, I see advantages to both teams that should be weighed on the basis of what CMPA wants to accomplish immediately. In *my* decision making, I am more centered on *process*. Consequently, I am more comfortable with Trinity as the larger and more established team to guide the initial process and to manage what are currently very uncertain financial commitments. I am also comfortable that both teams have satisfactory approaches and capabilities to deliver the private development opportunities but I don't think these are that important. Rather there is a need to address immediate implementation concerns. Over the longer term I think the differences in the two teams are more in style than substance.

If the preference of the board is to select a single team, than I am going to recommend that the board select Trinity based on the strength of my evaluation that indicates superior capabilities or better responses primarily as they relate to general, concept and financing. CMPA should negotiate *exclusively for 60 days* with Trinity subject to an acceptable development agreement providing for specific terms and performance benchmarks to be settled in no more than 120 days. *Should the board* elect this option, Land Capital should be advised that it will have access to any non-proprietary information prepared by Trinity during this period. In any case, Land Capital would be welcome to submit a draft development agreement between *90 and 120 days* that demonstrates its own approach and commitment to the project allowing CMPA further choice among options. Deposits would be treated as described in the RFP.

Whatever Trinity's apparent advantage, I don't think it is appropriate to select *either* group at this time, however. Instead, I believe CMPA should continue to secure the permits, complete the RAP, complete other mitigation procedures and prepare design packages for the stadium and other major park improvements. Those that would be implemented within the budget would be determined by the board through interaction with the design criteria team. Thereafter, land and pads would be made available to the approved developers first, then to others if there is no interest.

- **Developer Advantages/Disadvantages.** The major advantage in committing to a developer at this time is the seeming certainty of placing a firm or individual in charge. There is the implicit and explicit skill set which vests with the group and its principals, ideally allowing CMPA to draw on the collective expertise and achieve an acceptable solution. Part of *crafting* an *acceptable* solution involves fundamental design and remediation work necessary to any longer term development plan. The solutions, however, have to be negotiated, and the level of the shortfall is such that substantial modifications in approach or program are almost certain. To its credit, Trinity has offered to place some caps on the financial exposure of CMPA but the initial effort requires more money than has been allocated. The transference of responsibility at this point may be hard to justify given the design team's working knowledge of the property and permitting process. Land Capital has agreed to keep its fees low for the initial stage but the arrangement still needs to be negotiated. The private opportunities may exist but their character, value and impact on the public investment which must occur immediately are speculative.
- **Public Works Advantages/Disadvantages.** Trinity is really proposing to insert Weston in a remediation and planning role which it is well suited to do but there is no compelling advantage for CMPA to abandon its current planning team to accomplish goals which can be implemented through a locally controlled bidding process. There is no need to negotiate how things need to be done because the design criteria team are already engaged, saving weeks of delay. Much progress can be made on preparing the site for all the planned development even if the basic program is modified. Overall, it allows the public to secure value in the site and to position the property for the market to recover. Trinity and Land Capital both have room at the table for the private opportunities to follow once the site has been reclaimed.

I will be glad to discuss specifics and a possible timetable if you decide to move forward in the form of a public works project as I am recommending.

APPENDIX ONE,

RERC Memorandum

MEMORANDUM

DATE: July 16, 2008

TO: Ken Kearns, Trinity Capital
Scott Davison, Land Capital Group

CC: CMPA Board Members

FROM: Owen Beitsch, PhD, AICP, CRE
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RE: Follow-up Questions to Proposals

Thank you for your patience in awaiting this correspondence which I anticipate discussing with you personally in approximately two weeks. My goals are for you to address the various matters outlined in writing, returning the information to me no later than July 24, 2008. The following Monday, July 28, I'd like to speak with Ken in the morning at 10 am and Scott in the afternoon at 2 pm. As you may already know I have to report back to the board of CMPA on August 8, 2008 which places all of us on a very tight schedule, difficult but achievable.

I would like definitive answers or information before we speak with the assumption that any ambiguities can be resolved in our discussion(s). Should you have not seen it for any reason, I am attaching a copy of my memorandum to CMPA which was distributed on July 8, 2008. This memorandum begins to address the purpose of this follow-up effort.

Let me say at the outset, I suspect that some of my questions or comments will pose some difficulties for you, and I apologize for any impositions in advance. That said, it is essential that these points receive amplification to keep the process moving along.

Clearly, the single most pressing themes reflected in my review and the questions you're received directly from the board members relate to the following:

- A more complete understanding of funding, timing, and budgeting

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- A more complete understanding of which parties will assume which roles in the course of planning and development
- The responsible financial parties and the timing of their financial participation, if any
- Clarity regarding need for further public dollars during planning
- The availability of private dollars during planning
- Timing of private risk capital during development
- Timing of developer risk capital
- The ways in which private development can impact or offset initial costs
- Better understanding of financial commitments, if any, to the academy.

Generally speaking, these are points of information which were outlined in the RFP. To some degree, all of these were addressed in your proposal but the lingering questions still leave some uncertainty about your position and ability to resolve specific needs of CMPA.

I have outlined the areas of interest or specified the more particular information below which I think is necessary.

Financial Information or Issues

Obviously the market remains in flux so almost anything you might propose is speculative. Still, there are ways to convey to CMPA how the elements you might implement immediately relate *or fail to relate* to longer term private opportunities. In effect, there is no way for me or the board to even conceptualize about the value of the private elements and the way in which these might or might not mitigate some of the initial costs.

Without passing any judgments on your proposal, it appears that you are saying that the initial phase is indeterminate, that only public capital can offset the obvious shortfalls, and that you as the developer are not willing to commit any initial capitalization to cover any of these immediate shortfalls. You have made some references to grants without specifying which ones or the likelihood of success. I am not saying these positions are objectionable but it certainly is not altogether clear nor does it really illustrate for the benefit of CMPA where the gaps are or the way in which they can plausibly be closed. These gaps may remain but you need to be very explicit in demonstrating what, if anything, you can do to help work through these financial challenges. Toward that end, I have several specific questions and a need for some very explicit information.

From our limited conversations, I know you have rethought for purposes of communicating with CMPA some aspects of phase one...this is a good start. What CMPA really needs is a composite picture showing a seven to ten year cash flow from operations, a development budget matched to the relevant time frame and an elaboration of sources and uses of funds to tie all this together. For expedience and comparison, I'm going to have to ask that you follow a format that addresses the following. Please bear in mind, a few of the questions and observations embedded in this memo come straight from CMPA members. Where I can, I have edited these not to be redundant to my own questions or to those of other board members.

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Timing of program

Exact descriptions of the square footage, sequence, and timing when each program element will be added. Apparently these will or should coincide with the program statement prepared by Miller Caldwell. The timing of the analysis should reconcile to expectations about cash flow.

Cash Flow

You have made representations about ways in which your business approach might work with CMPA and various private entities aligned with the program statement. This business expectation should be proffered in a format that coincides with representations about the timing of key elements.

Development Budget

At this point, you have either embraced budgetary assumptions for the critical public elements or made your own. You have presumably also considered the ways in which the public aspects will be affected by potentially private elements. These budgets need to be addressed by year, in terms of key components. For this purpose, these components should be: infrastructure and land, A and E, construction, general requirements, marketing and leasing, FFE (as appropriate), financing costs where relevant, and development services (fees and related). I think these represent the *minimal layout for information* and you should feel free to amplify accordingly.

Analysis of Sources and Uses

Depending on how you treat the items above, everything should be linked together here. I suspect, even if you follow this approach, there will be questions remaining but the dialogue has to start at a place that facilitates comparisons among options and approaches. I assume there will be revenues received from your development and/or sales activities, expectations of grants, leases with major business units, including Studer, baseball, UWF and whatever private uses and their timing upon which you care to speculate. You have identify the ways in which you will address any interim negative cash positions. I'm looking for cash, equity, and other contributions that may make this program financially feasible. Again, I think these represent the *minimal layout for information* and you should feel free to amplify accordingly.

If the arrangements won't work, you probably need to spell this out and show where further public contributions are the only alternative. In effect, by glossing over these points you are submitting an alternative proposal even though you state otherwise in your submission.

Other

You need to elaborate on your proposed business arrangements with the team, UWF and CMPA. These elaborations need to be reflected in your various financial analyses above.

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Related Questions to Consider

You provided very limited financial information about the entity primarily responsible for implementing the proposed plan. What else can you tell us? I

Obviously, there is a short term funding and financing set of issues. How can these be addressed based on what we know now?

In your internal pro forma, approximately how much in funds do *you* project contributing/loaning in 2008 and after 2008 (realizing that these funds would be recovered thereafter)? Do you already have arrangements in place to cover those needs?

Can you give complete financial or banking references? May we contact them?

In terms of the projects you identified in your earlier and current submissions, can you elaborate on how they were funded and financed? Why this approach? What else was considered? How much equity or risk capital was invested or secured by the organization most responsible for Maritime Park? Is there anything meaningful about these financial experiences that can be applied to Maritime Park?

What is your expected return? Do you have a target goal that you expect to achieve? What are the ranges of those expectations for planning purposes? How are those benchmarks likely to apply to this project? In the mix of development and planning activity that will likely emerge, where do you and your related entities earn income and profit? How?

Please comment on the issues as they impact your proposal's dependence on the City's commitment to capitalize this project based on expectations of receiving about \$40,000,000. If necessary, where is the additional money likely to come from? What if additional funds cannot be raised? As for the \$40,000,000 itself, how do you envision that becoming available? As a draw? How do the *timing* and *availability* of these funds impact your conceptualization of the financing you would likely pursue?

What can you tell us about your discussion with Studer with regard to an office building? Management of the stadium? What is required to finalize a business deal? What role will CMPA play in this arrangement?

What can you tell us about your discussion with UWF with regard to its proposed facilities? Management of these? What is required to finalize a business deal? What role will CMPA lay in this arrangement?

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The Relationship between Public and Private Development

You talked very little about the private spaces in this proposal. I think it seems clear that the board has expectation of some cost recovery. These initial assumptions may have been in error but it cannot be determined how you see these private opportunities interacting with the public development in terms of their potential to offset cost, provide longer term financial return, or other possible benefits. These issues need to be amplified and explored.

Related Questions to Consider

How does the value of these private opportunities impact the financial feasibility of the larger project? How do these private opportunities relate to the public spaces programmatically or financially?

Without regard to *what* private uses you think will be supportable [that is, assume they can be supported], how does your ability to implement these in the next two years affect the interpretation or evaluation of your proposal? Do the public spaces become more or less financially feasible? How or why? In effect, are you not simply proposing to refine the plan?

Roles and Responsibilities and Experiences

Questions remain about the actual legal entity and the various disciplines involved. The addition or change in personnel appear to help the development but roles are not altogether clear.

Related Questions to Consider

Can you describe the *organizational structure* of the entity is represented by this proposal? How do the secondary or co-development firms fit in this legal structure?

Who is the day to day responsible party? Whom do we call with issues? Who is signing the paper work to which CMPA and the proposing entity agree? How is this arrangement going to work? How do the other key players identified fit into the process?

Now that you have had the opportunity to reflect of the challenges and opportunity presented by Maritime Park which of your two projects is the most instructive for the situation at hand? How are they similar? In what ways can these experiences be applied to Maritime Park? What is the current status of these projects?

Scheduling and Entitlements

Several schedule related issues were raised. These may be explained in terms of the budgetary questions asked on pages 2 and 3.

Related Questions to Consider

Based on what you believe you know, what do you absolutely think you could accomplish by 01-15-09? Based on your plan, how is the likely to be capitalized?

MEMORANDUM

July 16, 2008

Page 6 of 6

Can you elaborate on the issues associated with finalizing the entitlement, permitting and remediation processes? Biggest challenges? Again, how are these costs likely to be addressed or absorbed?

How does your schedule accommodate the financial or physical needs of UWF, the Pelicans and Studer?

So what is it you really like about the preferred plan you proposed? Why is this concept beneficial to your proposal? What specifically is it about this opportunity that is so appealing? What are your major concerns about this plan and the process *you* have outlined? How could this fall apart?

Covenant and Academy

You have made some overtures about the way in which the contractor's academy might function or the way in which you might focus training and recruitment efforts. You are being asked to address some very explicit management and funding obligations.

Related Questions to Consider

Will you provide necessary and adequate initial and on-going funding for the Contractors Academy (aside from any future contributions you may make to it from "profits")?

Comment on the Covenant....where do you see the greatest opportunities to insert community participation? Is it reasonable to express the target participation as a percentage of ownership or total development cost? Have you had similar requirements before? How have these been handled?

APPENDIX TWO,

Land Capital Submittals



MEMORANDUM

Date: July 23, 2008

To: Owen Beitsch, PhD, AICP.CRE
Real Estate Research Consultants

From: Scott Davison and Jeff Galt
Land Capital Group & Maji Real Estate

Re: Follow-Up Questions to Master Developer Proposal for Maritime Park

Thank you for taking the time to review the Master Developer proposals and identify items for which you would like additional information. Attached to this correspondence are you will find financial proformas including more detailed cost estimates, uses and sources of funds and cash flow analysis.

Relationship with the Pelicans, UWF, Studer Group and CMPA

The Pelicans and the UWF will both be tenants making lease payments to the CMPA. As Master Developer and Facilities Manager, we will act as the CMPA's agent in managing the property controlled by the CMPA and work with both the Pelican's and the UWF to coordinate both during the planning and construction phase as well as during the ongoing operations of the facilities. This includes event programming, security, parking, maintenance and other management related activities. UWF has expressed a desire to manage their own facilities so there will be no fees charged to them by us.

With regard to the Studer Group, they have recently indicated that their preference is to own their office building. We will most likely structure a build-to-suit arrangement where we will develop the office for the Studer group for a development fee. The CMPA will not need to be involved with this transaction as any ground lease fees generated by the Studer Group's use of the land flows through to the City of Pensacola as stated in the Master Lease between the City and the CMPA.

As to working with the scheduling for the construction of each group's facilities, both the Pelicans and the Studer Group are ready to go as soon as we can complete our permitting and construction drawings. UWF is also prepared to move forward as tenants in the Executive Learning Center. Their Maritime Museum and Diversity Museum still have to complete their fund raising. However, our plans are to prepare the site for them during our overall site construction so that it is ready for them once they have the necessary funds.

Sections 5 and 6 of our original proposal provide additional descriptions of how we envision our business arrangements with these entities to work.

Master Developer Entity

As with most real estate developments, a new legal entity has been formed to transact the business of developing the Community Maritime Park. It is a Limited Liability Company whose members are firms and individuals associated with Land Capital Group, Maji Real Estate and Brass Real Estate Funds. Land Capital and Maji/Brass will co-develop the project with Maji/Brass providing the financial backing and financial guarantees. Land Capital's extensive experience in retail development complements Maji/Brass' proven skills in office and residential development. Banking references are available upon request.

Typical Project Financing Structures, Project Returns and Fees Earned

The real estate developments Land Capital and Maji/Brass have been involved with have been financed in the traditional manner whereby a certain percentage of the capital is provided by the developer or other sources of private equity and the balance of the project costs provided by banks in the form of a construction loan. Targeted project returns are in the 12% range. Fees will be earned in this project as they are in other projects. Normally, a developer will earn a developer fee to cover part of their firm's overhead (office, payroll, health insurance, equipment, etc.). While it is typical for developers to charge a project 4% to 6% of the project's cost, we are proposing to charge the Maritime Park project only 3% of costs. This is not a profit center as it only marginally contributes to our ongoing overhead costs of running our business. Once the project is completed, we will earn market rate property management fees of 4% of collected income for the office and classroom users and a \$200,000 to \$250,000 a year facility management fee for managing the multi-use stadium, most of which will go to outsourced specialists.

The primary source of profit for the developer is the difference between the overall revenue of the private development and the cost of the financing for the capital investment in building the private improvements. The developer simply earns a return on the investment.

Entitlements, Permitting, Remediation and Project Concerns

Every real estate development includes risks and concerns that the experienced developer identifies. The Maritime Park project has the potential for delays due to unexpected complications with permitting and remediation. The other primary issue to keep in mind is the current state of the economy and the subsequent demand for commercial and residential space. The volatility of the financial markets adds to the uncertainty. Lastly, the public financing aspect of the project could be subject to legal challenges based upon the recent Florida Supreme Court ruling on TIF funding.

Why Pursue This Development?

The Community Maritime Park is a truly unique opportunity for a developer to make a difference in people's lives both during its construction and for years to come once completed. The site itself has enormous potential to become a focal point for community involvement on so many levels and for so many people. Whether it be education, entertainment, recreation, dining, working, playing, residing, or just relaxing, this development will take on the rarified air of a *Place*. A Place where people want to be because it has the potential to enrich them and bring them closer together. We are fortunate enough to have the experience and the passion to contribute to creating this wonderful Place. At the same time, we will be providing the new gateway for development in western downtown Pensacola. With the departure of the sewer treatment plant, this project will just be the beginning of many exciting things to come. It's an opportunity we just can't pass up.

Contractors' Academy Implementation Plan

Objective

This plan outlines a strategic vision and execution strategy to launch and sustain the Contractors' Academy, fulfilling the Covenant with the Community and delivering on the commitment established by Community Maritime Park Associates to ensure the inclusion of small and minority businesses in the CMP development.

This proposal answers the questions of how the Academy might function and how funding for the program will be executed. It outlines opportunities for community participation as well as training and recruitment opportunities that will allow Land Capital/Maji., to achieve its percentage goal for minority business involvement.

The goals are specific and aimed at attracting three minority demographics: existing contractors and sub-contractors seeking to expand their businesses; skilled construction workers seeking to become sub-contractors; and unskilled individuals seeking to learn a trade.

We will concentrate on finding our potential talent for the Contractors' Academy first in Escambia County, followed by Santa Rosa and Okaloosa County if the percentages prove additional talent is needed.

The complete program involves an extensive scope of work to be complimented by a timeline of activities to keep tasks on track and contract content aligned.

Land Capital/Maji envisions the roll out of the initial tasks to fall under the Public Relations and Marketing sector of the General Development Plan. The proposed scope shall be implemented in the order below, but should circumstances warrant, it is subject to change, based on priorities.

Scope of Work

Formation of Contractors' Academy Advisory Council

We envision the Contractors' Academy Advisory Council to be known as the "CAAC." The CAAC would begin with the development of selection criteria for the CAAC with the goal of amassing a diverse, engaged group of stakeholders, partners, agency members, and even governmental officials. The CAAC could also consider appointing a paid director. It will be the governing body that will approve and oversee expenditures and activities carried out by the Marketing and Public Relations agency of record for Land Capital/Maji. Tasks include:

- Partnering with The Target Group to create language, to be used in recruitment, inclusive of minority and women-owned businesses.
- Developing hiring practices and outlining jobs and initiatives to be accomplished.
- Coordinating with all organizations responsible for executing training curriculum and logistics for the Contractors' Academy. Organizations would include:
 - Escambia County School District
 - Gulf Power Company
 - George Stone Technical Center
 - Locklin Tech
 - Pensacola Bay Area Chamber of Commerce
 - Pensacola Junior College
 - Santa Rosa County School District
 - TEAM Santa Rosa
 - University of West Florida
 - West Florida High School of Advanced Technology
 - Workforce Escarosa

Desired Outcomes: The CAAC would serve as a watchdog group to make sure the developers are honest, transparent, and accountable in hiring practices for the duration of the process.

Formation of Contractors' Academy of Instruction

The Contractors' Academy of Instruction would be comprised of the instructors who will execute teaching and training of our local workforce. Tasks would include understanding the existing and needed resources to teach and train our workforce, filling the teaching pool, and coordinating a public schedule of classes and training locations to complement the needs.

Recruitment

As the instructors and resources are identified, Land Capital/Maji's marketing and public relations agency will coordinate and carry out an aggressive campaign to communicate the opportunity to both instructors and students.

If instructors were not available from the organizations listed above, we would use interactive and direct touch methods to reach industries where potential instructors exist. We envision partnering with a company such as Craftsman Tools to provide learning guides to make the process of instruction easier.

Relaying the opportunity to available workers would include:

- Development of paid commercials and PSAs (Public Service Announcements) for all appropriate media, including print, television, and radio.
- Establish a team captain strategy that infiltrates civic and social groups, and neighborhood associations to help promote and create excitement about the Contractors' Academy.
- Implement a mixed media campaign (print, TV, radio, interactive, outdoor), including identifying target publications, to disseminate the opportunity.
- Partner with places of worship and government agencies where desired demographics already visit to extend the message.
- Arrange media tours across the tri-county region.
- Schedule public input meetings until desired results are achieved.

We will be prepared to offset any shortfalls with web-based and grassroots viral marketing to push the information to outside areas once our local market has been saturated.

Training Strategies

Once the Academy is established, the training and placement cycle would begin. Placement would involve the creation of a database where contractors and sub-contractors can search or retrieve information about Academy workforce.

Training would not be limited to instruction and would include aligning workers with deficiencies or disabilities with social organizations that deal with dependency, mental illness, or literacy challenges as examples. These partnerships would allow workers to overcome barriers that might block career advancement.

Once employed, we would utilize continuing education to give workers the skills they need to be successful on the job. Topics could include handling conflict, personal communication, attaining and achieving personal goals, and financial management.

A further benefit of the continuing education is the ability to expose the next generation of workers to these important interpersonal skills and career opportunities by allowing workers to bring their family members to the training.

To ensure the Academy is accountable and meeting its goals, we would implement a post-hire and job performance tracking system to measure the results of the training.

Desired outcomes: The above plan will help us immediately understand who will teach community and school based programs. It allows us to use every tool at our disposal to make sure we're reaching our core groups of laborers. The training will allow us to truly elevate the ones who need the help the most as we realize some have underlying issues that have kept them from success.

Conclusion

By implementing these strategies, we have great confidence in our team approach to sustain a successful Contractors' Academy. The vision and implementation will have a greater impact on our local region, as it will provide a much-needed skilled workforce that can then be utilized for future local and regional projects. The value of this proposed plan represents a \$250,000 investment from Land Capital/Maji. The company also commits to a marketing and public information strategy, which will begin immediately.



Community Maritime Park
Development Description
Project Cost Estimate/Uses of Funds & Sources of Funds
July 21, 2008

	PUBLIC IMPROVEMENTS			PRIVATE IMPROVEMENTS				ALL IMPROVEMENTS		
	The Site and The Park	Multi-Use Facility	Com/Educ. Cent	TOTAL PUBLIC IMPROVEMENTS	Retail/Office 2	Office 3	Residential	Mixed Use Waterfront	Museum Lane Restaurant	TOTAL PROJECT COSTS
ELEMENT DESCRIPTION AND TIMING*										
Size (in square feet or number of units)										
Construction Start	May-09 Jul-10	Oct-09 Jul-10	Oct-09 Jul-10	May-09 Jul-10	68,000 ¹ Mar-10 Jan-11	22,000 ² Mar-10 Jan-11	72 Units Mar-10 Jan-11	20,655 Mar-10 Jan-11	7,500 Mar-10 Jan-11	
Construction Completion										
PROJECT COSTS										
Land & Infrastructure	17,602,647	-	-	17,602,647	136,000	203,500	702,560	204,000	75,000	18,923,707
Architecture & Engineering	2,220,733	1,107,747	763,751	4,092,231	330,840	119,240	362,040	160,040	52,540	5,116,931
Development Services	988,843	551,351	415,813	1,956,017	387,520	133,874	303,529	132,380	54,000	2,987,320
Construction	581,758	11,251,733	8,107,438	19,950,929	11,270,000	3,570,000	8,150,000	3,550,625	143,872	46,635,426
Owners' General Requirements	850,000	900,000	425,000	2,175,000	163,255	148,789	184,196	150,890	143,287	2,665,417
Furniture, Fixtures & Equipment	-	1,150,000	450,000	1,600,000	-	-	-	-	-	1,600,000
Legal	150,000	150,000	-	300,000	70,000	28,000	38,000	25,000	18,500	475,500
Marketing & Leasing	-	-	-	-	306,000	102,960	1,105,360	112,132	28,200	1,654,652
Financing	-	-	-	-	621,240	269,545	573,220	213,206	84,071	1,761,282
Total Costs	22,393,982	15,120,841	10,162,002	47,676,825	13,284,855	4,575,908	11,418,905	4,548,273	599,470	82,104,236
Project Contingency	1,119,689	756,042	508,100	2,383,841	included	included	included	included	included	2,383,841
TOTAL PROJECT COSTS/USES OF FUNDS	23,513,671	15,876,883	10,670,102	50,060,666	13,284,855	4,575,908	11,418,905	4,548,273	599,470	84,488,077
SOURCES OF FUNDS										
Community Redevelopment Agency Bonds				38,000,000						38,000,000
Multi-Use Facility Revenue Bonds				3,870,863						3,870,863
UWF Classroom Lease Revenue Bonds				3,364,972						3,364,972
Interest Earnings on Construction Fund				2,700,000						2,700,000
Master Developer Loan to Public Improvements (if not covered through grants or other alternatives)				2,124,831						2,124,831
Government Grants (Federal, State, New Market Tax Credits, Brownfield, etc.)				TBD						-
Master Developer Private Equity					3,985,457	1,372,772	3,425,672	1,364,482	179,841	10,328,223
Master Developer Private Debt					9,295,399	3,203,136	7,993,234	3,183,791	419,629	24,099,188
TOTAL SOURCES OF FUNDS				50,060,666	13,284,855	4,575,908	11,418,905	4,548,273	599,470	84,488,077

*Notes:

- 1) Great Lawn
- 2) Fernal Gardens
- 3) Lower West Promenade
- 4) Wharfs and Piers
- 5) Lighthouse
- 6) Dredging West Marina
- 8) Developer's Fee has been reduced to 3% of costs

The Project Estimate is based upon the Design Criteria and the assumed uses, building sizes and timing of construction of Private Improvements are subject to change based upon market demand Office Building 1 (Studer Group) assumed to be a Build-to-Suit and is not included in Project Cost Estimate Hospitality assumed to be a ground lease and is not included in Project Cost Estimate

Owen Beitsch

From: Scott R. Davison [sdavison@LandCapital.com]
Sent: Wednesday, July 30, 2008 12:03 PM
To: Owen Beitsch
Subject: Maritime Park Initial Advances, etc.

Owen,

Regarding the initial advances for engineering drawings and other early expenditures for the Maritime Park project, LCG/Maji are agreeable to covering these costs out-of-pocket until such time as the bond financing is completed and the funds could be reimbursed. As we discussed, there would need to be some guarantees from the city for reimbursement should the bond financing never materialize and would be subject to the overall terms of the development agreement.

You will also be receiving two other items you requested from us later today. First, additional bank references and second, illustrations of some of the methods Bruce Cutright applied during his experience with public/private ventures to overcome challenges and manage those projects successfully.

Lastly, Bruce and I had a conversation about the use of HOK or HKS on the project should we be chosen as the Master Developer. He brought up some very good points I had not considered that are worth discussing with you. When you get a chance, please give me a call on my cell at (435) 602-9212.

Thanks and safe travels.

Scott R. Davison
CEO
T 435.214.5600
F 435.214.5500
www.landcapital.com

From: Owen Beitsch [mailto:omb@ercinc.com]
Sent: Tuesday, July 29, 2008 2:33 PM
To: Scott R. Davison
Subject:

Everything I have is clear at this point with the possible exception of initial advances...thanks....

Owen Beitsch, PhD, AICP, CRE

PLEASE DIRECT

REPLIES OR INQUIRIES

TO THE ADDRESS

OR PHONE NUMBERS BELOW

14 East Washington Street

Suite 500

8/4/2008

Orlando, FL 32801

telephone
OF 407/843-5635
FX 407/839-6197

e-mail
OMB@RERCINC.COM or
RERCOMB@AOL.COM

Owen Beitsch

From: Scott R. Davison [sdavison@LandCapital.com]
Sent: Thursday, July 31, 2008 11:07 AM
To: Owen Beitsch
Subject: Maritime Park Follow-Up: Bank References & Bruce Cutright's Public-Private Experiences

Maji Realty Bank References:

Shannon Maxfeldt
Relationship Manager
Chase Bank
P-210-382-0043

Bruce A. McMillan
Commercial Loan Officer
IBC Bank
130 E. Travis
San Antonio, Tx. 78205
Office 210-518-2579 X22579

Bryan Leanard
Vice President
CapMark
800 East Soneterra Boulevard
Suite 175
San Antonio, TX 78258
Office 210.734.1844

Jennifer Ray

Magi Realty
85 NE Loop 410, Ste 207
San Antonio, TX 78216

p: (210) 545-2181
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www.magirealestate.com

Bruce Cutright Public/Private Project Challenges & Solutions:

There were a number of challenges we faced in the public/private project in Miami which was funded in large part by the Community Development District (CDD). First of all, it was important to control costs as much as possible so that funding shortfalls, as a normal course of events, didn't happen. Extensive value engineering at the outset of the project resulted in significant cost reductions. We included some changes in scope as well at the outset in order to develop a budget that was achievable. Once the project is underway, an accurate cost to complete must be prepared every month and any anticipated overrun addressed early. It is nearly impossible to deal with cost overruns that are discovered in the last 20 percent of a project, but often very easy to revise and refine a project scope and budget in the first 20 percent.

Secondly, alternate sources of funds were developed in the case of budget shortfalls. The first obligation to meet the project costs was delegated to the Community Development District. The CCD was responsible for administering the (public portion of) project construction and releasing funds against percent complete pay applications. There were significant increases in the costs of materials, primarily steel and concrete, during the construction of the parking garage. The CDD included revenues from the incremental ad valorem taxes they would receive from the private portion of the development itself. Additionally, we created the opportunity for an additional assessment to be charged to the occupants of the completed development which we could then use for additional project financing if necessary..

Thirdly, An issue can occur if the contractors expect to be paid within 15 days or 30 days of submittal of a pay application, and it takes 45 to 60 days for the trustee or lending bank to release funds. This can generate some very significant problems, and needs to be anticipated and planned for at the project start. From an administrative standpoint, there must be a clearly defined obligation on the contractors part to prepare and submit a complete and a balanced pay application with all the supporting documentation. The clock to release of funds cannot start until the contractor's pay application is judged complete, by us. In the case of the Miami project we controlled the Notice to Proceed issued to the contractors. We were under a very tight schedule, and anticipated the actual release of the funds by issuing the NTP 30 days prior to the funds actually being available. Then, as soon as the funds became available, we were ready with a pay application immediately. This allowed us to compress the schedule by 30 days.

With regard to working with minority contractors, it was important to recognize that their experience levels vary greatly. Quality issues developed which could have fostered an unhealthy adversarial relationship between the developer and the contractors. We circumvented any direct conflict by working closely with the city inspectors to ensure they were present during much of our normal contractor inspections and that they were as critical as we were in accepting the work that was done by the contractor.

These are just a few examples of how I have dealt with issues on public/private developments. Should you wish to discuss my experience in more detail, feel free to call me: (904) 233-3335.

APPENDIX THREE,

Trinity Submittals

July 24, 2008

Mr. Owen Beitsch
Real Estate Research Consultants
14 East Washington Street, Suite 500
Orlando, FL 32801

RE: CMPA & Owen Beitsch Follow-Up Questions to Proposals

Trinity Capital Advisors / Weston Solutions / SmithCypress Partners Master Developer Team Response

Dear CMPA Board Members & Mr. Beitsch:

Thank you for this continued opportunity to work on the Pensacola Community Maritime Park project. This project is vital to the master plan and future growth for Pensacola, Florida, and the Trinity Capital Advisors / Weston Solutions / SmithCypress Master Developer Team ("TWC") has been structured to offer the CMPA and the City of Pensacola the best opportunity to realize their dream that is the Community Maritime Park.

The current market conditions are challenging, but given the public development phase and public funding commitments for this project, the TWC Master Developer Team sees this as a great opportunity to provide the City of Pensacola with the foundation and the nucleus for the Community Maritime Park. Per the July 16, 2008 memo sent by Owen Beitsch, the TWC Team has provided Mr. Beitsch and the CMPA board with the following response to the questions posed. The TWC response is in the form of a detailed summary of our RFP Proposal offering additional information where possible and addressing as many of the questions posed to the Master Developers as is appropriate at this time. Identified in the TWC response is the opportunity to most efficiently allocate the public dollars while providing all parties to the project the additional opportunity to realize the greatest return on future private improvements. In addition, TWC offers the CMPA and the City of Pensacola the flexibility to reposition the property (if they so choose) to the private sector at specified times in the proposed schedule so they may make educated market driven decisions at the appropriate time along the critical path of this project.

It is understandable that the CMPA Board and Owen Beitsch have additional questions addressing the TWC RFP Proposal and oral presentation regarding the proposed project. It remains our concern that some of the answers to the proposed questions would be speculative and misleading at this time. The proposed project and our delivery strategy are founded on a partnership with the CMPA, the City of Pensacola, the University of West Florida, The Studer Group, the Pensacola Pelicans, The Contractor Academy, and the Pensacola community, yet the master developer candidates are not permitted to engage the CMPA in discussions regarding the project. Therefore the very foundation of the proposed partnership and the Maritime Park project, the ground lease, can not be detailed. The terms of this ground lease will drive the entire project, and will in turn affect all aspects of the delivery of the project and opportunities for partners such as The Studer Group, UWF, the Pelicans, and The Contractor Academy. Until the ground lease is negotiated and until formal negotiations can commence with UWF,

Quint Studer / The Studer Group, and the Pelicans, it would not be possible or advantageous to the project to speculate on the financial details of proposed agreements in the current market environment. 7 – 10 year cash flow projections and detailed internal rates of return will only be available once the details of the ground lease are negotiated and lease agreements are established with the anchor tenants of the Museum, Band Shell, Conference Center, Multi-Use Stadium, and Studer Office Building.

In order to offer a logical and sequential reaction to the numerous questions posed, the TWC response is presented in the following order: **1. Development Strategy, 2. Development Team, 3. Budget, 4. Auxiliary Funding Strategy, 5. Schedule, and 6. The Covenant with the Community & The Contractor Academy**

1. Development Strategy

The TWC RFP Proposal and oral presentation have focused on the Phase I deliverables as this is the most important and feasible phase of the project at this time. This continues to be our strategy as this phase is for a large part publically funded and is necessary for future phases to be executed. In addition, the second part of the first phase has anchor tenants established in UWF, The Studer Group, and the Pensacola Pelicans which is an attractive development opportunity. These conditions can be considered a sound basis for the commencement of the first phase of the Community Maritime Park Project. Our development strategy addresses Phase I, but also offers an approach to most efficiently move forward with Phase II.

The TWC Team offers the CMPA and the City of Pensacola the following **Phased Development Strategy** addressing the proposed development phases and option periods.

- **Phase IA > Remediation & Infrastructure**
- **CMPA Option Period 1**
- **Phase IB > Multi-Use Stadium , Studer Group Office Building , Band Shell & Maritime Museum Pad Sites, & Landscaping and Hardscaping (as appropriate)**
- **CMPA Option Period 2**
- **Phase II > Private Development Components (w/ the balance of the Landscaping and Hardscaping)**

*Note – Budget information for each proposed phase will be offered in section **3.Budget**.

▪ **Phase IA > Remediation & Infrastructure**

As proposed in the TWC RFP Proposal and presentation, Trinity Capital, Weston Solutions and Hatch Mott MacDonald will be the lead companies in the delivery of this phase of the project. The TWC Master Developer Team proposes to deliver the remediation and infrastructure to the CMPA in either a negotiated cost plus contract very similar to a public works development project or, alternatively, Weston could conduct the remediation under a guaranteed fixed price with insurance and assume the environmental liability. Weston will work closely with Hatch Mott Macdonald to complete the design and obtain the remaining outstanding permits for the project by January 2009. TWC is fully aware of the critical timing of the project and will strive to complete the remediation and necessary infrastructure to support the Phase IB public improvements scheduled for completion by early 2011.

Examples of Remediation & Infrastructure Projects Applicable to the Maritime Park

Weston

Chicago Park District / Ping Tom Park Site Development > Weston provided engineering and construction management for the Chicago Park District in the conversion of this 6 acre brownfield site into a viable recreational park. Weston prepared the design including grading plans, utility plans (storm sewer), as well as the landscape plans for the baseball field and soccer field. The project involved closing the brownfield site under the Illinois Environmental Protection Agency (IEPA) Site Remediation Program. Weston interfaced with IEPA to gain approval of the Remedial Action Plan and submitted the Remedial Action Completion Report for a Comprehensive No Further Remediation Letter. The park construction was completed in September 2003.

Chicago Department of Environment / Stearns Quarry Site Redevelopment > Weston led the original design team for this vital Chicago project. Weston designed the post-closure modification plans for this existing closed landfill and provided construction administration to the project. The 27-acre landfill was originally a limestone quarry that the Chicago Department of Streets and Sanitation bought and filled with incinerator ash from their municipal waste operations. The City then filled the remainder of the quarry with construction debris. The project consisted of converting the site from a closed landfill to a public park. The park includes a scenic pond, cascading wetlands, a central mound observatory point, and soccer fields. Weston's design tasks included a site grading plan, retaining walls, geomembrane-lined pond and wetlands, and a submersible pond recirculation pump. Additional tasks included a geotechnical investigation for the design of retaining walls; development of site health and safety plan (HASP), specifications, construction-phase drawings, and bid estimates.

▪ **CMPA Option Period 1**

After the Remediation & Infrastructure are complete, the CMPA will have the option to:

- a) provide the TWC Team with the first right of refusal for the development of Phase IB and Phase II

or

- b) negotiate the development rights of future phases with the TWC Team for an agreed upon value so as to reposition the project to the private sector.

▪ **Phase IB > Multi-Use Stadium, Studer Office Building, Band Shell & Maritime Museum Pad Sites, Landscaping & Hardscaping (as appropriate)**

If option **a)** is chosen in the **CMPA Option Period 1**, and The TWC Team elects to proceed with Phase IB, Trinity Capital, Weston Solutions, SmithCypress Partners, Hatch Mott MacDonald, Greenhut Construction, HKS Architects, Sasaki Associates, and Dant Clayton Corporation will be the lead companies in the delivery of this phase. The Studer Group, the University of West Florida, and the Pensacola Pelicans are the anchors of the Phase IB Development. Although we cannot address specific lease rates at this time for this phase of the development as they will be market and tenant driven, we can offer our view on the deal structure with these future partners and tenants. The TWC Team understands that these organizations and businesses have operating budgets that must be maintained. TWC will use these operating budgets as the foundation for the proposed lease

agreements and deal structures. As the anchor tenants of the proposed improvements and the nucleus of the Maritime Park Project, UWF, The Studer Group, and the Pelicans will be engaged adhering to TWC's proposal of full transparency. This transparency will assure that all parties to the Phase IB Development will have their interests, goals, and expectations met. As a part of our budget strategy, some of the hardscaping and landscaping will be shifted out of the Public Improvements and into the financeable semi-private improvements (Conference Center, Studer Group Office Building, and Multi-Use Stadium) so as to offset some of the projected budget gaps in the public funding. For example, portions of the cost to construct Spring Street, Cedar Street, & Museum Lane and portions of the associated landscaping can be incorporated into the deal structure of the leasable improvements that these elements access and affect. This is typical of any leasable, financeable development project. Any public dollars allocated to the landscaping and hardscaping for this phase of the project will be delivered in a negotiated cost plus contract very similar to a public works development project.

▪ **CMPA Option Period 2**

Upon completion of Phase IB, the CMPA and the City of Pensacola will have the nucleus of the Community Maritime Park Project in place. At this time, the CMPA board will have the option to:

- a) provide the TWC Team with the first right of refusal for the development of Phase II
- or
- b) negotiate the development rights of future phases with the TWC Team for an agreed upon value so as to reposition the project to the private sector.

▪ **Phase II > Private Development Components (w/ the balance of the Hardscaping and Landscaping)**

If option **a)** is chosen in the **CMPA Option Period 2**, and The TWC Team elects to proceed with Phase II, Trinity Capital, Weston Solutions, SmithCypress Partners, Hatch Mott MacDonald, Greenhut Construction, and Sasaki Associates will be the lead companies in the delivery of this phase. The TWC Team will construct market driven improvements offered to potential tenants at market rates in keeping with the approved Design Criteria. As a part of our budget strategy, some of the hardscaping and landscaping from the initial phases will be shifted out of the Public Improvements and into these financeable private improvements so as to offset some of the projected budget gaps in the public funding. For example, portions of the costs to construct Reus Street, the extension of Cedar Street, and Plaza DeVilliers can be incorporated into the deal structure of the leasable private improvements that these roadways and amenities affect. Any public dollars allocated to the landscaping and hardscaping for this phase of the project will be delivered in a negotiated cost plus contract very similar to a public works development project.

2. Development Team

TWC Team Summary

The Trinity / Weston / SmithCypress Master Developer Team has been structured to execute the Pensacola Community Maritime Park Project in the most efficient and cost effective manner possible. The TWC Team is a combination of regional, national, and local leaders in their respective fields and will provide a perspective and delivery strategy based on proven development experience. A summary of the TWC teaming strategy and team structure is as follows. Please also see that attached **TWC Master Developer Team Layout**.

- **Trinity Capital Advisors** > TCA is a full-service commercial real estate firm headquartered in Suburban Philadelphia, PA. TCA will serve as the lead developer for the Pensacola Community Maritime Park Project offering 36 years of commercial development experience, a firm market understanding, and a variety of financial and development strategies and opportunities to the project.
- **Weston Solutions & Hatch Mott MacDonald** > The foundation for the Community Maritime Park will be based on the remediation and infrastructure phases of the project. The importance of this first phase can not be overstated. Weston Solutions and Hatch Mott MacDonald are national and regional powerhouses in the disciplines of redevelopment, infrastructure, remediation, environmental, construction management, engineering, operations and maintenance. This team will provide an efficient, cost effective, and successful delivery of the initial phase of the project that will be essential to the future success of the Pensacola Community Maritime Park. In addition, Hatch Mott MacDonald was a part of the original Design Criteria Team which will provide the TWC Team an efficient edge in the transition from the design phase of the project, through entitlements, to the development phase.
- **SmithCypress Partners** > SmithCypress is a national retail developer providing 22 years of retail development experience to the CMPA Park Project. The mixed use programming of the Maritime Park necessitates a true mixed use developer partner. SmithCypress will focus on the retail, hotel, and residential development components of the project. SmithCypress also provides a minority partner at the entity level of the TWC Team which shows this team's commitment to the underlying themes of the CMPA Board's Covenant to the Community.
- **Trinity Capital Pensacola / Tosh Belsinger** > The TWC Master Developer Team will rely on its local partnerships in order to keep the community's interests at the forefront of the development process. Each member of the TWC Team will have specific project managers addressing the day to day responsibilities of their scope of work. In order to coordinate the multiple project managers and offer a single access point for the CMPA and the Pensacola Community to the TWC Team, TCA has created Trinity Capital Pensacola with Tosh Belsinger as its local representative. Belsinger will serve as the TWC Team Project Coordinator. This position will provide an efficient two way conduit for all partners to the project. Belsinger is also the founder of 1559 Development, LLC , a local commercial development company in

Pensacola. Belsinger provides 11 years of development and project management experience to the Community Maritime Park Project.

- **Joe Endry / Coldwell Banker United** > Few local and / or regional real estate brokerages have seen greater success than Joe Endry Coldwell Banker JME Realtors, now Coldwell Banker United. In order to understand the local and regional market conditions and to most effectively market the proposed improvements for the Maritime Park the TWC Team has engaged a local real estate broker in Joe Endry with ties to a national brand in Coldwell Banker United. Joe Endry is also President of JME Vacations and a partner with Tosh Belsinger in 1559 Development.
- **HKS Architects & Dant Clayton Corporation** > In order to transition the Design Criteria to budget development, scheduling, and delivery of the Multi-Use Stadium, TWC has partnered with HKS and Dant Clayton. As there are no construction drawings provided at this time, HKS and Dant Clayton provide a powerful team capable of taking the conceptual designs of the Multi-Use Stadium as presented in the Design Criteria to construction drawings and then to the field for implementation. HKS Architects was a part of the Design Criteria Team prior to partnering with TWC.
- **Sasaki Associates** > Sasaki was also a part of the original Design Criteria Team and has been engaged as a partner of the TWC Team in order to most accurately budget for the landscaping and hardscaping items found in the Design Criteria and most effectively translate the landscaping and hardscaping vision to a reality in the field.
- **Greenhut Construction** > Greenhut's 61 years of accomplishments and a reputation for integrity, quality, and attention to their clients needs have made them the contractor of choice in Northwest Florida. The TWC sought out a local construction partner to compliment their development team and found one in Greenhut Construction. There is no local contractor more suited to tackle the realities of the construction of the mixed use components of the Maritime Park. In addition, Greenhutt Construction will be the most effective local partner for the city and the CMPA to realize the goals of the Contractor's Academy.

TWC Financial Information

Trinity Capital Advisors

Businesses

Trinity Capital Advisors, LLC
TCA Brokerage Services, LLC
TCA Management Services, LLC

Business Bank Reference

Bank: Bank of America
Contact: Tara Cantor
Phone: 610-828-4710
Type: Various Operating Accts & Credit
Facilities

Real Estate Financings (2005 – Present)

TCA Girard, LP \$112,500,000
(Acquisition Loan)
Property Type: 865,000 SF Mixed-use
(Office, Retail, Parking)
Acquired: July 2007
Sold: July 2008
Bank: UBS
Contact: Jeffrey Taschler
Phone: 212-713-9737

TCA Plymouth, LP \$3,500,000
(Preferred Equity Partner)
Property Type: 200,000 SF Suburban
Office Park
Acquired: May 2005
Refinanced: January 2007
Bank: GE Capital Corp.
Contact: Alan Jovinelly
Phone: 215-772-2913

TCA Plymouth, LP \$24,000,000
(Acquisition Loan)
Acquired: May 2005
Refinanced: January 2007
Bank: Capmark
Contact: Steve Dougherty
Phone: 215-328-1397

TCA Plymouth, LP \$31,792,000 (CMBS
Execution)
Acquired: January 2007
Refinanced: N/A (Current)
Bank: Column Financial
Contact: Michael J. Katz
Phone: 312-345-1754

TCA Cassford, LP \$22,000,000
Property Type: 137,000 SF Suburban
Office Park
Acquired: July 2007
Refinanced: N/A (Current)
Bank: JP Morgan Chase
Contact: Scott Tobin
Phone: 212-648-0333

TCA Springdale, LP \$3,000,000
Property Type: 27,000 SF Suburban
Office Building
Acquired: May 2007
Refinanced: N/A (Current)
Bank: Country Life Insurance
Contact: Scott Tobin
Phone: 212-648-0333

502 WOC Properties, LP \$1,842,000
(Acquisition Loan)
Property Type: 47,000 SF Suburban
Office Building
Acquired: July 2002
Refinanced: August 2005
Bank: Wilmington Trust of
Pennsylvania
Contact: Terry Brewer
Phone: 610-520-1496

502 WOC Properties, LP \$4,000,000 (10
Year Loan)
Acquired: August 2005
Refinanced: N/A (Current)
Bank: Sun Life of Canada
Contact: Leo Barrett
Phone: 1-800-786-5433

Weston Solutions

WESTON is a privately held, 100% employee-owned company that has been in business for over 50 years. Our current gross revenues exceed \$500M in 2007 and our steady average annual organic growth in revenue over the past 6 years exceeds that of two thirds of the environmental industry. WESTON has strong relationships with key financial partners that provide long-term stability and financial flexibility. Through a \$67 million senior credit facility provided by Bank of America, our senior lender, WESTON has access to a \$46 million line of credit to manage day-to-

day business, providing substantial surplus borrowing capacity for project requirements, related cash requirements, and other needs. We also maintain a \$135 million surety bond facility, which can be further leveraged to secure project obligations.

SmithCypress Partners

SmithCypress Partners has \$85 Million in retail and mixed-use projects under development across the country ranging from 15,000 square feet to 500,000 square feet. Smith Cypress' primary financing partner is The Carlyle Group who provides over \$81 billion dollars to the financing of retail and mixed-use projects.

3. Budget

Please see the attached **Budget Summary Pro Forma** for the TWC phased budget for the project. Please also see the attached **Build Out Summary** that was established so as to understand the programming shown on the Design Criteria Site Plan. The Budget Summary Pro Forma has been formatted to fit the TWC **Phased Development Strategy** as proposed in section 1. In summary of the attached Pro Forma, Phase IA = \$45.36 million, Phase IB = \$54.44 million, & Phase II = \$123.28 million. The full build out total of the project = \$223.07 million and does not include the **To Be Determined (TBD)** Line Items found in the Pro Forma. Due to the current market environment and the inability to discuss and negotiate the various deal structures with the various partners to the project, the **TBD** line items cannot and should not be speculated at this time. Any attempt to do so would misrepresent the project. TWC will work with CMPA to close the gap between Phase IA costs and the \$40M bond through a combination of grants, debt or cash equity in order to make the project a reality.

4. Auxiliary Funding Strategy

Weston

Weston has access to grants specifically applicable to sustainable elements of the site, public, and private improvements that will off-set costs. Weston has provided equity/grant funding through a number of mechanisms including:

- **Debt Equity** – Finance partners such as the EnviroFinance Group has provided Weston with \$11M in equity for a Weston-owned brownfield in Hawaii.
- **Cash Equity** – Through the use of investment partners, sweat equity, Weston's Bank of America line of credit, Weston has provided equity to brownfield redevelopments.
- **Grants** – Weston has secured over \$30M in grant funding throughout the country including the City of San Diego, CA; City of Dayton, OH; Essex, MA; and Sprague, CT.

Weston has been successful in obtaining Federal and state level grant funding for brownfield redevelopment throughout the country not only for remediation but also for sustainable solutions related to water resources. Brownfields are abandoned or under-used industrial and commercial facilities where expansion or redevelopment is complicated by real or perceived environmental contaminations. Weston is fully confident that in collaboration with TWC's local engineering partner Hatch Mott MacDonald, grant funding can be obtained for the Pensacola Community Maritime Park from one or more of the following sources:

- U.S. EPA Brownfield Grants
- Florida Department of Environmental Protection Brownfield Program
 - ✓ Brownfield Redevelopment Bonus Refund
 - ✓ Voluntary Clean up Tax Credits for Brownfield Site Remediation Agreements
 - ✓ Sales Tax Credit on Building Materials
 - ✓ Loan Guarantee Program
 - ✓ Cleanup Liability Protection
- Escambia County Brownfield Program

Hatch Mott Macdonald

The staff of Hatch Mott MacDonald (HMM) has a tremendous amount of experience with projects funded by the Community Development Block Grant program. HMM staff has been involved in many municipal projects including state and federal funding including the following CDBG projects. Estimated grant amounts for each project are as follows:

Project Name / Project Owner / FDEP Grant Amount

- City of Bonifay Thomas Drive Improvements / City of Bonifay / \$400,000
- Design of Water & Sewer Systems to serve The Graceville Work Camp Institution / City of Graceville / \$600,000
- Improvements to City Water and Sewer Systems / City of Graceville / \$600,000
- Improvements to Wastewater Collection System / City of Graceville / \$600,000
- City of Havana WWTF / City of Havana / \$1,000,000
- Marianna WWTP / City of Marianna / \$24,145,000
- City of Marianna Surge Tank / City of Marianna / \$400,000
- Marianna Roads / City of Marianna / \$600,000
- Lift Stations 1-4 Rehabilitation and Manhole Relining / City of Mary Esther / \$750,000
- City of Perry WWTF and Collection System / City of Perry / \$2,500,000
- United Welding Pump Station & Forcemain / City of Perry / \$300,000
- Street Drainage, Paving, Water Line, Elevated Tank, Fire Hydrants, CDBG Program / City of Perry / \$500,000
- Street Drainage, Paving, Water & Sewer Improvements, CDBG Program, Infrastructure & Landscaping / City of Perry / \$600,000
- United Welding Pump Station Forcemain / City of Perry / \$300,000
- Quincy Wastewater Treatment / City of Quincy / \$2,000,000
- Commercial Revitalization of Downtown area / City of Quincy / \$600,000
- Azalea Park Roadway with Drainage Improvements: CDBG Program / City of Quincy / \$600,000
- North Springfield Water Project / City of Springfield / \$2,600,000
- Springfield Water and Drainage Improvements / City of Springfield / \$600,000
- VA Road Improvements / City of Springfield / \$600,000
- Southside Water and Road Improvements / City of Springfield / \$600,000
- Spray Irrigation Facility / City of Trenton / \$500,000
- Midway Water System / City of Trenton / \$500,000
- Improvements to Water System, China Hill Community / Gadsden County / \$500,000
- Potable Water System, Estiffanulga / Liberty County / \$500,000
- Hosford-Telogia Water System Upgrade; CDBG Project / Liberty County / \$500,000
- Sumatra Area Water System, CDBG Project / Liberty County / \$500,000

- Water Facilities Hook-ups, and Fire Hydrants, Central Section (Bohanan Subdivision) / Taylor County / \$500,000
- Town of Grand Ridge Collection System / Town of Grand Ridge / \$6,320,000
- Town of Grand Ridge WWTF / Town of Grand Ridge / \$6.500,000 est
- Commercial Revitalization of Downtown area, Infrastructure & Landscaping (Phase 1) / Town of Havan / \$600,000
- Wastewater Treatment Plant Upgrade / Town of Mayo / \$500,000

5. Schedule

TWC has provided the attached **Project Schedule** focusing on Phase IA & Phase IB of the Community Maritime Park Project. This schedule shows the majority of design and permitting requirements to be completed by **January 15, 2009**. The Design Criteria Package provides significant detail on the Site and Public improvements; however, additional design plans and specifications will need to be prepared, and the remaining permits will need to be obtained. The biggest challenge will be coordinating stakeholder's expectations and goals and translating those into the final design and permits in a timely fashion. The attached **Permit Schedule** summarizes the TWC team's understanding of the permit status and schedule. Phase II (Private Improvements) of the proposed project will be market driven. Any attempt to propose a schedule for Phase II would misrepresent this phase of the proposed project.

6. The Covenant with the Community & The Contractor Academy

As stated in the TWC RFP proposal, the TWC Master Developer team is fully committed to the Covenant with the Community and the Contractor Academy. This project is a wonderful opportunity to engage the diverse Pensacola community, to grow the Pensacola workforce, and to help position local minority contractors for future development opportunities. The TWC Team has already engaged groups within the community (Hatch Mott MacDonald, Greenhut Construction, Tosh Belsinger, & Joe Endry) and the TWC plans to continue to utilize Pensacola in the delivery of this project. The focus of the community involvement will be in: construction delivery, construction materials, architecture, marketing, public improvement operations, public improvement management, public improvement maintenance, and real estate marketing. The TWC Team reiterates our caution to committing initial and / or on-going funds at this time to the community and the Contractor Academy as it would be purely speculative and could be committing the Pensacola community and the Contractor Academy to unrealistic or less beneficial opportunities than could be realized once the ground lease and other deal structures are in place. Although the details of the financial commitments cannot be addressed at this time, TWC will offer the following strategy points in assuring that the human element of this project is offered the best opportunity to achieve and exceed their goals and dreams.

- Weston Solutions currently has a Small and Minority Business Program in place. Although the Community Maritime Park Contractor Academy will be unique, the TWC Team has extensive experience in Minority and Small Business Development programs that will translate well to the Contractor Academy. Weston utilizes its award-winning Small Business Program to develop sustained relationships with small businesses including minority, woman, and veteran-owned small businesses. Weston has contracted over \$280M with Small Business over the last 3 years and currently holds

156 strategic alliances with SBs. Weston consistently exceeds specified SB contract goals as shown on six recent contracts where Weston exceeded the small business goals by 3 to 37 percent. Weston has service agreements with Historically Black Colleges/Universities and Minority Institutions including Florida International University in order to leverage talent during project execution and access to research to capture cost savings. The mentor and training programs will create new and valuable skills that can be a permanent sustainable value to the individual and community. This approach will enrich new work and these new skills will be a critical element to the success of the Contractor Academy. Weston's awards for their training / mentoring program and business achievements are as follows:

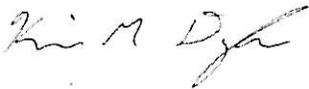
- ✓ DCMA Philadelphia has fully accepted Weston's SB program for 16 consecutive years. As evidence of the success of our program, the Small Business Administration (SBA) and DCMA Philadelphia have both honored us with the highest attainable evaluation rating of "Outstanding" for our SB program effectiveness for the past 10 consecutive years.
 - ✓ The DoD "Nunn-Perry Award" in recognition of our outstanding mentor-protégé team accomplishments with Charter Environmental, Inc. (Charter), a SATOC team member.
 - ✓ The SBA national "Award of Distinction" in recognition of our SB utilization achievements.
 - ✓ The SBA Prime Contractor of the Year "Dwight D. Eisenhower Award for Excellence" in the construction category.
 - ✓ The SBA Philadelphia District Office "Private Sector Award" for our SB program achievements and continued support of the minority business community.
 - ✓ The Center for Veterans Enterprise "Champion of Veteran Enterprise Award" in recognition of our Outreach Program in support of VOSBs and SDVOSBs
- The TWC Team consists of national, regional, and local companies. Trinity Capital Advisors, Weston Solutions, SmithCypress Partners, Hatch Mott MacDonald, and Greenhut Construction offer a broad spectrum of resources and influence that will provide the Contractor Academy with means and leverage to realize their goals.
 - The TWC Team will make it mandatory for Maritime Park Contractors and Professionals to commit funds to the Contractor Academy and the Pensacola Maritime Park Community Fund (to be established) in order to help fund the Contractor's Academy and provide the Pensacola Community with funds for sporting camps, educational camps, and recreational camps.
 - Once a deal is structured with the CMPA and the City of Pensacola, TWC will engage the Contractor Academy and the community so as to address immediate funding needs that can be allocated to the start-up programs for these organizations as well as business plans for these organizations so as to assure their sustainability.

In summary, the development world is an unpredictable environment today and always. The TWC Master Developer Team has submitted their RFP Proposal, presented their RFP Presentation, and responded to the proposed CMPA Board and Owen Beitsch Follow-Up Questions without misrepresenting the project, our team, the development process, or the current market conditions. This integrity is vital to the TWC Team. Phase IA of the TWC Phased Development Strategy should be the primary concern for this project today as all parties are unable to discuss the deal structure of future relationships affecting future phases at this time. The TWC Team is capable of hitting the ground running and delivering Phase IA and beyond once engaged by the CMPA. Due to the market environment, the unknowns of this project cannot and should not be addressed at this time. Time is our friend. As future partners we should be waiting for the market to improve and at that time take full advantage of the value that this great project has to offer.

Today, the initial phases of the Community Maritime Park Project offer strong development opportunities. While the lending markets are challenged and many potential tenants will wait out the slumping economy, it is a perfect time to add value to your assets by a) allocating public dollars to the remediation and infrastructure necessary to set the stage for the project, and b) develop the nucleus of the vertical and horizontal improvements by engaging the anchor tenants committed to the project. As partners we will work through this process together so as to meet the goals of all parties to the project.

On behalf of the TWC Master Developer Team, we thank you for your consideration and welcome the opportunity to help the City of Pensacola transition there dream that is the Community Maritime Park into a reality.

Sincerely,



Kevin M. Doyle, CCIM
President, Trinity Capital Advisors, LLC

Trinity Capital Advisors / Weston Solutions / SmithCypress Partners
Master Developer Team Layout

Company	Contact	Location	Charge
Lead Developer			
Trinity Capital Advisors	Kevin Doyle / Olin Belsinger	Suburban Philadelphia PA	Master Developer Team Strategy, Development Strategy, Financing Strategy, Market Strategy
Developer Partners			
Trinity Capital Advisors	Kevin Doyle / Olin Belsinger	Suburban Philadelphia, PA	Equity Partner & Lead Commercial Developer
Weston Solutions	Harry Booth	Suburban Philadelphia, PA	Equity Partner & Lead Remediation and Infrastructure Arm
SmithCypress Partners	Emmitt Smith	Addison, TX	Equity Partner & Lead Retail Developer
Project Management			
Trinity Capital Advisors	Ken Kearns	Suburban Philadelphia, PA	Day to day management of developer team and commercial development programs.
Weston Solutions	Mark Kleiner / Jay Motwani	Suburban Philadelphia, PA	Day to day management of remediation and infrastructure operations.
SmithCypress Partners	Tamela Thornton	Addison, TX	Day to day management of retail development programs.
Trinity Capital Pensacola	Tosh Belsinger	Pensacola, FL	Day to day local Pensacola contact for Master Developer Team and local coordinator of all Maritime Park on site project managers.
Infrastructure & Remediation & Engineering			
Weston Solutions	Mark Kleiner / Jay Motwani	Suburban Philadelphia, PA	Lead designers and orchestrators of remediation and infrastructure programs.
Hatch Mott MacDonald	Mike Broussard / Charles Carlan	Pensacola, FL	Local Pensacola arm of the remediation, infrastructure, and engineering programs.
Design			
Local Pensacola Architect	TBD	Pensacola, FL	Lead architect for all vertical improvements to the project.
HKS Architects	Mike Woolfen	Oriando, FL	Lead architect for the Multi-Use Stadium.
Sasaki Associates	Jason Hellemdrung	Boston, MA / San Francisco, CA	Lead architect for all landscaping and hardscaping programs.
Dant Clayton Corporation	Quinton Van Tonder	Louisville, KY	Lead designer of the seating components for the Multi-Use Stadium.
Horizontal Construction			
Weston Solutions	Mark Kleiner / Jay Motwani	Suburban Philadelphia, PA	Lead consultant and contractor for all horizontal improvements.
Hatch Mott MacDonald	Mike Broussard / Charles Carlan	Pensacola, FL	Lead local Pensacola consultant to all horizontal improvements.
Greenhutt Construction	Bill Greenhutt	Pensacola, FL	Lead local Pensacola contractor for all horizontal improvements.
Vertical Construction			
Greenhutt Construction	Bill Greenhutt	Pensacola, FL	Lead local Pensacola contractor for all vertical improvements.
Dant Clayton Corporation	Quinton Van Tonder	Louisville, KY	Supplier and implimenter of seating components for the Multi-Use Stadium.
Contractor Academy / Covenant with the Community			
Trinity Capital Pensacola	Tosh Belsinger	Pensacola, FL	Local Pensacola liaison for: the TWC Master Developer Team, the CMPA, the Pensacola Community, and the Contractor's Academy.
Marketing			
Joe Endry / Coldwell Banker United	Joe Endry / Dennis McKinnon	Pensacola, FL	Local, regional, and national marketing team focused on the marketing of the proposed public and private improvements.

TWC Budget Summary Pro Forma

ITEMS	DESCRIPTION	PHASE IA (\$M)	PHASE IB (\$M)	PHASE II (\$M)	TOTAL COST (\$M)
I. DIRECT COSTS					
REMEDIATION					
	Site Preparation - Demolition, Clearing and Grubbing	\$ 0.17	\$ -	\$ -	\$ 0.17
	West Side Dredging	\$ 1.76	\$ -	\$ -	\$ 1.76
	East Side Dredging - Barge Access/Bulkhead	\$ 1.27	\$ -	\$ -	\$ 1.27
	West Bulkhead Construction	\$ 2.46	\$ -	\$ -	\$ 2.46
	East Bulkhead Construction	\$ 4.57	\$ -	\$ -	\$ 4.57
	Earthwork - Soil Cap (2-foot of Structural Fill)	\$ 6.93	\$ -	\$ -	\$ 6.93
	Earthwork - West Bulkhead	\$ 0.36	\$ -	\$ -	\$ 0.36
	Earthwork - East Bulkhead	\$ 1.71	\$ -	\$ -	\$ 1.71
	Wetland Creation - Bruce Beach	\$ 2.54	\$ -	\$ -	\$ 2.54
	Engineering - Reports, Design and Specifications	\$ 1.25	\$ -	\$ -	\$ 1.25
	General Conditions	\$ 1.34	\$ -	\$ -	\$ 1.34
	SUBTOTAL REMEDIATION	\$ 24.34	\$ -	\$ -	\$ 24.34
SITE IMPROVEMENTS					
	Electrical and Communications	\$ 1.61	\$ -	\$ 6.45	\$ 8.06
	Natural Gas	\$ -	\$ -	\$ 0.62	\$ 0.62
	Sanitary Sewer	\$ 0.23	\$ -	\$ 0.23	\$ 0.46
	Site Access (Excludes Bridge)	\$ 1.75	\$ -	\$ 1.17	\$ 2.92
	Site Earthwork	\$ 2.59	\$ -	\$ 1.73	\$ 4.32
	Stormwater Sewer	\$ 2.09	\$ -	\$ 1.13	\$ 3.22
	Water and Firelines	\$ 0.36	\$ -	\$ 0.55	\$ 0.91
	Band Shell	\$ -	\$ -	\$ 0.38	\$ 0.38
	Engineering - Reports, Design and Specifications	\$ 0.67	\$ -	\$ -	\$ 0.67
	General Conditions	\$ 1.63	\$ -	\$ 2.31	\$ 3.94
	SUBTOTAL SITE IMPROVEMENTS	\$ 10.93	\$ -	\$ 14.57	\$ 25.50
LANDSCAPING & HARDSCAPING					
	West Waterfront Promenade	\$ 1.27	\$ 0.43	\$ -	\$ 1.70
	South Waterfront Promenade	\$ 0.67	\$ -	\$ -	\$ 0.67
	East Waterfront Promenade	\$ 0.68	\$ 0.42	\$ -	\$ 1.10
	Pergola Walk	\$ -	\$ 0.85	\$ -	\$ 0.85
	Water Garden	\$ 0.38	\$ 0.36	\$ 0.36	\$ 1.10
	West Main Street	\$ 0.35	\$ 0.15	\$ -	\$ 0.50
	DeViller's and Rues Street	\$ -	\$ 0.17	\$ 0.17	\$ 0.34
	Spring Street Extension	\$ -	\$ -	\$ 0.62	\$ 0.62
	Museum Way	\$ 0.28	\$ 0.39	\$ -	\$ 0.67
	South Park	\$ 0.48	\$ 4.52	\$ -	\$ 5.00
	Deviller's Square	\$ -	\$ 0.75	\$ 0.75	\$ 1.50
	Interim (Phase IA to IB to Phase II Improvements)	\$ 0.25	\$ 0.25	\$ -	\$ 0.50
	Parking Phase 1	\$ -	\$ 1.00	\$ -	\$ 1.00
	Signage Etc	\$ -	\$ 0.25	\$ 0.25	\$ 0.50
	General Conditions	\$ 0.32	\$ -	\$ -	\$ 0.32
	Escalation and Contingencies	\$ 0.34	\$ 0.33	\$ 0.33	\$ 0.98
	Soft Costs	\$ 0.26	\$ 0.26	\$ -	\$ 0.52
	SUBTOTAL LANDSCAPING & HARDSCAPING	\$ 5.27	\$ 10.13	\$ 2.48	\$ 17.88
VERTICAL IMPROVEMENTS					
	Parking - Structured	\$ -	\$ -	TBD	TBD
	Shell Construction - Residential - Hotel (176,000 SF)	\$ -	\$ -	\$ 44.00	\$ 44.00
	Shell Construction - Retail (70,000 SF)	\$ -	\$ -	\$ 14.00	\$ 14.00
	Shell Construction - Office (167,000 SF)	\$ -	\$ 11.10	\$ 19.90	\$ 31.00
	Construction - Conference Center and Classrooms (32,000 SF)	\$ -	\$ 9.00	\$ -	\$ 9.00
	Construction - Multiuse Facility (112,870 SF)	\$ -	\$ 14.20	\$ -	\$ 14.20
	Tenant Improvements - Retail	\$ -	\$ -	\$ 3.50	\$ 3.50
	Tenant Improvements - Office	\$ -	\$ 1.80	\$ 3.21	\$ 5.01
	Amenities/FF&E	TBD	TBD	TBD	TBD
	General Conditions/Contractor Fee	TBD	TBD	TBD	TBD
	Contingency	TBD	TBD	TBD	TBD
	VERTICAL IMPROVEMENTS SUBTOTAL	\$ -	\$ 36.10	\$ 84.61	\$ 120.71
	TOTAL DIRECT COST	\$ 40.54	\$ 46.23	\$ 101.66	\$ 188.42
II. INDIRECT COSTS					

	Architecture & Engineering	\$ 1.00	\$ 1.00	\$ 2.95	\$ 4.95
	Permit & Fees	\$ 0.50	\$ 0.50	\$ 1.47	\$ 2.47
	Legal & Accounting	\$ 0.50	\$ 1.51	\$ 2.96	\$ 4.97
	Taxes & Insurance	\$ 0.50	\$ 0.50	\$ 1.47	\$ 2.47
	Developer Fee	\$ 0.82	\$ 3.19	\$ 5.89	\$ 9.90
	Marketing/Lease-up	\$ -	\$ -	\$ 2.47	\$ 2.47
	Contingency	\$ 1.50	\$ 1.51	\$ 4.41	\$ 7.42
	TOTAL INDIRECT COSTS	\$ 4.82	\$ 8.21	\$ 21.62	\$ 34.65
III. FINANCING COSTS					
	Loan Fees	TBD	TBD	TBD	TBD
	Interest During Construction	TBD	TBD	TBD	TBD
	Interest During Construction	TBD	TBD	TBD	TBD
	HOA Dues on Unsold Units	TBD	TBD	TBD	TBD
	Operating Lease-up/Reserves	TBD	TBD	TBD	TBD
	TCAC/Syndication Fees	TBD	TBD	TBD	TBD
	TOTAL FINANCING COSTS	TBD	TBD	TBD	TBD
IV. TOTAL DETERMINED DEVELOPMENT COSTS		\$ 45.36	\$ 54.44	\$ 123.28	\$ 223.07

Pensacola Community Maritime Park
TWC Build Out Analysis

Phase IB Development - Vertical

Description	# of Structures	Footprint SF	Projected Stories	Potential Gross SF (Vertical Only)	Block Acreage
Conference Center / Mixed Use (Home Plate / Cedar Street)	1	16,000 SF	2	32,000 SF	n/a
Studer Office Building / Mixed Use (Third Base Line / Cedar Street)	1	19,000 SF	3	60,000 SF	n/a
Concessions / Mixed Use (First Base Line / Museum Lane)	1	10,000 SF	1	10,000 SF	n/a
Multi-Use Park & Buildings	n/a	n/a	n/a	n/a	6.9 AC
Maritime Museum - *UWV Ground Lease*	1	29,000 SF	3	40,000 SF	1.4 AC
Maritime Museum Mixed Use - *UWV Ground Lease*	2	6,000 SF	1	6,000 SF	n/a
Totals	6	80,000 SF	10	148,000 SF	8.3 AC

Phase IB Development - Parking

Description	# of Spaces	Footprint SF	Projected Stories	Potential Gross SF	Acreage
Northwest Surface Parking	350	152,000 SF	n/a	152,000 SF	3.5 AC
Miscellaneous Surface Parking	57	n/a	n/a	n/a	n/a
Totals	407	152,000 SF	n/a	152,000 SF	3.5 AC

Phase II Development - Vertical

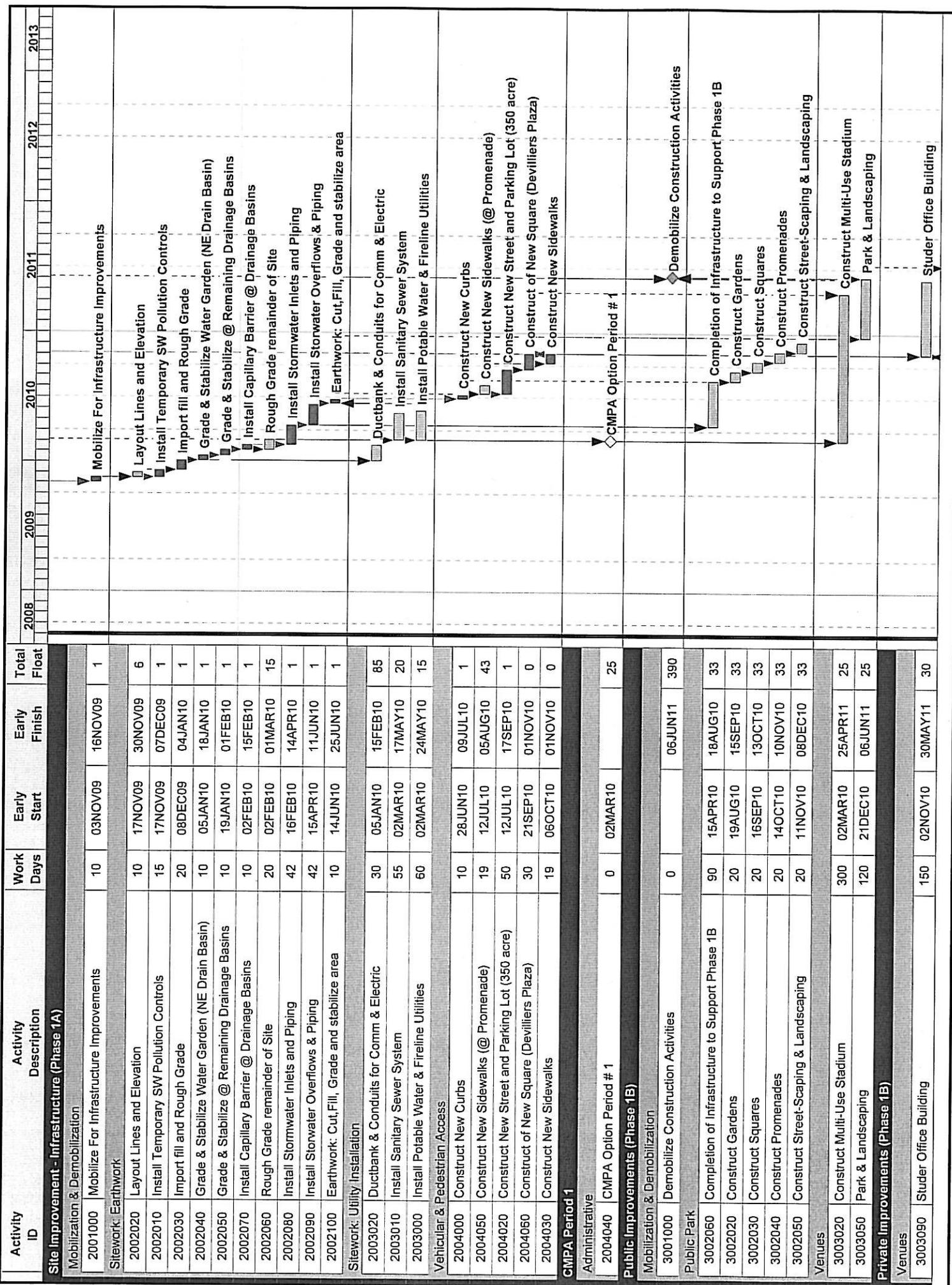
Description	# of Structures	Footprint SF	Projected Stories	Potential Gross SF	Block Acreage
Upper West Mixed Use	3	24,000 SF	1	24,000 SF	1.5 AC
Northwest Mixed Use	4	30,000 SF	4	120,000 SF	3.5 AC
Lower West Mixed Use - *UWV Lease*	3	21,000 SF	2	43,000 SF	.7 AC
Northeast Mixed Use	2	13,000 SF	2	50,000 SF	1.3 AC
East Mixed Use	1	10,000 SF	7	68,000 SF	.8 AC
Office Building / Mixed Use (Left Field / Cedar Street)	1	10,000 SF	4	40,000 SF	n/a
Restaurant / Mixed Use (Right Field / Museum Lane)	1	5,000 SF	1	5,000 SF	n/a
Bar / Mixed Use (Right Field / Museum Lane)	1	2,000 SF	1	2,000 SF	n/a
Totals	16	115,000 SF	22	352,000 SF	7.8 AC

Phase II Development - Parking

Description	# of Spaces	Footprint SF	Projected Stories	Potential Gross SF (Vertical Only)	Acreage
Upper West Surface Parking	71	24,000 SF	n/a	24,000 SF	.5 AC
Northwest Parking Deck	976	81,000 SF	4	324,000 SF	1.8 AC
Miscellaneous Surface Parking	93	n/a	n/a	n/a	n/a
Totals	1,140	105,000 SF	4	348,000 SF	2.3 AC

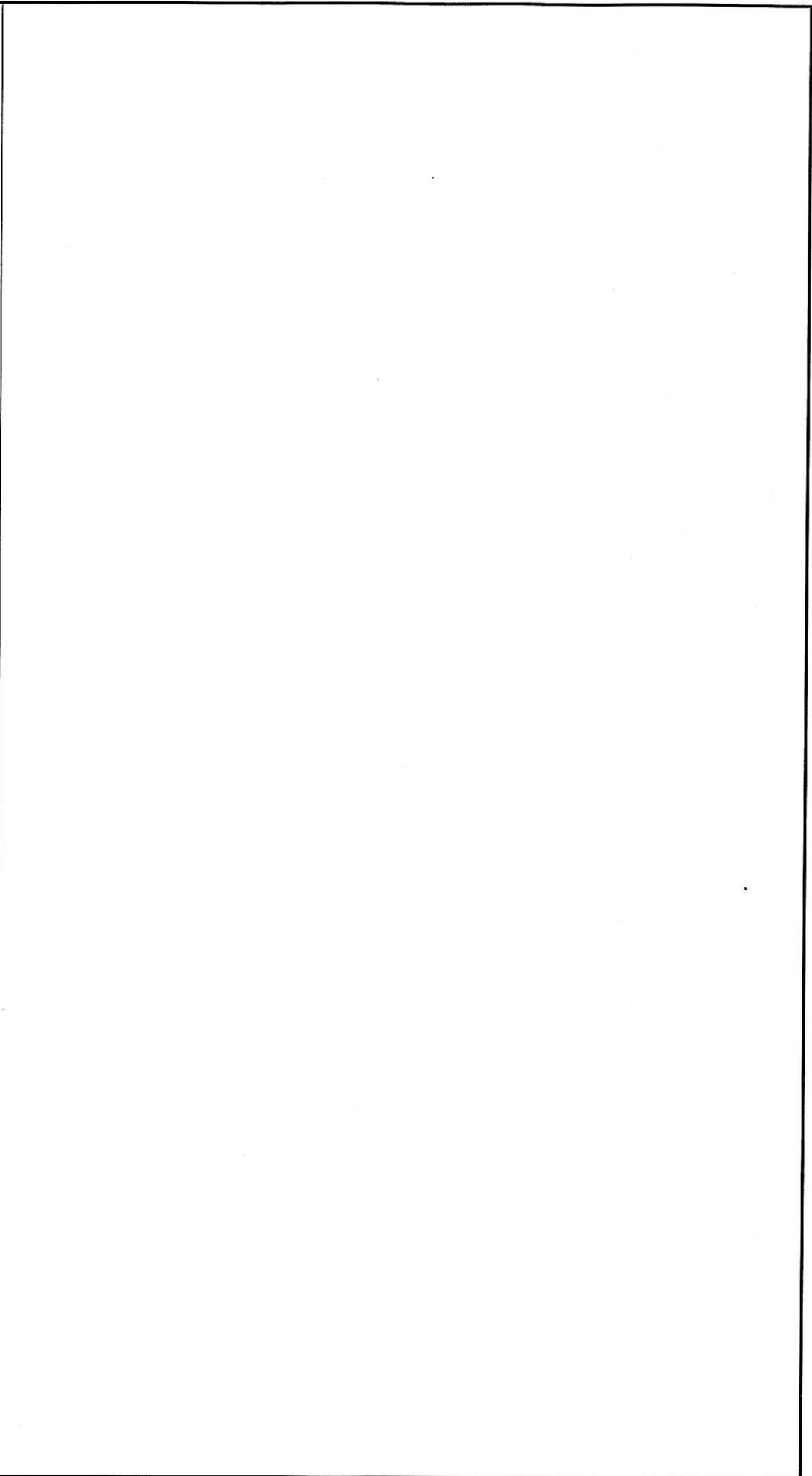
Phase I & Phase II Totals (Parking Not Included)

Description	# of Structures	Footprint SF	Projected Stories	Potential Gross SF	Acreage
Phase I	6	80,000 SF	10	148,000 SF	8.3 AC
Phase II	16	115,000 SF	22	352,000 SF	7.8 AC
Totals	22	195,000 SF	32	500,000 SF	16.1 AC



Activity ID	Activity Description	Work Days	Early Start	Early Finish	Total Float
Site Improvement - Infrastructure (Phase 1A)					
Mobilization & Demobilization					
2001000	Mobilize For Infrastructure Improvements	10	03NOV09	16NOV09	1
Sitework: Earthwork					
2002020	Layout Lines and Elevation	10	17NOV09	30NOV09	6
2002010	Install Temporary SW Pollution Controls	15	17NOV09	07DEC09	1
2002030	Import fill and Rough Grade	20	08DEC09	04JAN10	1
2002040	Grade & Stabilize Water Garden (NE Drain Basin)	10	05JAN10	18JAN10	1
2002050	Grade & Stabilize @ Remaining Drainage Basins	10	19JAN10	01FEB10	1
2002070	Install Capillary Barrier @ Drainage Basins	10	02FEB10	15FEB10	1
2002060	Rough Grade remainder of Site	20	02FEB10	01MAR10	15
2002080	Install Stormwater Inlets and Piping	42	16FEB10	14APR10	1
2002090	Install Stormwater Overflows & Piping	42	15APR10	11JUN10	1
2002100	Earthwork: Cut, Fill, Grade and stabilize area	10	14JUN10	25JUN10	1
Sitework: Utility Installation					
2003020	Ductbank & Conduits for Comm & Electric	30	05JAN10	15FEB10	85
2003010	Install Sanitary Sewer System	55	02MAR10	17MAY10	20
2003000	Install Potable Water & Fireline Utilities	60	02MAR10	24MAY10	15
Vehicular & Pedestrian Access					
2004000	Construct New Curbs	10	26JUN10	09JUL10	1
2004050	Construct New Sidewalks (@ Promenade)	19	12JUL10	05AUG10	43
2004020	Construct New Street and Parking Lot (350 acre)	50	12JUL10	17SEP10	1
2004060	Construct of New Square (Devillers Plaza)	30	21SEP10	01NOV10	0
2004030	Construct New Sidewalks	19	06OCT10	01NOV10	0
CMPA Period 1					
Administrative					
2004040	CMPA Option Period # 1	0	02MAR10		25
Public Improvements (Phase 1B)					
Mobilization & Demobilization					
3001000	Demobilize Construction Activities	0		06JUN11	390
Public Park					
3002060	Completion of Infrastructure to Support Phase 1B	90	15APR10	18AUG10	33
3002020	Construct Gardens	20	19AUG10	15SEP10	33
3002030	Construct Squares	20	16SEP10	13OCT10	33
3002040	Construct Promenades	20	14OCT10	10NOV10	33
3002050	Construct Street-Scaping & Landscaping	20	11NOV10	08DEC10	33
Venues					
3003020	Construct Multi-Use Stadium	300	02MAR10	25APR11	25
3003050	Park & Landscaping	120	21DEC10	06JUN11	25
Private Improvements (Phase 1B)					
Venues					
3003090	Studer Office Building	150	02NOV10	30MAY11	30

Activity ID	Activity Description	Work Days	Early Start	Early Finish	Total Float
3003070	Conference Center	180	02NOV10	11JUL11	0
Phase 1A/1B Completion					
Administrative					
3003080	Phase 1A/1B Completion	0		11JUL11	0
CMPA Period 2					
Administrative					
3003100	CMPA Option Period # 2	0		11JUL11	0
Phase 2 Project					
Administrative					
3003110	Phase 2 Project Start	365	12JUL11	03DEC12	0



**Pensacola Community Maritime Park
TWC Master Developer Team
Permit Schedule**

Permit	Approval Agency	Status	Lead Time
Potable Water Permit	ECUA	Not Applied	60 Days
Wastewater Permit	ECUA	Not Applied	60 Days
Building Permit	City	Not Applied	60 Days for Each Building & Structure - CDs Submitted to City for 2- 4 Week Review, Address Comments & Resubmit, Additional 2 - 4 Week Review.
Environmental Resource Permit - ERP	NWFMD / FDEP	Not Applied	30 Day Completeness Review Followed by a Maximum 90 Day Technical Review
Dredge / Fill Permit	Army Core of Engineers / FDEP	Applied	Decision Pending > Awaiting Response to Mitigation Plan
Remedial Action Plan (Revision)	FDEP / FDOH	Not Applied	60 to 120 Days
National Pollutant Discharge Elimination System Notice of Intent (NPDES)	FDEP (No approval necessary)	N/A	Notice of Intent to be Submitted 48 Hours Prior to Commencement

July 28, 2008

Mr. Owen Beitsch
Real Estate Research Consultants
14 East Washington Street, Suite 500
Orlando, FL 32801

RE: TWC Response to CMPA & Owen Beitsch Follow-Up Questions to Proposals - **Clarification**

Dear Mr. Beitsch:

On behalf of the TWC Master Developer Team for the Pensacola Community Maritime Park, we thank you for the time you spent with our team discussing the TWC response to the RFP questions posed by you and the CMPA Board. Per our conversation, TWC would like to make the following **clarifications**:

1. The TWC Development Schedule attached to our RFP and our response letter offers a detailed timeline for the proposed project improvements. As a quick reference guide to the schedule, the key dates to the project are as follows:
 - Permits Received & Phase IA Design Complete > **January 15, 2009**
 - Phase IA - Completion of Remediation & Infrastructure > **November 2010**
 - CMPA Option Period 1 Begins > **March 2010**
 - Phase IB - Completion of Multi-Use Stadium, Studer Group Office Building, Conference Center, Band Shell and Maritime Museum Pad Sites, & Landscaping and Hardscaping > **April – July 2011**
 - CMPA Option Period 2 Begins > **July 2011** (earlier as appropriate depending on market indicators for Phase II commencement)
 - Phase II - Private Development Components Begin > **July 2011** (Market Driven)

2. The TWC Team understands that there are approximately \$38 million remaining of the \$40 million public dollars that are appropriated for the initial phase of the Community Maritime Park. The TWC Team will commit **\$2 to \$2.5** million (as needed) to the initial phase of the project in order to close the funding gap as we understand it. The TWC Team believes that the success and efficient implementation of the initial phase of the project will add marketable value to the future phases of the Pensacola Community Maritime Park project. TWC's financial commitment to the first phase of the project shows TWC's commitment to the build out of both the public and private phases of the Pensacola Community Maritime Park.

3. As an entity level partner of the TWC Team, Weston Solutions provides 50 years of experience in the disciplines of remediation solutions and infrastructure delivery as well as long standing success in the inclusion of small businesses and minorities in the execution of their past projects. The following is expanded information offering specific small business and minority inclusion achievements for Weston Solutions. See also the attached **Table 1** and **Table 2**.

As a company with its origins as a small business and its subsequent growth to an internationally known large business firm, Weston Solutions, Inc. (WESTON®) not only recognizes the importance of small businesses to the economic well being of our country, but also the importance of diversification to our socioeconomic infrastructure by maximizing opportunities for Small, HUBZone Small, Small Disadvantaged, Women-Owned, Veteran-Owned, Service-Disabled Veteran-Owned Small Business Concerns, Historically Black Colleges/Universities and Minority Institutions.

To this end, WESTON, its subsidiaries and affiliates fully subscribe to the principles defined by our government's Small Business Subcontracting Programs. As a responsible contractor, WESTON assumes an affirmative obligation and specific responsibilities imposed by these programs as described in PL 95-507, PL 99-661, PL 100-180, PL 105-135, PL 106-50, PL 106-554 and Federal Acquisition Regulation (FAR) clause 52.219-8 "Utilization of Small Business Concerns" and clause 52-219-9 "Small Business Subcontracting Plan".

WESTON's utilization of SB firms is a critical element to the success of our SB Subcontracting Program. At WESTON, we focus on maximizing opportunities for SB participation in all contracts to build these firms' experience, capabilities, and growth to become viable work partners and competing firms. Although our Small Business Program is dominantly Federally-based, WESTON tracks and maintains data for its municipal and commercial clients' small business utilization requirements, as well. WESTON has demonstrated tremendous accomplishments in the utilization of Small Business Enterprises, and has been recognized with commendations from many of its clients, as well as from the Small Business Administration.

WESTON primarily tracks its Small Business Utilization for its contracts with Federal agencies. WESTON records its performance in subcontracting to small businesses for every federal contract and task order on a bi-annual basis, and submits the required reports to the respective agency contracting officers. For the past five years, WESTON has met or exceeded the minimum statutory goals for small business subcontracting for those contracts and task orders requiring subcontracting plans. This is a difficult and tremendous accomplishment, since the specific location and nature of work associated with many federal task orders is not confirmed until the task order is issued. The attached **Table 1** presents the information that demonstrates WESTON's track record.

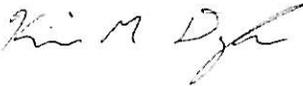
An exemplary project case of WESTON's ability to maximize its utilization of Small Businesses lies within the recent contract completed at the New Orleans Pumping Stations for the US Army Corps of Engineers. With no subcontracting goal requirements under this rapid-response contract, WESTON successfully managed approximately forty subcontractors to complete the pumping stations ahead of schedule and below cost. With more than 53% of the total cost of the contract representing small business participation, this figure equates to almost \$50M spent with small firms; even more impressive was WESTON's ability

to utilize local Louisiana firms by spending 93% of the total contract value, or almost \$85M with these firms. The attached **Table 2** presents the subcontracting data on this project.

Hence, WESTON relies on a dynamic database of subcontractors and suppliers that are located both nationally and internationally. WESTON has invested greatly in developing its database, SubTrack, to initiate and facilitate sourcing qualified subcontractors; WESTON realizes the tremendous value in maintaining this accurate and up-to-date database of multi-disciplined firms, and all subcontractors and suppliers are pre-qualified in SubTrack before they are issued any contractual agreements. WESTON's strict requirements for performance, health and safety, quality, and integrity are among the primary areas of focus when qualifying firms who work with WESTON

Again we thank you for your time and efforts in this process and hope that these clarifications are helpful to you and the CMPA Board in the analysis of our response. Please feel free to contact the TWC Master Developer Team with any additional questions that may arise.

Sincerely,



Kevin M. Doyle, CCIM
President, Trinity Capital Advisors, LLC

TABLE 1

FIVE-YEAR SUMMARY OF WESTON SUBCONTRACTING PERFORMANCE
(FEDERAL CONTRACTS)

ALL FEDERAL AGENCIES			Subsets of Small Business										
FY	TOTAL SUBK \$	ALL SB \$	SB %	SDB \$	SDB %	WOSB \$	WOSB %	HUBZ \$	HUBZ %	VOSB \$	VOSB %	SDVOSB \$	SDVOSB %
03	78,771,657	53,681,404	68.1	13,947,458	17.8	10,942,233	13.9	4,802,830	6.1	975,236	1.2	28,377	0.04
04	86,053,824	61,768,625	71.8	9,763,707	11.3	8,052,222	9.4	3,644,391	4.2	4,266,264	5.0	3,374,910	3.9
05	103,975,099	78,214,504	75.2	24,949,350	24.0	11,196,548	10.8	21,679,641	20.9	2,942,133	2.8	590,865	0.6
06	142,920,781	90,690,034	63.5	26,323,893	18.4	22,634,961	15.8	8,722,936	6.1	4,529,807	3.2	1,038,064	0.7
07	183,237,807	115,492,963	63.0	17,403,039	9.5	7,707,621	4.2	14,140,776	7.7	9,040,702	4.9	2,976,386	1.6

KEY

FY = Fiscal Year

SUBK = Total Subcontracted Dollars

SB = Small Business

SDB = Small Disadvantaged Business

WOSB = Women Owned Small Business

HUBZ = HUB Zone Small Business

VOSB = Veteran-Owned Small Business

SDVOSB = Service-Disabled Veteran-Owned Small Business

TABLE 2

NOLA Project
(Contract FA8903-06-D-8521)
(Task Order 008)
Subcontracting Report
October 2007

Vendor Name	PO Amount	Bus Class	Region
ABITA SPRINGS WATER CO	\$ 2,000.00	Large	Metairie, LA
AVIS RENT A CAR	\$ -		
BARCO RENT A TRUCK	\$ 13,110.00	Small	Salt LAKE City, UT
BBG&S ENGINEERING CONSU	\$ 2,160,957.00	Small	Birmingham, AL
CC LYNCH AND ASSOCIATES	\$ 20,765.00	Small	Pass Christian, MS
COMM SOLUTIONS COMPANY	\$ 160.00	Large	Malvern, PA
CONNICO INC	\$ 375.00	WOSB	Nashville, TN
CORT FURNITURE	\$ 667.00	Small	Jefferson, LA
CORT FURNITURE	\$ 2,919.00	Small	Jefferson, LA
DELL RECEIVABLES L P	\$ 1,329.00	Large	Atlanta, GA
DELL RECEIVABLES L P	\$ 4,137.00	Large	Atlanta, GA
DELL RECEIVABLES L P	\$ 129.00	Large	Atlanta, GA
WILLIAM L DEUTSCH Ph.D	\$ 96,426.00	Small	Downingtown, PA
DYNAMIC INDUSTRIES INC, (negotiations in process. Estimate only)	\$42,986,824.00	Large	Lafayette, LA
DYNAMIC INDUSTRIES INC	\$ 150,000.00	Large	Lafayette, LA
SOUTHERN EARTH SCIENCES	\$ 2,145.00	Large	New Orleans, LA
GANDOLFO KUHN LLC	\$ 27,000.00	Small	Harahan, LA
HAROLD JACK BLAKEMORE	\$ 22,900.00	SDVOSB	Exton, PA
INNER PARISH SECURITY COR	\$ 126,600.00	Small	Hammond, LA
KC ENVIRONMENTAL	\$ 58,702.00	Small	Langhorne, PA
LOURIE CONSULTANTS	\$ 12,702.00	Small	Dallas, TX
MICHAEL BRIAN LANE d/b/a	\$ 27,000.00	Small	Charlotte, NC
MICKEY RETIF SPORTS COMP	\$ 16,000.00	Small	New Orleans, LA
MWI d/b/a MOVING WATER	\$ 4,217,757.00	Small	Deerfield Beach, FL
OFFICE DEPOT BUSINESS SER	\$ 6,133.00	Large	Cincinnati, OH
OFFICE DEPOT-10	\$ 10,144.00	Large	Los Angeles, CA
PC CHOICE INC	\$ 1,511.00	Small	West Chester, PA
M R PITTMAN GROUP LLC	\$39,950,000.00	Small	Harahan, LA
POT O GOLD RENTALS INC	\$ 477.00	Small	Hammond, LA
PRIME CONTROLS LP	\$ 1,365,845.00	Small	Baton Rouge, LA
PROFESSIONAL SERVICE INDU	\$ 25,000.00	Large	Chicago, IL
POTTY TIME TOILETS	\$ 510.00	Small	Lafayette, LA
RIVER BEND BROKERAGE	\$ 171,600.00	Large	Mandeville, LA
MODULAR SPACE CORPORATION	\$ 18,444.00	Large	Edgewood, MD
WILLIAMS SCOTSMAN INC	\$ 932.00	Large	Reserve, LA
COBB CORPORATION INT'L	\$ 5,000.00	WOSB	New Orleans, LA
STRATEGIC PLANNING ASSOC	\$ 28,000.00	Small	Kenner, LA
SOLUTIONS4SURE.COM INC	\$ 1,504.00	Large	Hartford, CT
SOLUTIONS4SURE.COM INC	\$ 146.00	Large	Hartford, CT
TRI STATE OIL COMPANY INC	\$ 120,900.00	Small	Belle Chasse, LA
WJS ENTERPRISES INC	\$ 11,044.00	Large	Baton Rouge, LA
H RICHMOND FISHER d/b/a	\$ 4,663.00	Small	New Orleans, LA
XEROX CORPORATION	\$ 16,257.00	Large	Philadelphia, PA
Total Subcontracting	\$ 91,688,714.00		
Small Business	\$ 48,280,786.00		
Small Percentage	53%		
Local LA Firms	\$ 84,973,126.00		
Local LA Percentage of total subcontracts	93%		
Estimated Final Contract Value	\$ 110,450,146.00		
Local LA Percentage of Total Contract	77%		