



Bayshore Gateway Triangle CRA • Bayshore Beautification MSTU
Haldeman Creek MSTU

AGENDA

Bayshore Gateway Triangle Community Redevelopment Area
Advisory Board

February 12, 2018 Special Meeting

3570 Bayshore Drive, Unit 102

Naples, Florida 34112

6:00 PM

Chairman Maurice Gutierrez

Karen Beatty, Peter Dvorak, Larry Ingram, Ron Kezeske, Steve Main,
Shane Shadis, Michael Sherman

AGENDA

- I. Roll Call
- II. Pledge of Allegiance
- III. Adoption of Agenda
- IV. Old Business:
 - a. 17 Acre "Invitation to Negotiate" – Review of Final Proposals
- V. Public Comments
- VI. Advisory Board Comments
- VII. Next Meeting: March 6, 2018
- VIII. Adjourn



**Collier County
FL**

**Action Item
4739**

Recommendation that the Board of County Commissioners, acting as the Community Redevelopment Agency Board (CRAB), select a developer and authorize the publication of a thirty (30) day notice of intent to dispose of approximately 17.89 acres of CRA owned property owned in Bayshore Gateway Triangle redevelopment area based on the review and selection of one of the two proposals submitted under ITN 17-7169. (Debrah Forester, CRA Director)

Information

Department:	County Manager's Office	Sponsors:
Category:	14B Community Redevelopment Agency	

Attachments

Printout
Attachment A - Arno Inc - 02.05.18 Update
Arno Final Proposal Updated 020218
Attachment B - Banroc Corp - 02.05.18 Update
Banroc Final Proposal Updated 020218
CAPA Progress Report 02.01.18
GAI Feasibility Report - 02.05.2018
Purchase Sale Agreement Template

Executive Summary

EXECUTIVE SUMMARY

Recommendation that the Board of County Commissioners, acting as the Community Redevelopment Agency Board (CRAB), select a developer and authorize the publication of a thirty (30) day notice of intent to dispose of approximately 17.89 acres of CRA owned property owned in Bayshore Gateway Triangle redevelopment area based on the review and selection of one of the two proposals submitted under ITN 17-7169.

OBJECTIVE: To facilitate the development of the 17.89 acre CRA property located in the Bayshore/ Gateway Triangle Community Redevelopment Area (BGTCRA) in order to generate positive economic activity, promote arts and culture, and continue the general revitalization of the Bayshore community.

CONSIDERATIONS: On April 11, 2017, the Board of County Commissioners acting as the Collier County Community Redevelopment Agency Board (CRAB), authorized staff to market and sell, through the Invitation to Negotiate process, the BGTCRA owned property identified as 4265 and 4315 Bayshore Drive in accordance with Section 163.380, Florida Statutes as outlined in the Collier County Community Redevelopment Plan. The

notice soliciting proposals from any party/parties interested in the purchase and development of the 17.89 parcel located on Bayshore Drive was published.

The deadline to submit price and concept proposals on the ITN was August 31, 2017. Three proposals were received: Arno, Inc.; Banroc Corporation; and Minker Properties. The proposals were reviewed by the Bayshore Gateway Triangle CRA Advisory Board on October 5, 2017, and October 19, 2017. On November 3, 2017, Minker Properties withdrew their proposal. On November 14, 2017, the CRAB considered the two remaining proposals and directed staff to negotiate with both developers. Staff has met with both developers several times and the developers have revised their site plans and product mix over the last two months. Attachment A and Attachment B provide an overview of each proposal as revised and submitted by each developer.

The Purchase and Sale Agreement Template outlines the draft terms and conditions for the disposition of the property. It is intended to be customized with developer name and project scope. In the event the CRAB wishes to select one of the offers as presented, the next steps are to finalize the Purchase and Sale Agreement and publish a 30-day notice. At the end of the 30-day notice, an agenda item will be scheduled and the CRAB may approve a Purchase and Sale Agreement with the selected developer, select any alternate proposal submitted, or reject all offers.

Section 163.380(3)(a), Florida Statutes, requires that prior to disposition of any real property or interest therein in a community redevelopment area, any county, municipality, or community redevelopment agency shall give public notice or such disposition by publication in a newspaper having general circulation in the community, at least 30 days prior to the execution of any contract to sell, lease, or otherwise transfer real property.

Both proposers are proposing a mixed-use village with a cultural component on the 17-acre property, plus the option to purchase the adjacent 2.5-acre site bringing the total development to 20+/- acres. Both proposers will construct a pedestrian connection to Sugden Park and both are negotiating with cultural and performing arts entities to include a cultural component. Below is a brief overview of the proposals

GAI Consultants, Inc. was hired to review and comment on the two proposals, examine cost issues generally, and identify other considerations and concerns. The final report is attached.

Arno Inc.:

Purchase Price: \$3.5 million. 175 market rate units ranging in size from 700 to 920 sf with the majority initially available for rent if negotiations with Cultural and Performing Arts Center (CAPA)/Visual and Performing Arts Center (VPAC) is successful and the entity can raise the capital to construct and operate the facility. The developer is still interested in pursuing a reduction in residential unit size during the rezoning process. The maximum height required is 100 ft to accommodate the performing arts center. Approximately 36,000 sf of commercial space is anticipated. The total estimated investment is approximately \$40 million. If the cultural entity is unable to perform, the alternate plan is to develop an additional 69 residential units bringing the total residential count to 244 units. There will be a density bonus request ranging from 135 to 204 units depending on the development scenario implemented. The maximum density is not expected to exceed 244 residential units.

Banroc Corporation:

Purchase Price: \$3.2 Million. 170 market rate units ranging in size from 750 to 1250 sf all for purchase. The proposal does reference 50 of those units as condo/hotels units to allow for short-term stays without the traditional daily hotel services if negotiations with a cultural and performing arts entity (Cultural and Performing Arts Center (CAPA)/Visual and Performing Arts Center (VPAC) or Phoenixia Festival of Voice Foundation) is successful and the entity can raise the capital to construct and operate the facility. The maximum height required is 90 to 100 ft depending on the final design of the performing arts center. Approximately 98,500 sf of commercial space is anticipated. The total estimated investment is between \$65 to \$84 million. If the cultural entity is unable to perform, the alternate plan is to develop 75 residential units plus

an outdoor amphitheater (built and operated by developer), bringing the total residential units to 245. There will be a density bonus request ranging from 130 to 205 units depending on the development scenario implemented. The maximum density is not expected to exceed 245 residential units.

FISCAL IMPACT: The sites was purchased in 2006 (\$4,614,243 - 4265 Bayshore Dr.) and 2008 (\$765,652 - 4315 Bayshore Dr.) for a total of \$5.35 million. In 2017, it was appraised at \$3,694,000. The disposition of the site will return it to the tax rolls and development of the site will further increase the value of the site and result in additional tax increment revenues for the BGTCRA.

GROWTH MANAGEMENT IMPACT: Both projects will require a rezone and possible Comprehensive Plan amendment to achieve the density and intensity of the proposed development.


ADVISORY COMMITTEE RECOMMENDATIONS: At the October 19, 2017 Advisory Board meeting, the Board voted unanimously that Arno Inc and Banroc Corporation proposals move forward to the CRAB for review.

LEGAL CONSIDERATIONS: This item is approved as to form and legality, and requires majority vote for approval. - JAB

RECOMMENDATION: That the Board of County Commissioners, acting as the Community Redevelopment Agency Board (CRAB), select a developer and authorize the publication of a thirty (30) day notice of intent to dispose of approximately 17.89 acres of CRA owned property owned in Bayshore Gateway Triangle redevelopment area based on the review and selection of one of the two proposals submitted under ITN 17-7169.

Prepared by: Debrah Forester, CRA Director

Discussion

 Add Comment

Powered by **Accela** - Legislative Management

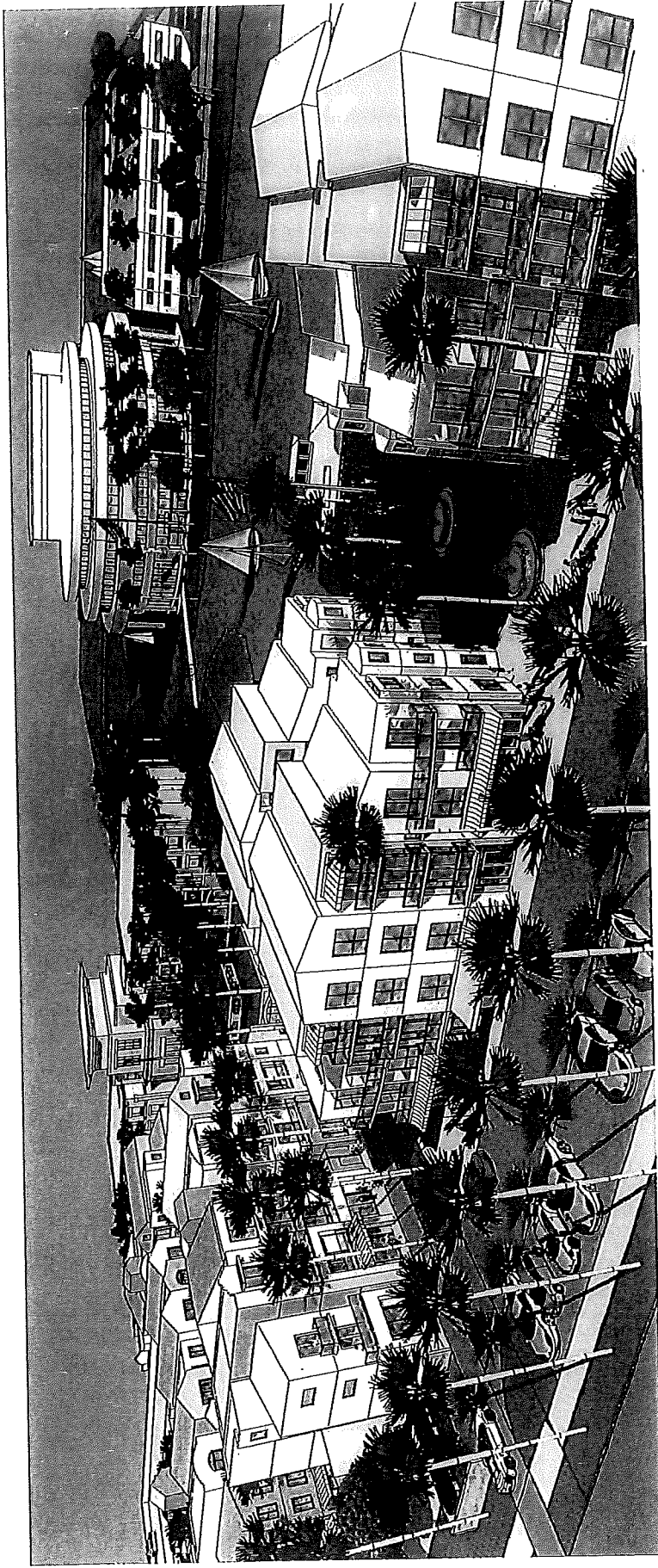
February 2, 2018 Project Overview	
Bayshore CRA	ARNO INC.
Project Scope: <ul style="list-style-type: none"> • Conceptual Site Plan – uses 	See attached materials
Community Impact: <ul style="list-style-type: none"> • CRA Vision • Conceptual Plans - Visuals 	Mixed-Use Cultural Village based on Traditional Neighborhood Design (TND) principles.
Adjacent Parcels: 2.5 acres (4 units per acre + 8 additional units for Affordable Housing) 273 ft of additional frontage on Bayshore Dr.	Shadley Property - option on property due within 30 days of PSA approval. (Incorporated parcel within the updated site plan. Site cost and improvements included in updated Pro Forma.)
Sugden Park Connection: CRA Goal	Boardwalk/bridges - 8 ft wide boardwalk and bridges included in pro forma. Per PSA – commitment to design and build.
Parking Facilities:	2 garages: 1. Bayshore Drive Access - 320 spaces/4 levels 2. VPAC Garage - 168 spaces/2 levels plus 36 on-site = 204 spaces Village Condos (36 units) - 48 parking spaces under building. Shadley Property - 28 on-site spaces. Total provided = 600 spaces.
Cultural Component: Estimated Cost \$50M	
CAPA(Cultural and Performing Arts Center)/VPAC(Visual and Performing Arts Center) <ul style="list-style-type: none"> • Design - CAPA-900 Seat plus height of 85 to 90 ft depending on technology for acoustics. • Parking – 330 spaces • Private Fundraiser hired. • Dedicated 3-4 acres, 	May 2017 MOU included. Per VPAC, new MOU being negotiated as outlined in PSA.

<p>Cultural Component: The site was rezoned in 2012 to the Cultural Arts Village at Bayshore. The vision was to include a cultural component- a multi-use facility suitable for art, cultural, and performing venues as well as providing public access for festivals and other community activities.</p>	<p>Land to be donated to CAPA/VPAC subject to funding and timeline performance criteria.</p>
<p>Cultural Component Alternative:</p>	<p>Additional 69 residential units - to bring total to 244 units. (20.4 acres x 12 units/acre) Maximum height- 4 to 5 stories.</p>
<p>CRA Financial Request:</p>	<p>No financial but density transfer requested.</p>
<p>Current Zoning: Mixed Use PUD 40 dwelling units 48,575 Commercial 84,000 sqft of parking 350-fixed seat performing arts center 20 t setback from wetlands – deviation in current PUD</p>	<p>Possible deviations from code requested:</p> <ol style="list-style-type: none"> 1. Increase dwelling units from 40 to 175 (with cultural component.) 2. No additional retail area requested. 3. Additional parking will be provided. 4. VPAC seating to be increased from 350 to 1000 seats. 5. No setback changes requested. 6. Fly tower height allowance to be increased to 100 ft. 7. Change to LDC required to accommodate TDU transfer. 8. Continued interest in a unit size below 700 sf. 9. Other Deviations from code to be discussed at pre-application meeting with Growth Management.
<p>Density: 40 units + 10 units from Shadley Property = 50 total units</p> <ul style="list-style-type: none"> • 316 available. Limited to 97 units per project. Value associated with Density Units – transfer is not allowed in Coastal High Hazard Area – Bayshore Density is unique – TDR in other locations valued at \$12K to \$13K per unit. 	<p>All market-rate units: 175 units TDU Requirement: 125 units from BGTCRA Bonus Density with Shadley Property.</p>

<ul style="list-style-type: none"> Shadley Property – 2.5 acres @ 4 units per acre = 10 units 	135 Units from BGTCRA without Shadley Property No Cultural Component: Maximum Density - 244 units TDU Requirement: 194 units from BGTCRA CRA with Shadley Property 204 units from BGTCRA without Shadley Property Land Development Code (LDC) Amendment required to allow TDU since amount exceeds 97 units.		
Residential Unit Size: <ul style="list-style-type: none"> LDC – minimum size 700 sf 	42 x 700 sf. two-bedroom units 78 x 742 sf. two-bedroom units 55 x 920 sf. Three bedroom units <u>Total = 175 units</u> Balconies on all units.	Developer may request that some units fall below 700 sf.	
Height – 4 stories = 72 feet	Increase to 100 ft. – up to 90 feet required by VPAC		
Residential Price Points:	All under \$300,000 Assumes 48 Village Units will be sold and the remaining units will initially be rentals.		
Commercial Square Footage:	41 units Estimated total - 36,396 sf. Units can be combined. Restaurant proposed on Shadley site. Multiple eateries/bars are possible.		
Buildout	30 months from permitting		
Long term Maintenance- HOA	HOA		
Price: (Appraisal = \$3.6M)	\$3.5 million (\$195,640 per acre)		
Purchase Terms: <ul style="list-style-type: none"> 10% down payment Deposit – non-refundable 	10% at signing of PSA Terms of deposit as outlined in PSA		
Final Payment	At Closing as detailed in the PSA.		
Financial Capacity:	Letter Provided		
Financial Commitment	Next-Tier Capital and Creative Choice Group - \$40M commitment letter		

Attachment A – Arno Inc Proposal

<p>Total Project Value</p> <ul style="list-style-type: none"> • Construction Value 	<p>Total Constr. Value = \$31,333,654 Total Investment: \$39,740,748 Assumes cultural component built by cultural organization.</p>
<p>Impact Fees</p>	<p>Fire and Water/Sewer are not included in pro forma</p>
<p>Development Team</p>	<p>Arno Inc. Creative Choice Group RWA Engineering</p>

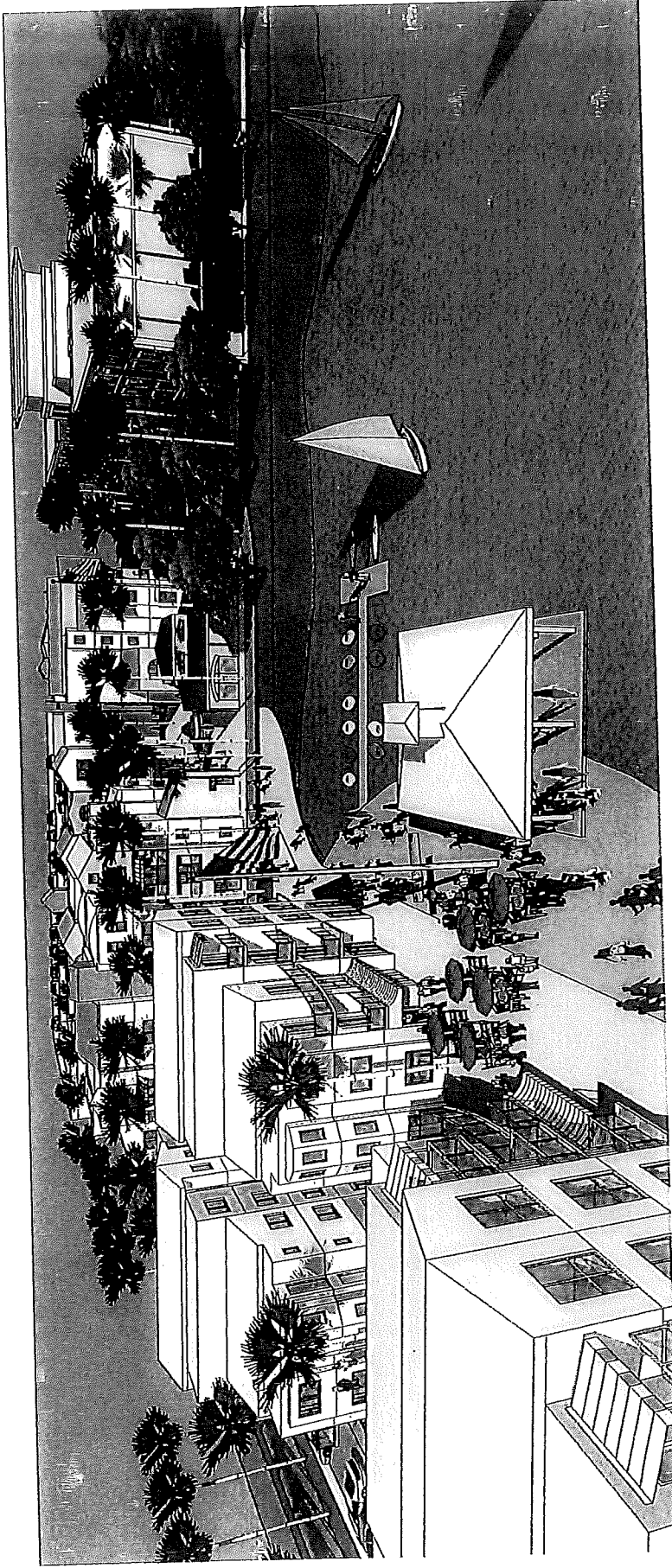


View of the Village, Shadley Property and VPAC Center from Bayshore Drive to the East.

BAYSHORE ARTS VILLAGE

ARNO

ARNO INC. DESIGN-BUILD
PH (239) 571-7585
E-MAIL: arnoconstruction@gmail.com

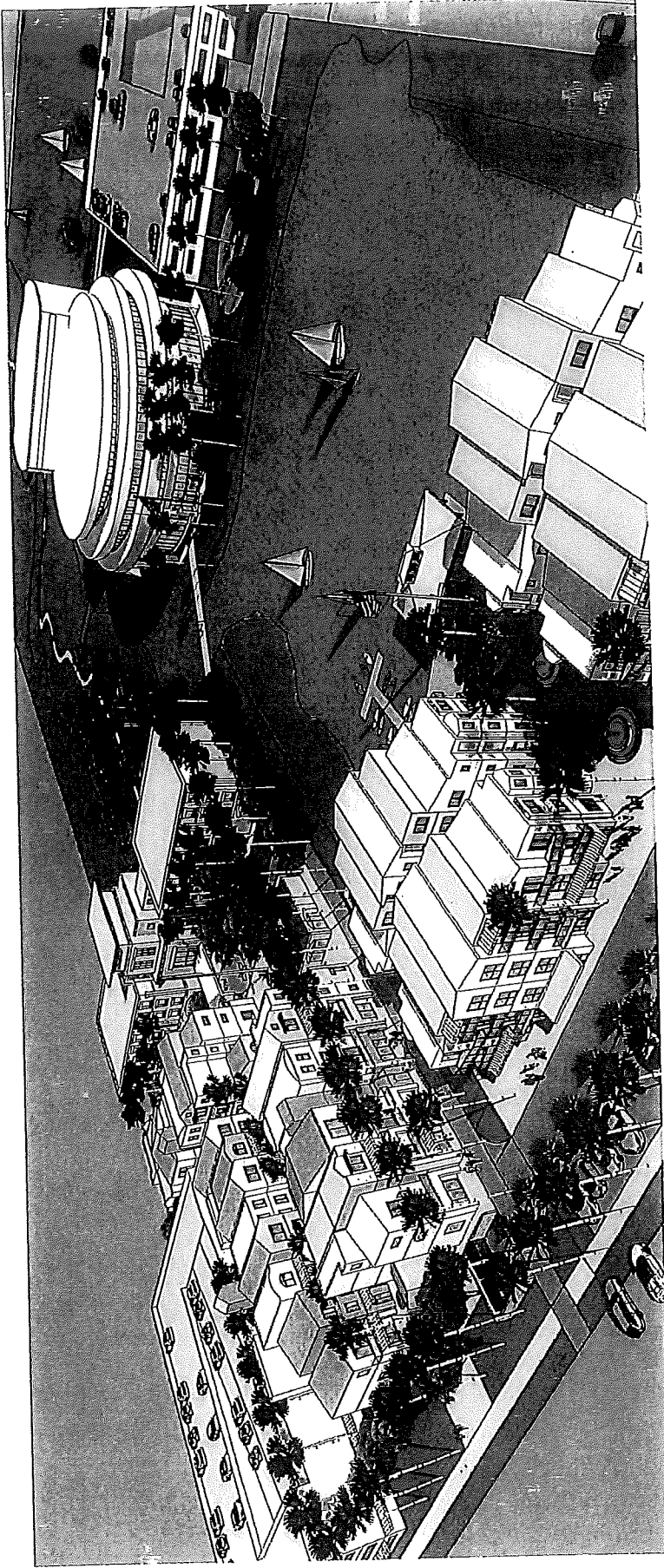


View of the Boardwalk and Bar & Grill on the Lake with the path to the Village Square beyond.

BAYSHORE ARTS VILLAGE

ARNO

ARNO INC. DESIGN-BUILD
PH (239) 571-7585
E-MAIL arnoconstruction@gmail.com

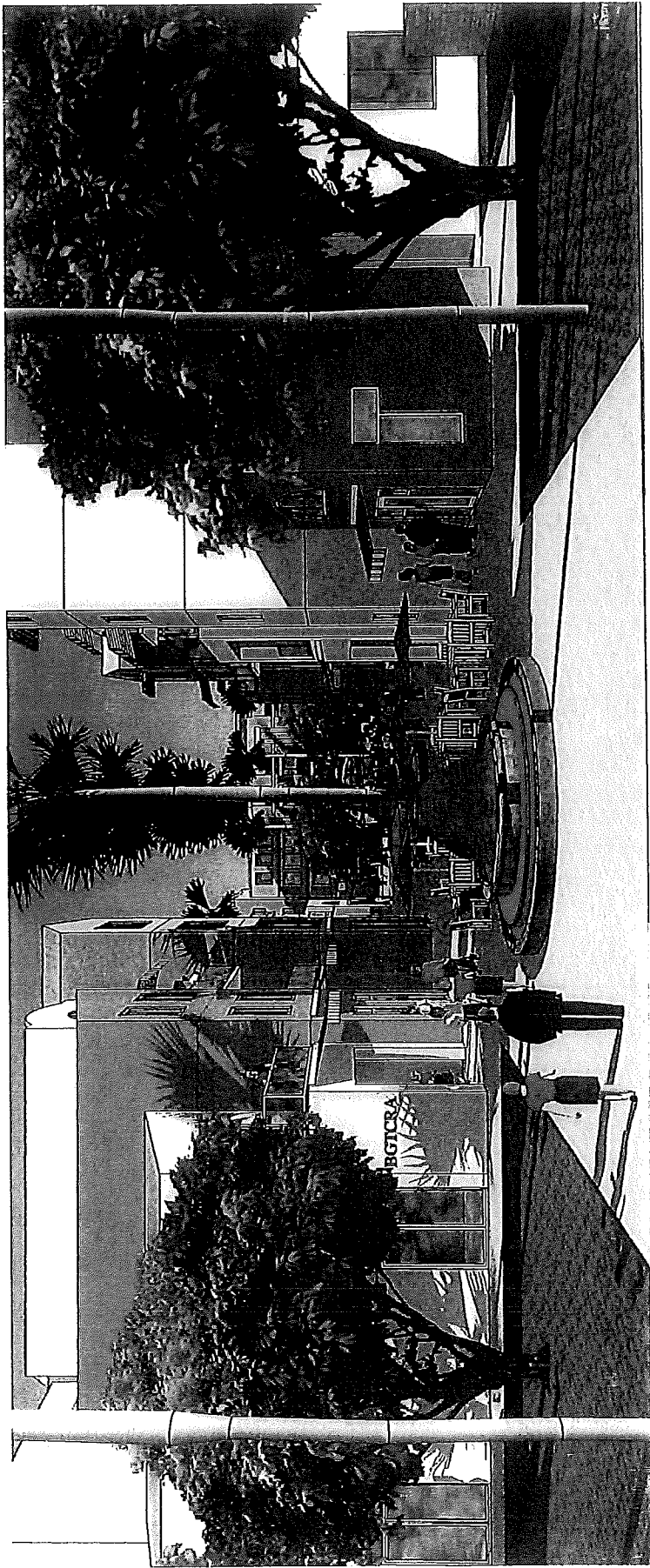


Aerial View of the Village Development and VPAC Center

BAYSHORE ARTS VILLAGE

ARNO

ARNO INC. DESIGN-BUILD
PH (239) 571-7585
E-MAIL arnoconstruction@gmail.com



Pedestrian Access to the Retail Shopping Street with Trees & Fountains that lead to The Village Square

BAYSHORE ARTS

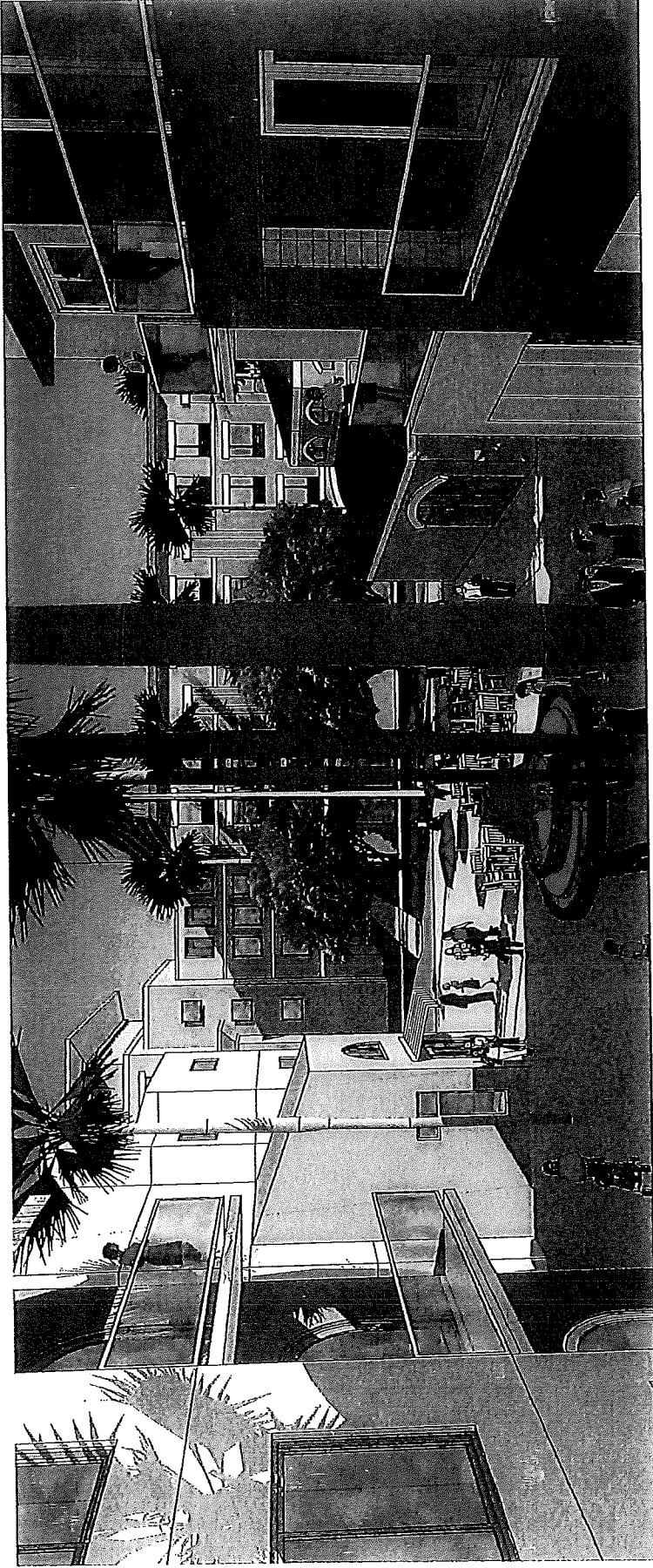
VILLAGE

ARNO

ARNO INC. DESIGN-BUILD

PH (239) 571-7585

E-MAIL arnoconstruction@gmail.com



The Shopping Street with Living Units & balconies above the Retail Units.

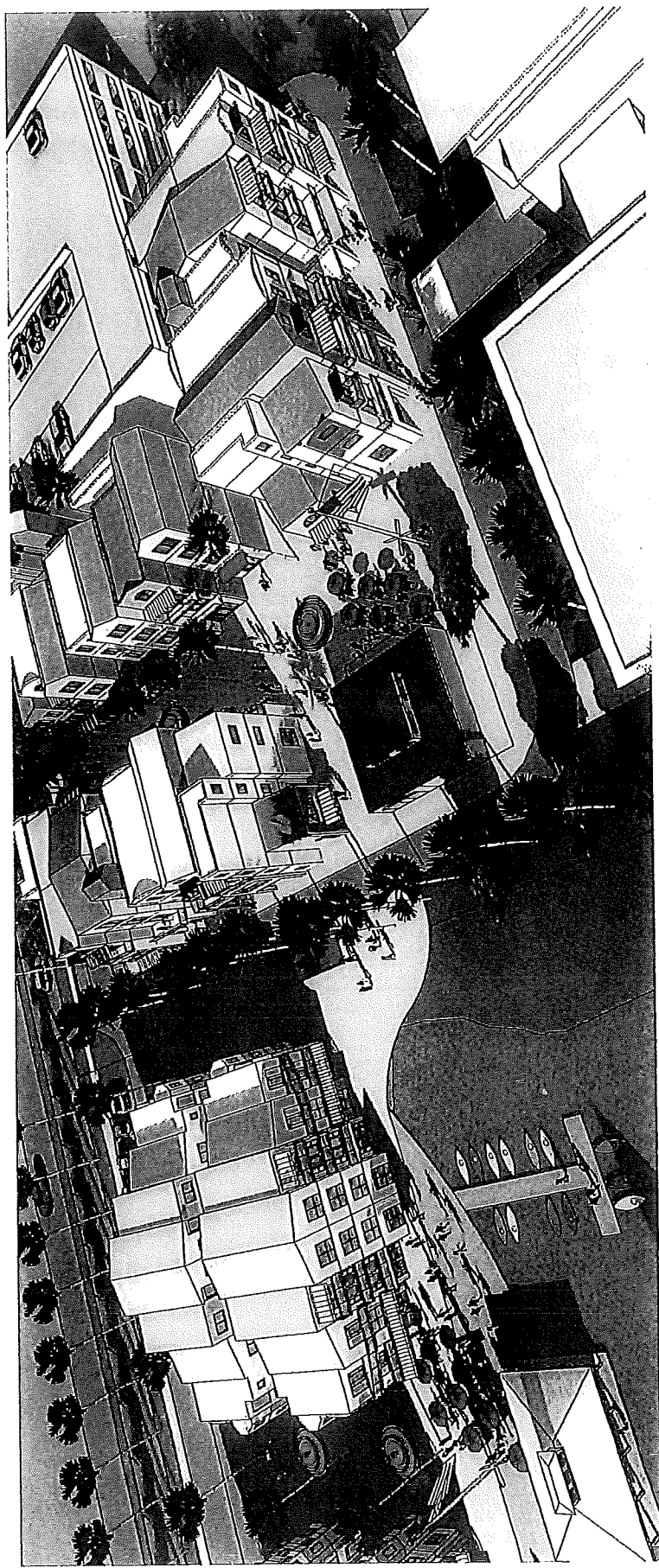
BAYSHORE ARTS VILLAGE

ARNO

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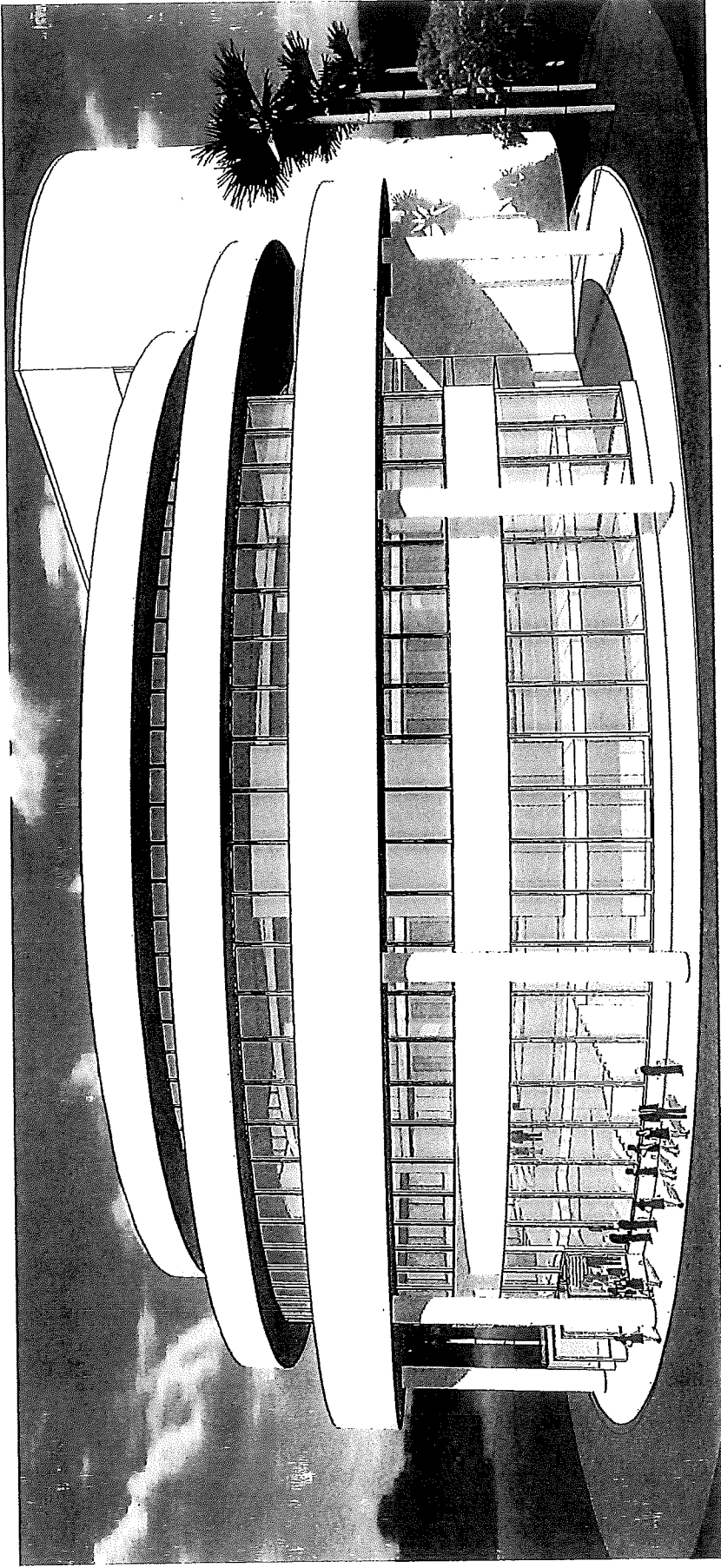


The Boardwalk Bar & Grill on the Lake and M/U Units on the Shadley Property to the Left, are linked with a pedestrian path to the Village Square & Shopping Street to the Right.

BAYSHORE ARTS VILLAGE

ARNO

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PH (239) 571-7585
E-MAIL arnoconstruction@gmail.com

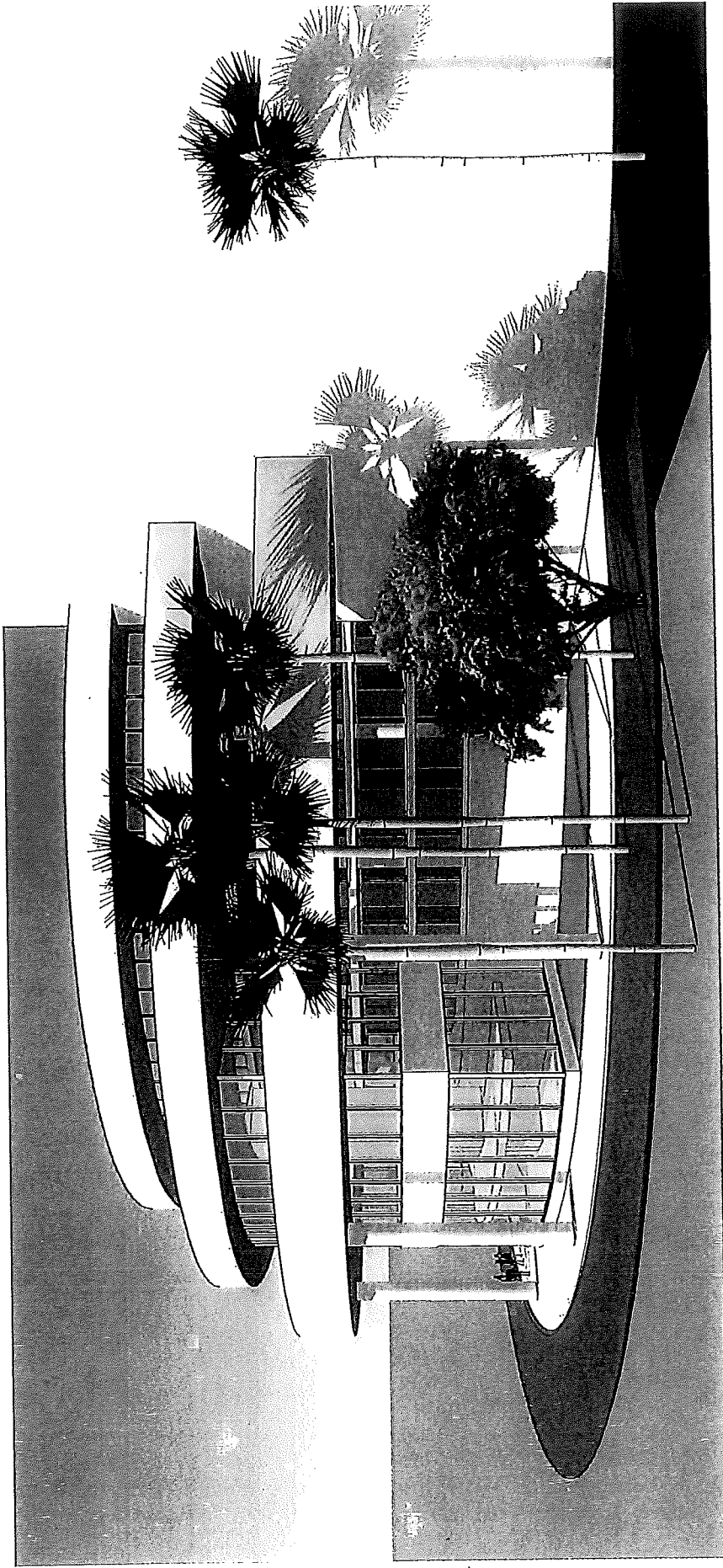


Conceptual Image of the proposed VPAC Center.

BAYSHORE ARTS VILLAGE

ARNO

ARNO INC. DESIGN-BUILD
PH (239) 571-7585
E-MAIL arnoconstruction@gmail.com

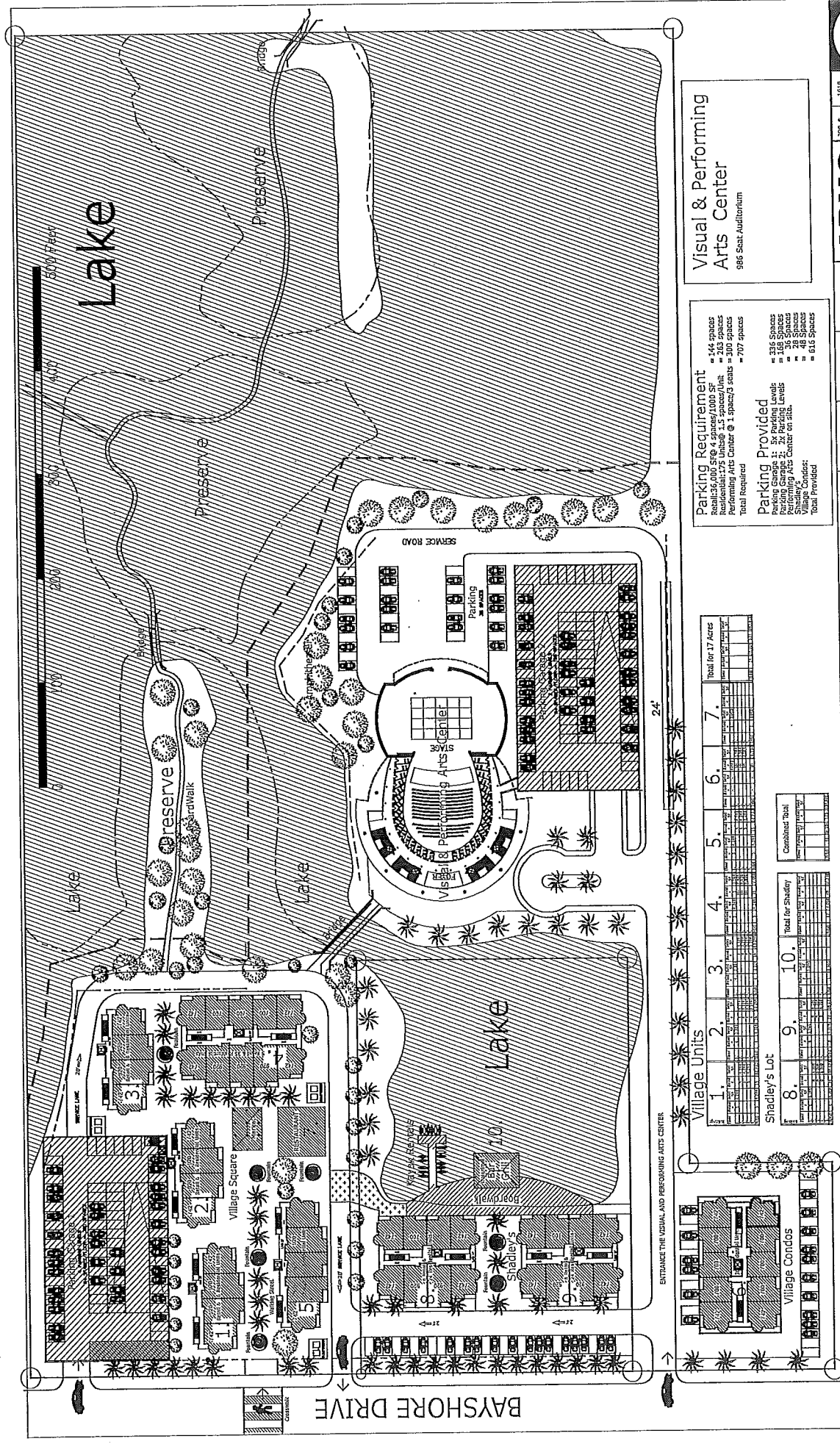


Conceptual Image of the proposed VPAC Center.

BAYSHORE ARTS VILLAGE

ARNO

ARNO INC. DESIGN-BUILD
PH (239) 571-7585
E-MAIL arnoconstruction@gmail.com



Visual & Performing Arts Center
986 Seat Auditorium

Parking Requirement
Retail: 36,000 sq ft @ 4 spaces/1,000 sq ft = 144 spaces
Performing Arts Center @ 1 space/3 seats = 300 spaces
Total Required = 707 spaces

Parking Provided
Parking Garage 1: 3x Parking Levels @ 100 spaces/level = 300 spaces
Performing Arts Center on site = 28 spaces
Shadley's Lot = 28 spaces
Village Condos = 615 spaces
Total Provided = 615 spaces

Village Units

1	2	3	4	5	6	7	Total for 7 Acres
100	100	100	100	100	100	100	700

Shadley's Lot

8	9	10	Total for Shadley's Lot
28	28	28	84

Combined Total

1	2	3	4	5	6	7	8	9	10	Total
100	100	100	100	100	100	100	28	28	28	707

ARNO
2000 10th - DESIGN-BUILD
1000 10th - DESIGN-BUILD
1000 10th - DESIGN-BUILD

DATE: 01-25-18
DRAWN: ARNO
CHECKED: ARNO

JOB # 1808

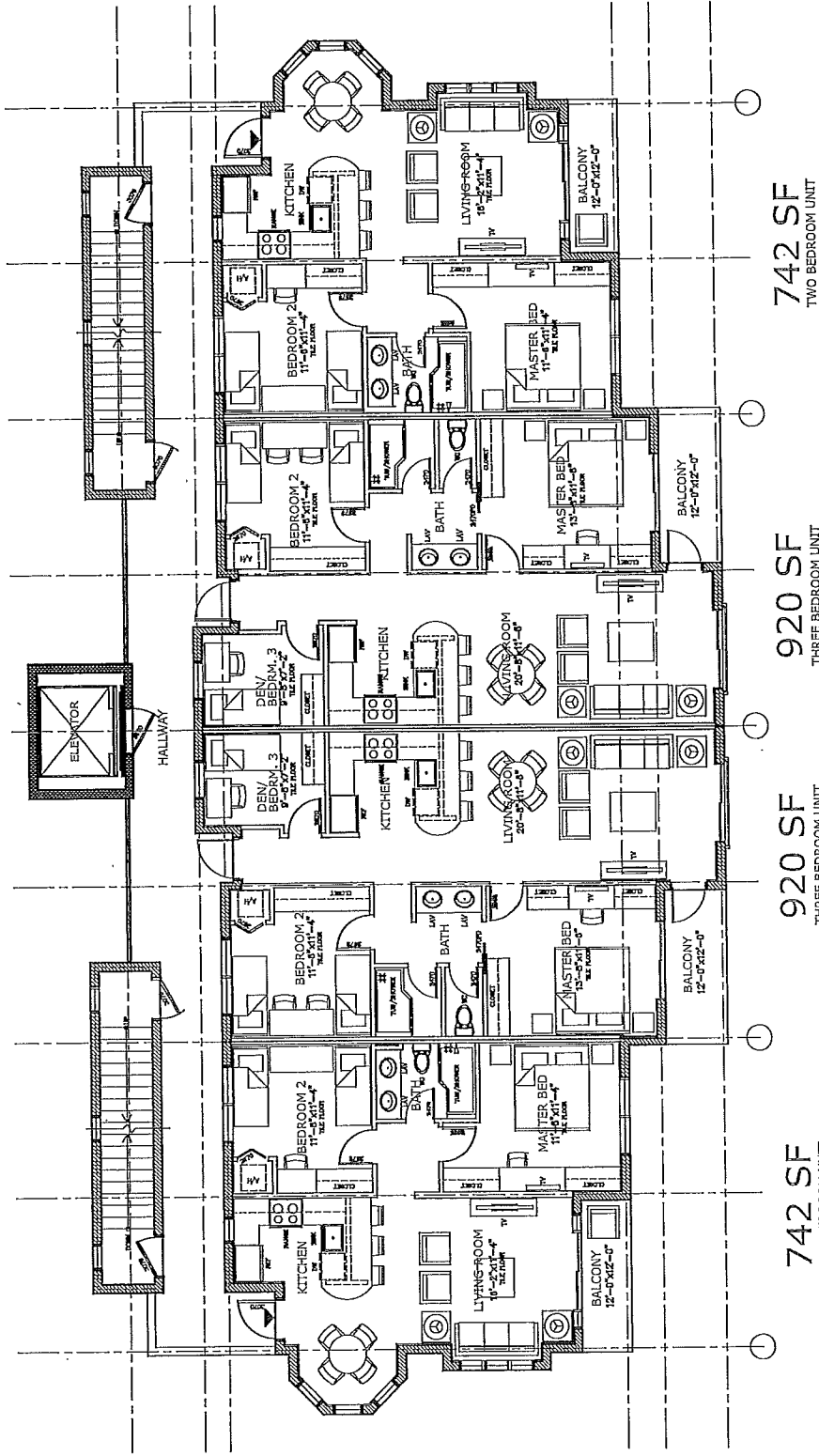
SP1

SCALE
1" = 50'

NORTH

Site Plan

Bayside Village including Shadley's Lot
& The Visual & Performing Arts Center



Typical Mixed-Use Building 4 Retail & 12 Residential Units

Bayshore Village Including Shadley Property
& The Visual & Performing Arts Center

Floor Plan

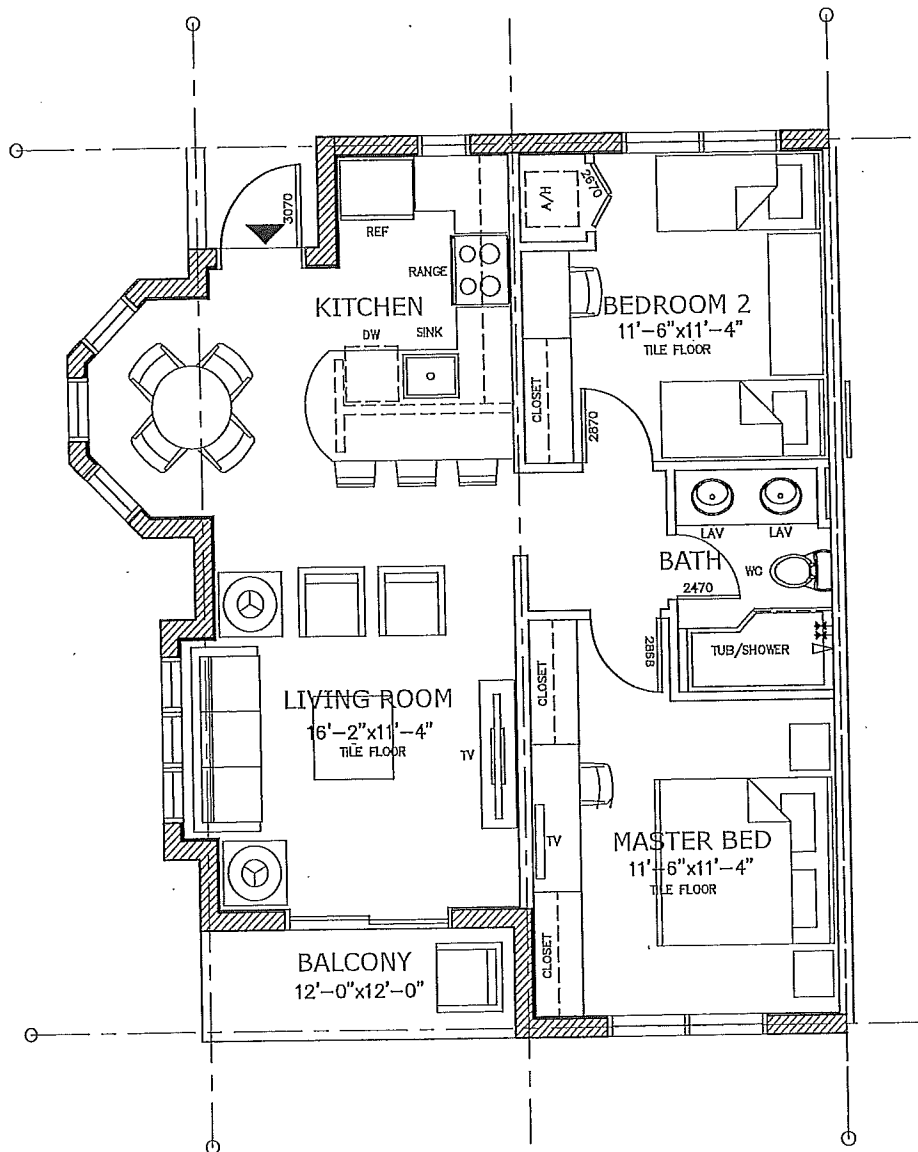


SCALE
1/4" = 1'

ARNO
ARNO INC. DESIGN-BUILD
1000 15TH AVENUE, SUITE 100
DENVER, CO 80202

2014
DATE: 1-25-14
DRAWN: ARNO
CHECKED: ARNO

MU1



742 sf
TWO BEDROOM UNIT

742 sf. Two Bedroom Unit

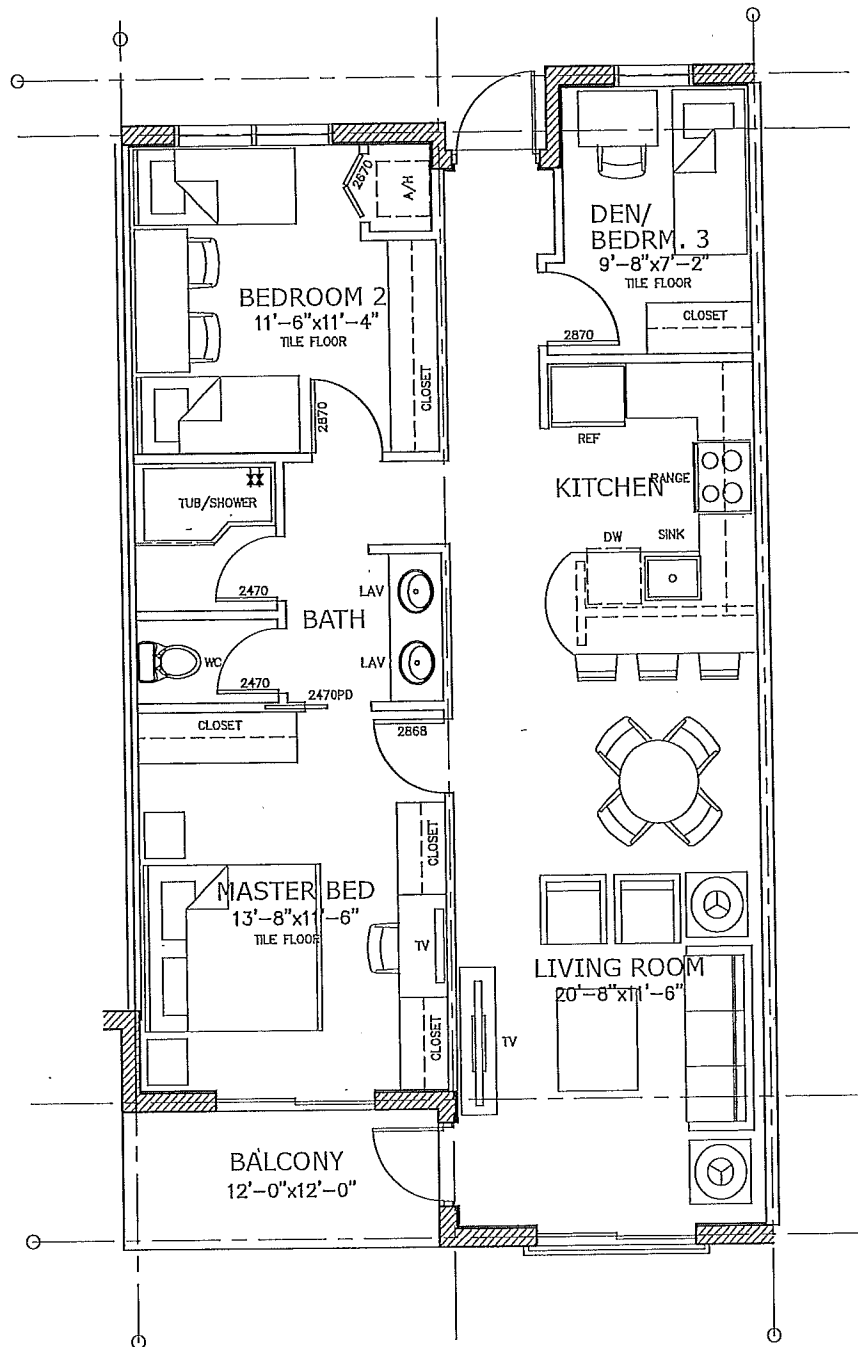
Bayshore Village Including Shadley Property
& The Visual & Performing Arts Center

Floor Plan
ITS

ARNO
ARNO INC. DESIGN-BUILD
74 (201) 321-1000
Edith.arnovillal@gmail.com

JOB #	1810
DATE	1-25-18
DRAWN	ARNO

U2



920 sf.
THREE BEDROOM UNIT

920 sf. Three Bedroom Unit

Bayshore Village Including Shadley Property
& The Visual & Performing Arts Center

Floor Plan
NTS

ARNO
ARNO INC. DESIGN-BUILD
DESIGN SERVICES
GRAPHIC REPRESENTATION BY ARNO

JOB #	1610
DATE	1-25-18
DRAWN	ARNO

U3

Civil Engineering	1%	284,851	
Landscaping	0.25%	71,213	
Legal - Condo Docs Etc.		100,000	
Total Consultant Fees		1,524,257	
Total Investment Cost		39,740,748	
Sales Income Village Commercial Units		11,646,720	
Sales Income Village Residential Units		44,120,320	
Total Sales Income		55,767,040	
Real Estate Commission		2,230,682	
Cost of Money (not included)			
Total Income			53,536,358
Net Profit			13,795,610



Arno de Villiers
President
Arno Inc.
5091 Tamarind Ridge Drive
Naples FL 34119

January 28, 2018

Re: Bayshore Arts Village, Naples, FL

Dear Mr. de Villiers:

Pursuant to our recent conversations and correspondence Next-Tier Capital and Creative Choice Group have interest in partnering with you to capitalize and develop the Bayshore Arts Village Project.

As you are aware, the Principals of Next-Tier Capital (www.next-tier.net) and Creative Choice Group www.creativechoicegroup.com have extensive experience in structuring and developing projects such as Bayshore Arts Village.

In addition to our own investment capital we have extensive real estate debt and equity capital partners that we call upon as needed to fund a project like Bayshore Arts Village.

As such, please accept this letter as confirmation that Next-Tier Capital along with its joint venture partner Creative Choice Group are committed to provide the \$40 million necessary to buy the 17-acre parcel on Bayshore Drive in Naples and develop the Bayshore Arts Village as proposed by Arno Inc. in your submittal in response to the RFP by Collier County, Florida.

Feel free to share this letter with anyone involved in the RFP decision process.

In addition, if the committee needs further verification, I can be reached at 732.447.3411 and Dilip Barot, CEO of Creative Choice Group, can be reached at 561.627.7988 to alleviate any concerns regarding the funding capability for this development project.

Sincerely,

A handwritten signature in black ink, appearing to read 'Uday Shah', with a stylized flourish at the end.

Uday Shah
Managing Principal

cc: Dilip Barot

February 2, 2018, 2018 – Project Overview	
Bayshore CRA	BANROC Corporation
Project Scope: <ul style="list-style-type: none"> • <i>Conceptual Site Plan – uses</i> 	See attached materials
Community Impact: <ul style="list-style-type: none"> • CRA Vision • Conceptual Plans - Visuals 	Mixed-Use Cultural Village
Adjacent Parcels: 2.5 acres (4 units per acre + 8 additional units for Affordable Housing) 273 ft of additional frontage on Bayshore Dr.	Shadley Property – December 2017 Letter of Intent to sell property to Banroc if developer is selected, final terms to be negotiated.
Sugden Park Connection: CRA goal	See PSA – Developer will provide sidewalk and bike path along southern boundary. Developer will provide boardwalk from Arts Village into Sugden Park
Parking Facilities:	350 space parking garage 250 space parking garage under Visual and Performing Arts Center 120 space hotel/ parking garage 80 surface parking spaces Off-site parking agreement required for special events Option A Alternate – 75 condos to include 75 under unit spaces and 62 surface parking spaces.
Cultural Component: Estimated Cost \$50M CAPA(Cultural and Performing Arts Center)/VPAC (Visual and Performing Arts Center) <ul style="list-style-type: none"> • Design - CAPA-900 Seat plus height of 85 to 90 ft depending on technology for acoustics. • Parking – 330 spaces • Private Fundraiser hired. • Dedicated 3-4 acres, 	DLR Group lead designer July 2017 MOU included. Per VPAC, new MOU being negotiated as outlined in PSA.

Attachment B – Banroc Corporation Proposal

<p>Cultural Component:</p> <p>The site was rezoned in 2012 to the Cultural Arts Village at Bayshore. The vision was to include a cultural component- a multi-use facility suitable for art, cultural, and performing venues as well as providing public access for festivals and other community activities.</p>	<p>Donation of Land to entity</p> <p>Two possible partners:</p> <p>CAPA/VPAC or Phoenicia Festival of Voice Foundation</p> <p>Banroc Terms: 50% of estimated cost raised within 6 months of signing of PSA. Full funding within 12 months or developer will proceed to alternate option plan.</p>
<p>Cultural Component Alternative:</p>	<p>75 housing units plus outdoor amphitheater</p> <p>45,000 sqft. - 1,000 seat outdoor acoustical Roman Amphitheater and performing stage and park.</p> <p>Estimated Cost - \$3M to \$5M to be paid by developer</p> <p>Letter of Intent with Phoenicia Festival of Voice Foundation partnership to facilitate weekly events to be managed by Maria Todaro and the Foundation to raise funds and operate.</p> <p>Additional connection – Paul Green, School of Rock – considering locating a school within BGTCRA</p>
<p>CRA Financial Request:</p> <p>Current Zoning:</p> <p>Mixed-Use PUD</p> <p>40 dwelling units</p> <p>48,575 Commercial</p> <p>84,000 sqft of parking</p> <p>350-fixed seat performing arts</p> <p>20 ft setback from wetlands – deviation in current PUD</p> <p>Comprehensive Plan changes will be determined at pre-application.</p>	<p>No financial but density transfer requested.</p> <p>Possible deviations from code requested:</p> <ol style="list-style-type: none"> 1. Increase dwelling units from 40 to 170 (with Cultural Component) 2. Additional retail area requested 3. Off-site parking agreements 4. VPAC seating to be increased from 350 to 950 seats. 5. Fly tower height allowance to be increased to 90 ft. 6. Change to LDC required to accommodate TDU transfer 7. Determination of Condo/Hotel as a use 8. Other Deviations from code to be discussed at pre-application meeting with Growth Management
<p>Density: 40 units + 10 units from Shadley Property = 50 total units</p> <ul style="list-style-type: none"> • 316 available. Limited to 97 units per project. Change to LDC required • Value associated with Density Units –transfer is not allowed in Coastal High Hazard Area – Bayshore Density is 	<p>All Market Rate units:</p> <p><u>Option A:</u></p> <p>120 units+ 50 condo/hotels = 170 units</p> <p>TDU Requirement:</p> <p>120 units from BGTCRA Bonus Density with Shadley Property -</p> <p>130 units from BGTCRA without Shadley Property</p>

Attachment B – Banroc Corporation Proposal

<p>unique – TDR in other locations valued at \$12K to \$13K per unit.</p> <p>Purchase of Shadley Property – Additional 10 units available (4 du/ac)</p>	<p><u>Option A Alternate:</u> 195 units + 50 condo/hotels =245 units</p> <p>TDU Requirement: 195 units from BGTCRA Bonus Density with Shadley Property 205 units from Bayshore CRA without Shadley</p> <p>Land Development Code (LDC) Amendment required to allow TDU since amount exceeds 97 units.</p> <p>Determination of condo/hotel and density requirements to be discussed during pre-application.</p>
<p>Residential Unit Size:</p> <ul style="list-style-type: none"> LDC – minimum size 700 sqft 	<p>750 sf – 60 condos – second floor 900 sf – 60 loft condos – third floor Option A Alternate: 75 units at 1,250 sf each</p>
<p>Height – 4 stories = 72 feet</p>	<p>3 stories Commercial Village, up to 90 feet for VPAC</p>
<p>Residential Price Points:</p>	<p>\$195,000 to \$325,000 Assuming all condominiums</p>
<p>Commercial Square Footage:</p>	<p>80,500 sf. first Floor - 6 restaurants plus 4 small retail shops and 75 offices and shops (includes common area) 18,000 sf. Second Floor office space (no common area)</p>
<p>Buildout</p>	<p>Estimate 2 years once permits are issued.</p>
<p>Long term Maintenance- HOA?</p>	<p>Proposing master HOA with sub HOA/Condominium Associations</p>
<p>Price: (Appraisal = \$3.6M)</p>	<p>\$3.2 million (\$178,871 per acre)</p>
<p>Purchase Terms:</p> <ul style="list-style-type: none"> 10% down payment Deposit – non refundable 	<p>10% deposit - 5 days after effective date of PSA</p>
<p>Final Payment</p>	<p>At Closing as detailed in the PSA.</p>
<p>Financial Capacity:</p>	<p>Financial commitment letter for deposit money.</p>

Attachment B – Banroc Corporation Proposal

	\$5M in private equity to purchase land and obtain entitlements. Commitment letter 30 days from effective date of PSA.
Financial Commitment	<p>Commitment Letter/s – 15 days from effective date of PSA.</p> <p>Potential Investors:</p> <ul style="list-style-type: none"> • Avison and Young (Letter attached to proposal) • Forge Development (Letter attached to proposal) • East Coast Commercial Group • Florida Drywall • Nace Cohen PA • Matthews, Pierce & Lloyd • Marc Shuster- Berger Singerman • Steve Block MS Capital
Total Project Value	\$65M to \$84M
Impact Fees	Fire and Water/Sewer are not included in the pro forma.
Timing	See PSA
<ul style="list-style-type: none"> • Milestones- Development Commitment <p>Development Team</p>	<p>DLR Group- Lead Architectural Design Firm</p> <p>Schenkel-Shultz Architecture – Local Architect of Record</p> <p>MHK Architects - Local Architect of Record</p> <p>Stantec – Civil Engineering and Landscape Architecture</p> <p>Coldwell Banker - Marketing</p>

Banroc Corporation

Bayshore Arts Village

20 Acre Mixed Use Development Proposal



Collier County RFP and Proposed Project

Banroc and its development team have spent the past 12 months working together to respond to a public RFP set forth by Collier County to develop a 20 acre tract of land located less than 2.5 miles from central downtown Naples in what is known as the Bayshore Area.

Aside from being close to downtown Naples, the 20 acre property has its own lakes and the entire east side abuts to the 100 acre Sugden Park making it a truly unique parcel of land in all of Naples.

The RFP set forth by the County required the development of a mixed use village having an artistic theme along with a significant cultural component.

After almost one year and many presentations to the public, to government agencies and the Collier County BOCC, Banroc is now one of two final proposers selected as a potential developer for the project.

The final selection by Collier County is expected by the end of February 2018. If selected Banroc will start on the development of the project immediately and expects to complete it in 36 months.

It will be a marque project for all of Naples and Banroc's goal is to make it the "Central Park" of Naples.

Banroc's Two Options for Proposed Development

Banroc has created two development options for the 20 acre site and its intent is to seamlessly incorporate and connect the property with Sugden Park and make the property the "Central Park" for all of Naples.

Option A - includes a mixed use village with 255 units , shops, offices, restaurants, condos and the construction of a 1,000 seat 75,000 sq. ft. Opera / Performing Arts Center

Option A Alternative - includes the mixed use village with 330 units and construction of a 1,000 seat Acoustical Roman Amphitheater

Team Organization

Bayshore Gateway Triangle
Community Redevelopment Agency

FINANCING
Avison and Young
Project Funding
Fairway Funding Group
Funding and Buyer Mortgage
Coldwell Banker Realty
Sales and Marketing
Florida Drywall Inc.
Strategic Development Partner
Primary Funding

NONPROFIT PARTNER
VPAC
Private Fundraising for PAC

DEVELOPERS
BANROC Corporation | Forge Development Group

CONSTRUCTION
GATES
Construction Manager

DESIGN
DLR Group
Design Architect
Master Planning / Architecture

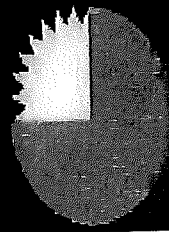
Performing Arts Center (PAC)
Local Architect of Record
Schenkel Shultz Architecture

Arts Village
Local Architect of Record
MKK Architects

PAC Engineering Team
DLR Group
Fully Integrated PAC Design
Mechanical
Electrical
Plumbing
Fire Protection
Structural
Trade of Technical A/V Acoustics

Arts Village Engineering Team
Burgess Brant Consulting
Engineers
Mechanical
Electrical
Plumbing
Fire Protection
Structural
Select Structural Engineering

Civil Engineering & Landscape Architecture
STANTEC ENGINEERING



BANROC
CORPORATION

THE DEVELOPER

Banroc Corporation is a real estate development and marketing company whose core competency is assembling a team of experts that work a together to provide the capability to take any real estate project or property from initial concept to final owner occupancy.

This includes conceptual design, feasibility studies, zoning and permitting, project architecture and engineering, general contracting, project management, project funding and finance and project marketing and sales.

Banroc's network includes Real Estate Attorneys, Land Planners, Architects, Engineers, General Contractors, Private Equity Funding Sources, Banks, Residential and Commercial Real Estate Brokers and Marketing Consultants

www.BanrocCorp.com



THE MASTER PLAN AND DESIGN ARCHITECTS

The DLR Group is one of the world's leading performing arts and theater design firms and provides in house capability for the complete exterior and interior architectural and engineering design for any performing arts center.

- DLR has designed 250 major performing arts projects and has 175 design awards for performing arts projects
- 50 Years experience, with over 1,000 professional and support staff in 26 offices worldwide
- DLR merged with Westlake Reed Leskosky in October 1, 2016 – the #1 rated firm in the United States by *Architect* (magazine of the AIA) in 2012 and 2014.
- Ranked in the top 10 for Overall and Sustainability for the past 5 years
- Over 30 multi-family housing projects; over 30 design awards for housing projects
- Significant experience with outdoor performing arts venues, including over 25 amphitheaters
- Most comprehensive design services for performing arts projects in the United States, including architecture, engineering, acoustics, theater technical and audiovisual design services.
- DLR is currently designing a complete new theater district for the city of Shanghai in China

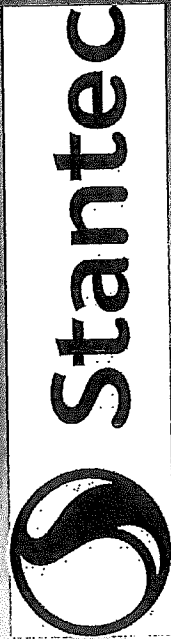
SCHENKELSHULTZ

ARCHITECTURE

THE ARCHITECT OF RECORD FOR OPERA PERFORMING ARTS CENTER

- Over 59 years experience, with 29 Registered Professional Architects in Florida.
- Located in Southwest Florida for 25 years, with 3 current projects in Collier County.
- 33 years of local design leadership in the community.
- Schenkel Shultz design team members have completed 46 performing arts projects.
- Signature Performing Arts Projects on the West Coast of Florida:
 - Venice Performing Arts Center in Venice, FL
 - Players Centre for Performing Arts in Sarasota, FL
- Collaborative performing art center experience with DLR on the Sarasota Players Centre for Performing Arts.

www.schenkelshultz.com



THE ENGINEERS

- Infrastructure and civil engineering for major residential, mixed-use, and commercial developments
- Work for public and private sector clients from diverse markets at every project stage – from initial concept and financial feasibility, to design, services during construction, and commissioning
- Familiarity with environmental challenges for this project goes back to our previous work on Sugden Park
- Previous working relationship with MHK Architects on the Baker Park planning efforts for the City of Naples
- Over 60 years experience, with over 22,000 professional and support staff in 400 offices worldwide
- Ranked #10 – Top 500 Design Firms – ENR May 2017
- Ranked #10 – Top 150 Global Design Firms – ENR June 2017



THE GENERAL CONTRACTOR

- 25 Years experience in Collier County and South West Florida
- Multiple award-winning firm including: Contractor of the Year, Builder of the Year, Top Contractors in the 4-State Region, and Excellence in Industry
- Extensive portfolio of landmark and award-winning projects
- Extensive portfolio of Multi-family residential projects
- Multiple Recreation projects including park and community centers
- Multiple Arts projects - currently building a 154,204 SF Silver Spot Theater
- Multiple successful projects with Schenkel Shultz Architecture
- Multiple successful projects with MHK Architecture & Planning

www.gatesinc.com

MHK ARCHITECTURE & PLANNING

THE ARCHITECT OF RECORD FOR ARTS VILLAGE

- Founded in 2009, MHK Architecture and Planning are a group of over 45 highly skilled design professionals and urban planners who are well versed in commercial, residential design and planning with offices in Naples, Ft. Myers, Palm Beach, and Greenville, South Carolina
- Leader in the Southwest Florida design community with over 15 design and honor awards from the American Institute of Architects
- 2008 W.R. Fritzel Medal of Honor winner from the American Institute of Architect's Florida Southwest Chapter
- Design experience specializing in the design of single-family residential, multi-family residential, commercial office, mixed-use developments and master planned communities
- Relevant project experience includes the City of Naples Baker Park, Naples Square mixed-use development, Mangrove Bay residential development, upcoming Eleven Eleven Central, and City of Naples Pier Reconstruction

www.mhkap.com

Coldwell Banker Coldwell Banker Previews International

THE SALES AND MARKETING TEAM

- Coldwell Banker Naples via its agent Harry Bandinel will be the exclusive listing Broker for the Bayshore Arts Village
- A dedicated Bayshore Arts Village website will be created with its own unique domain name / URL
- The Website will have renderings, floor plans and full virtual tours of the Village and its commercial and residential spaces
- AN extensive online residential and commercial marketing campaign will be implemented
- Founded in 1906 Coldwell Banker has an extensive network of offices that cover all of Florida – provides access to buyers, investors and funding sources
- Over 85,000 Agents Worldwide – 725 Websites reach 16 million potential buyer daily

www.coldwellbanker.com

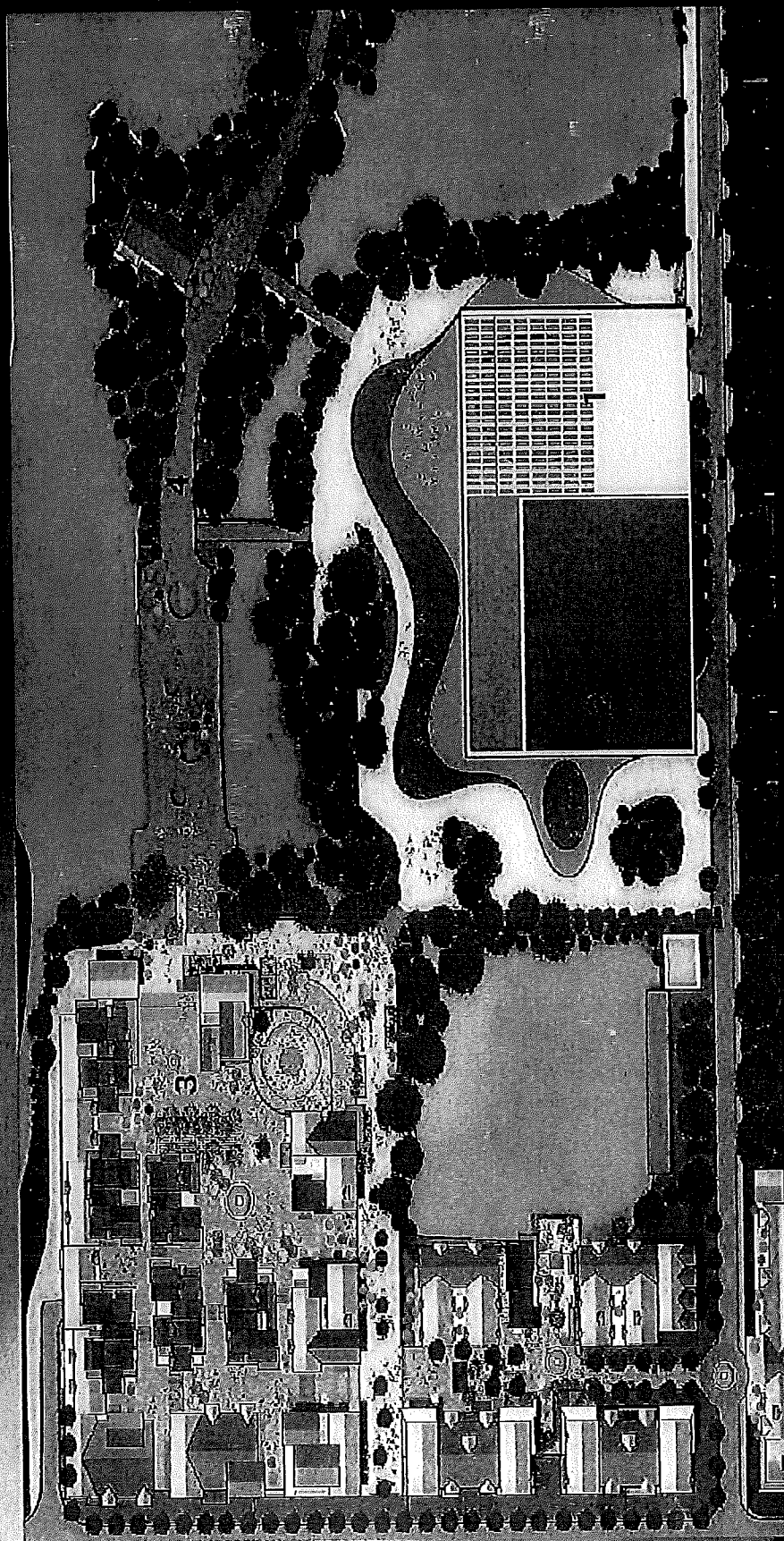
The Phoenicia Festival Of the Voice Foundation

THE ARTS AND CULTURE PROGRAM MANAGER

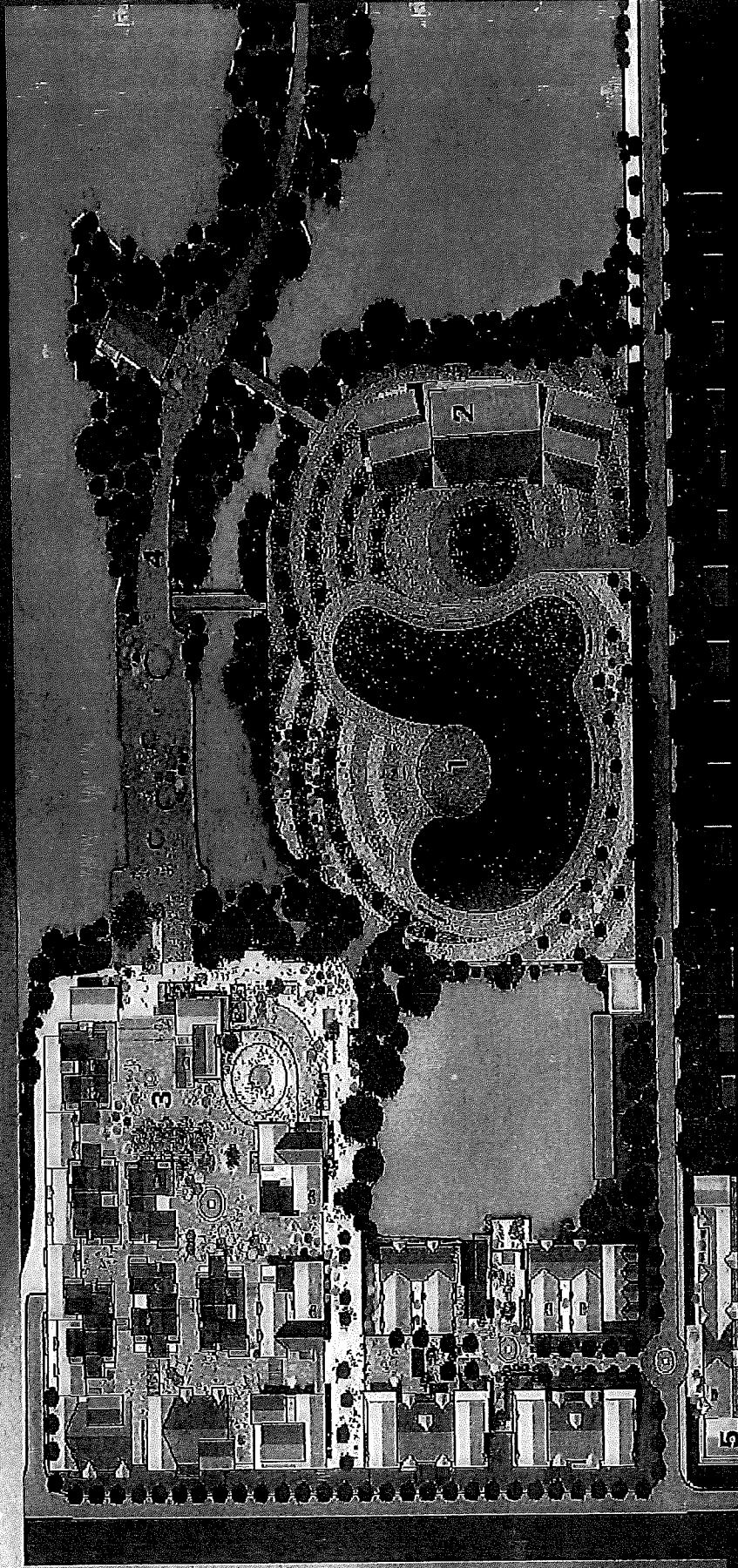
- Founded by world renowned Opera Singer - Maria Todaro - the Foundation specializes in creating significant art and culture programs and events in economically depressed regions
- The Foundation, under the direction of Maria Todaro, created the annual Phoenicia Festival of the Voice in the Catskill Mountains in upstate New York and in Charleston, South Carolina - both are three day musical festivals drawing over 7,000 spectators and world class artistic talent
- The Foundation was just authorized to create the Naples Festival Of the voice In Sugden Park starting in 2019.
- The Foundation has over 180 volunteers
- The Foundation and Maria Todaro have signed a Letter of Intent with Banroc to provide a comprehensive weekly / monthly arts, music and culture program for the Baysshore Arts Village, for the PAC and for Sugden Park

www.phoeniciavoicefest.com

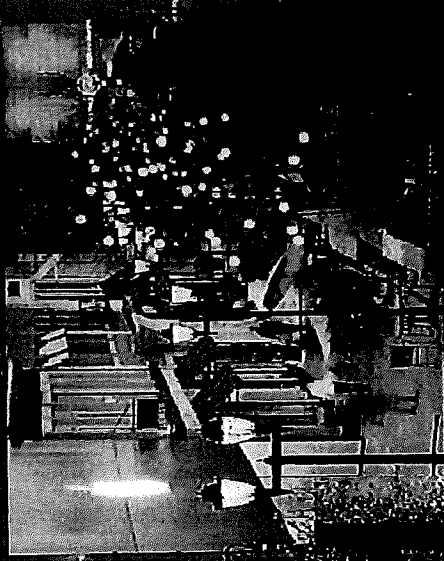
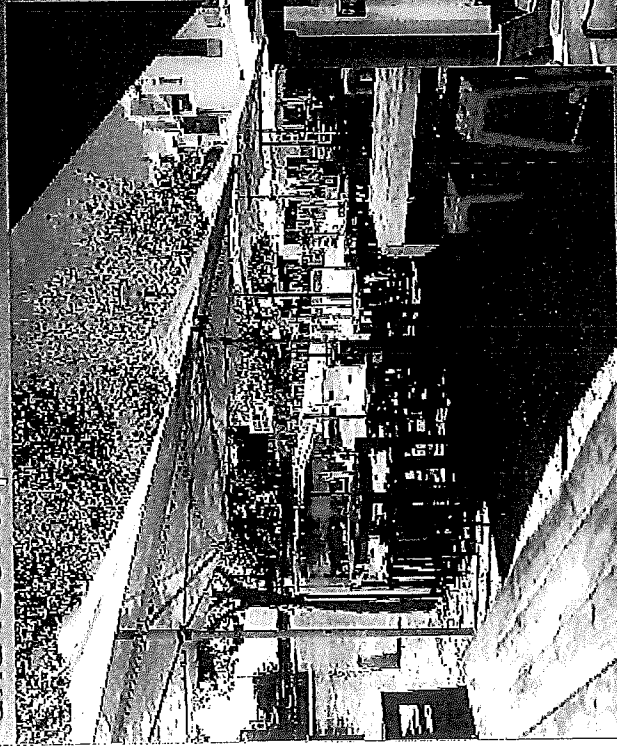
Option A Site Plan Arts Village and 900 Seat Opera / Performing Arts Center



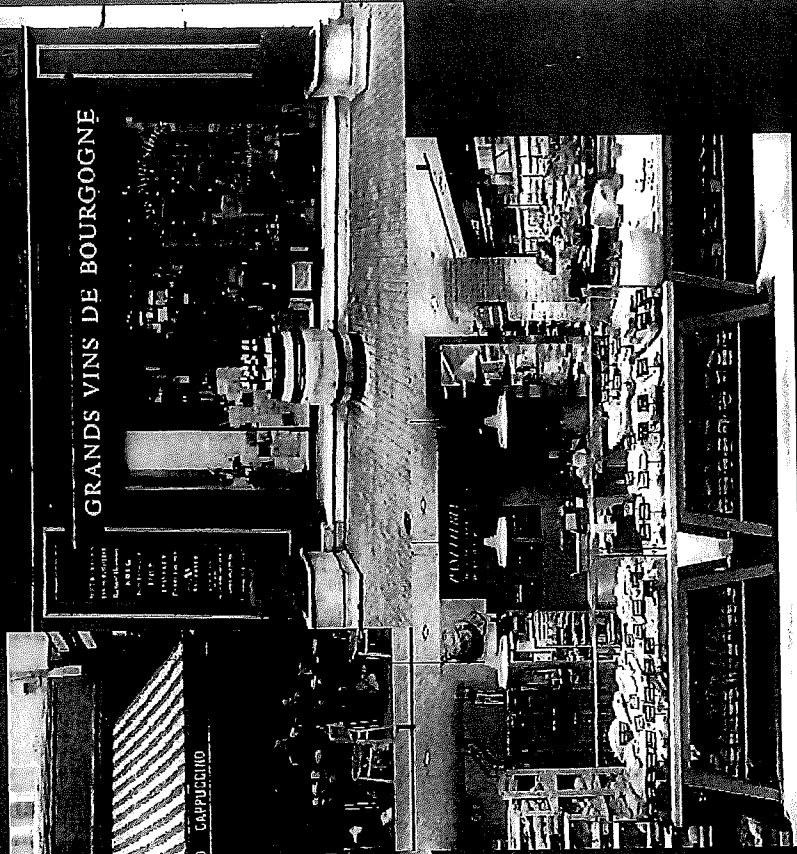
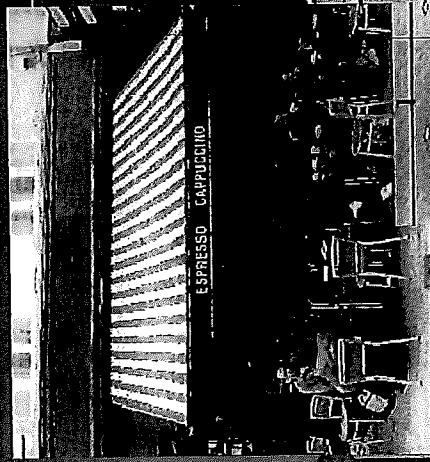
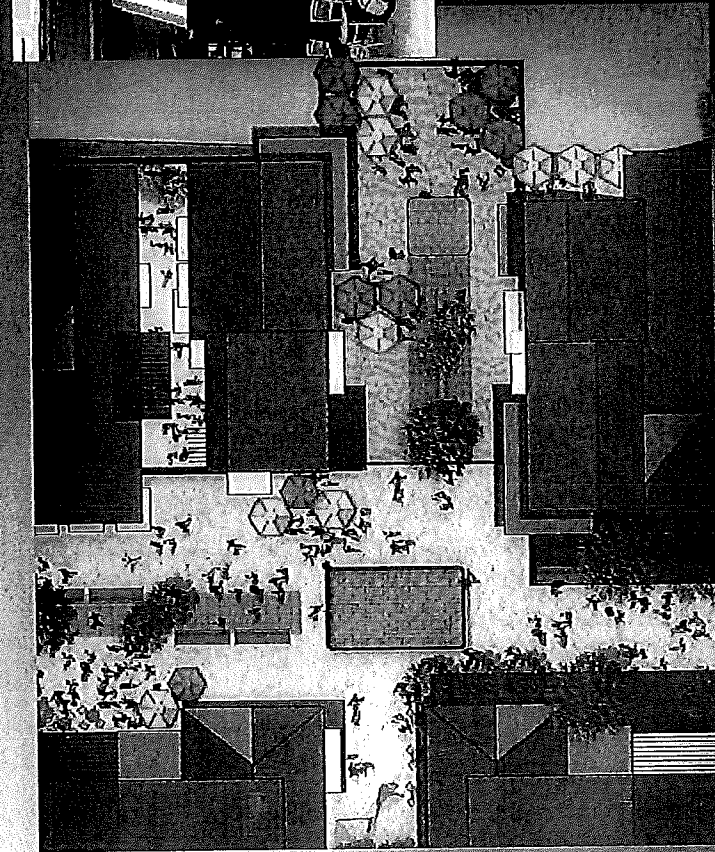
Option A Alternate Site Plan - Bayshore Arts Village and 1,000 Seat Open
Amphitheater plus an additional 75 lakefront condos



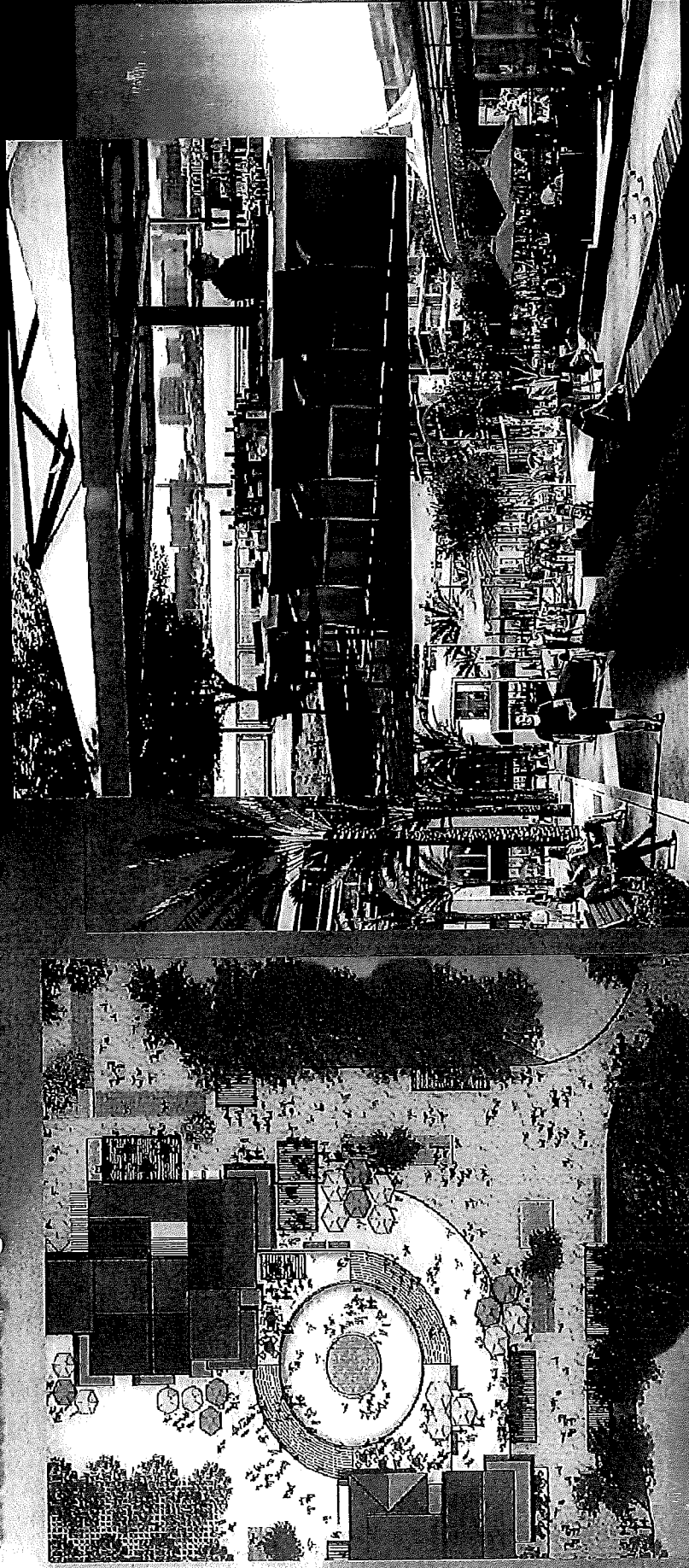
The Bayshore Arts Village – 6 waterfront restaurants, gourmet food shops, cafe, tea shop, bakery, deli, 35 stores and boutiques, luxury spa and salon, small office lofts and roof top condos



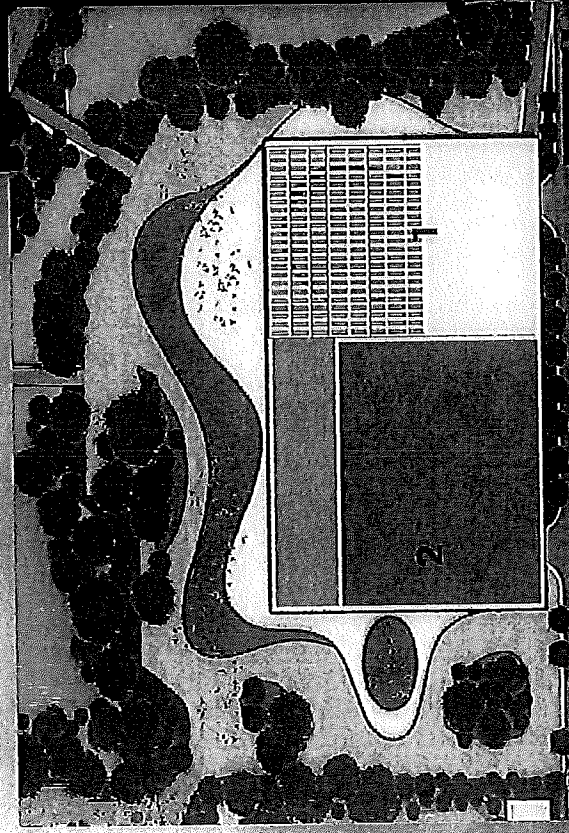
Village Plazas – Over 100,000 square feet of outdoor space including
plazas, walk ways , decks and outdoor dining areas

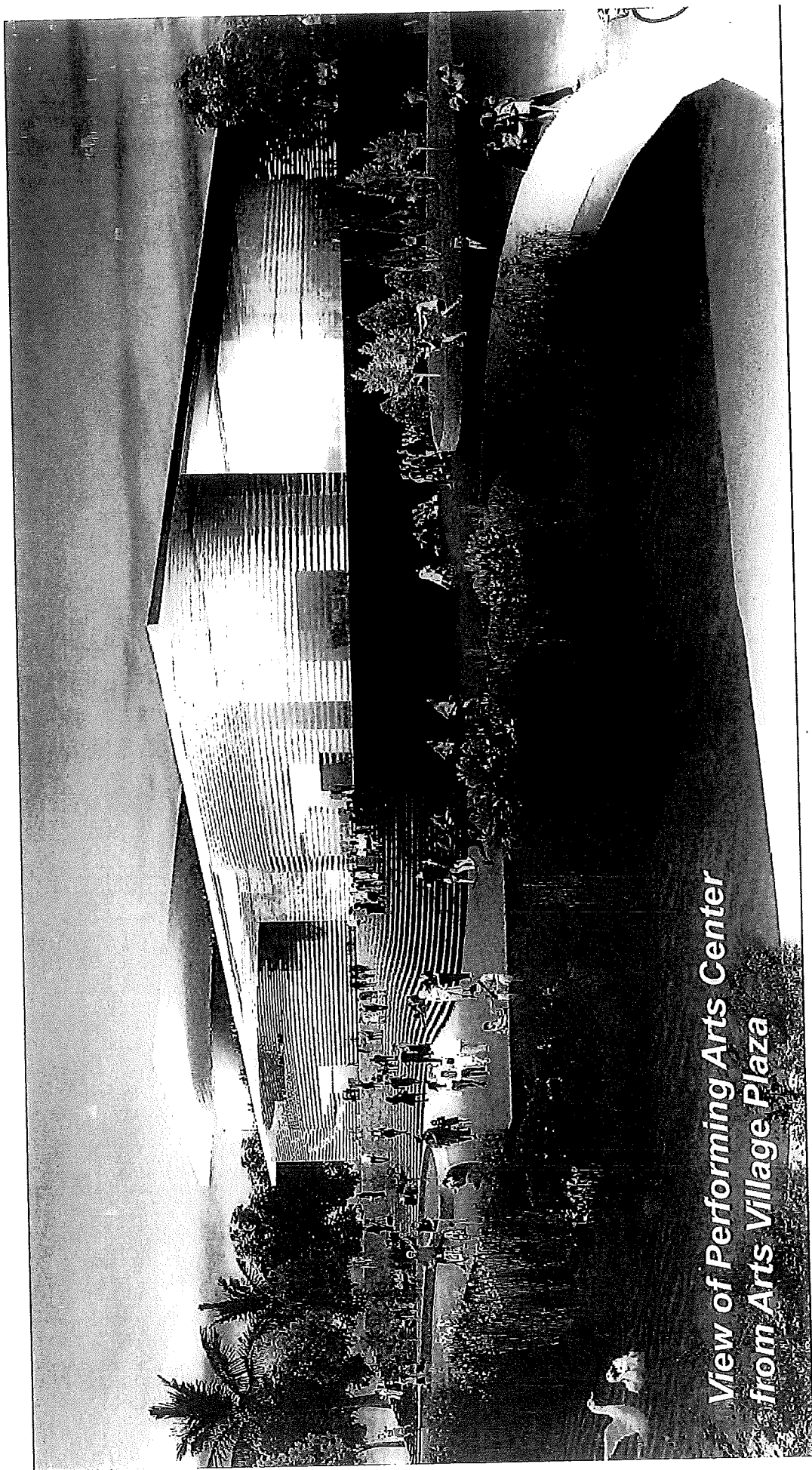


Village Central Square — A large Central Square will be the hub of activity providing an extensive program of daily / weekly performers and entertainment



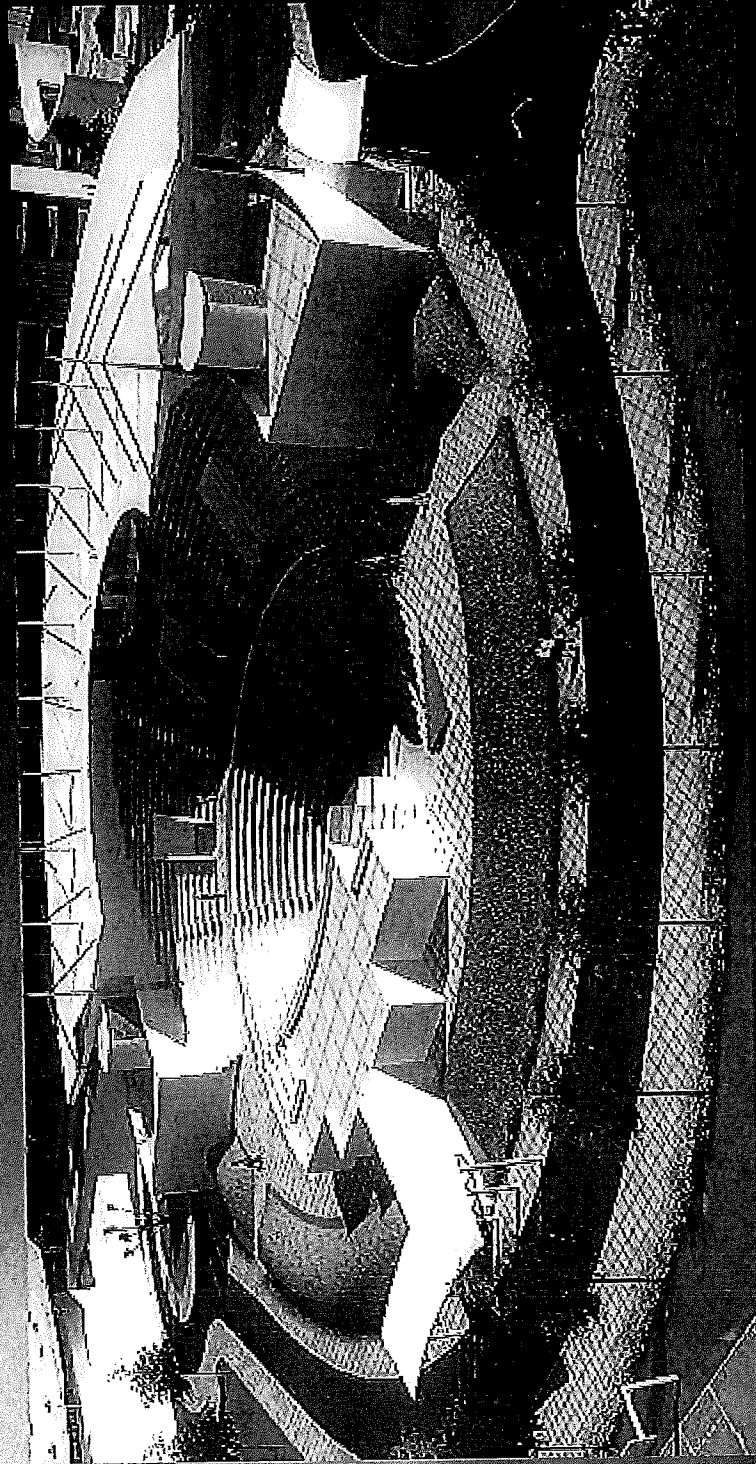
Performing Arts Center – 1,000 seat Opera House and Performing Arts Center,
highly flexible design allows for all kinds of performances and events
Opera, Classical, Rock Roll, Country, Latin Music



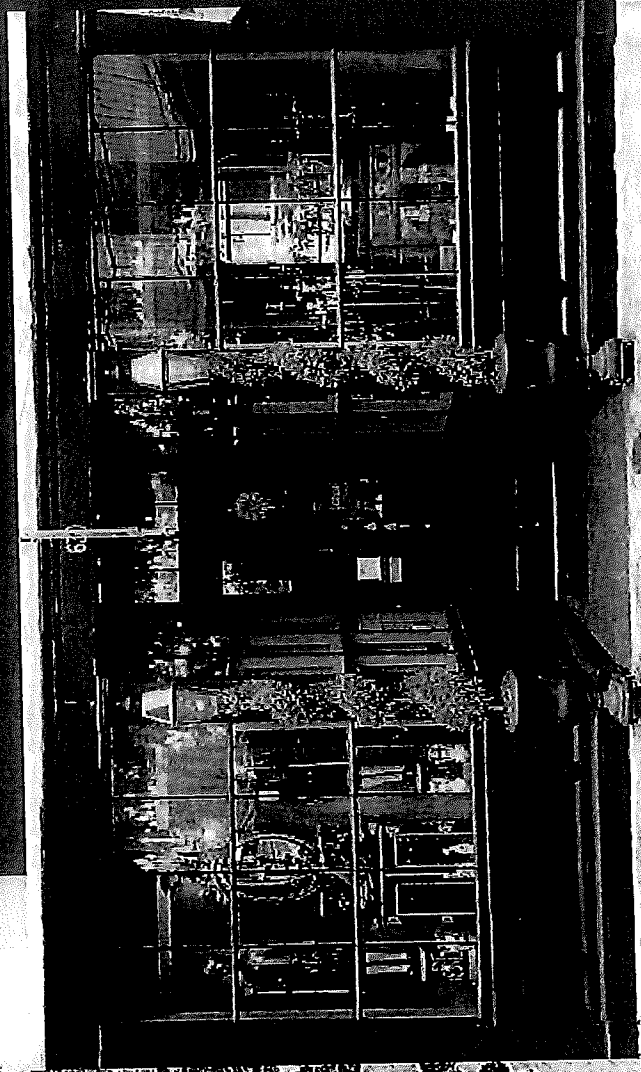
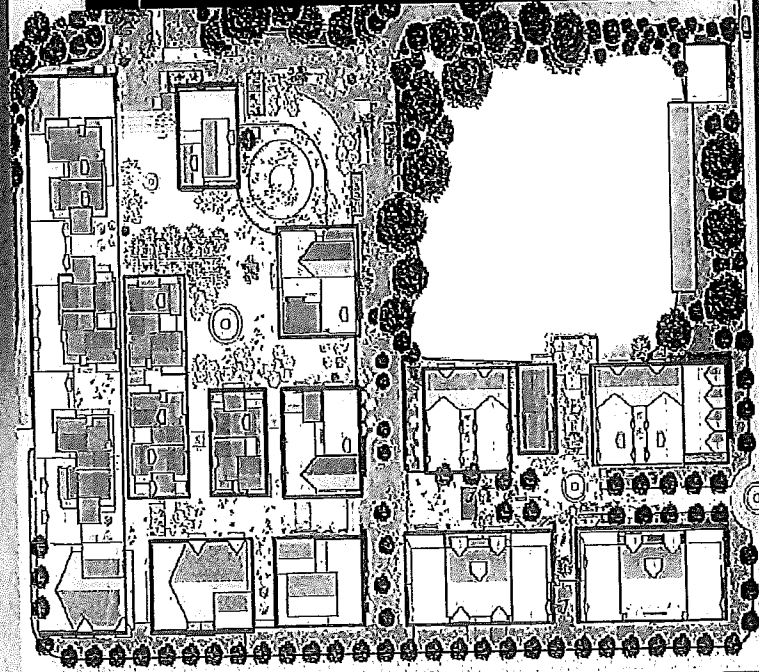


*View of Performing Arts Center
from Arts Village Plaza*

1,000 Seat Roman Amphitheater - Designed for optimum natural acoustics and requiring no amplification will make it unique and one of only a handful with this design nationwide. Located in front of the lake and directly across from the Arts Village surrounded by a parklike setting



Arts Village - Over 4,700 lineal feet of storefront / commercial / restaurant
space



Proposed Village Unit Mix

UNIT BREAKDOWN

	OPTION A	OPTION A ALT
<u>17 Acre CRA / 2.5 Acre Shadley Property</u>		
Residential Lofts and Condos	120	120
Village Offices	30	30
Village Storefront Offices	10	10
Village Shops	35	35
Condo Hotel Suites	50	50
Food Service - Coffee Shop, Ice Cream, Deli, Wine and Cheese	4	4
Restaurants	6	6
East Side Condos	0	75
Total Bayshore Village Units	255	330

Projected Cost / Profit

ROI OPTION A

Cash Investment Required - Initial Refundable Deposit for Land - \$400,000 / Total Land Acquisition Cost - \$4,000,000	
Total Cost of Project	65,325,000
Developer Equity Needed (Approx. 25%)	16,500,000
Projected Total Net Profit	21,595,000

ROI OPTION A ALT

Cash Investment Required - Initial Refundable Deposit for Land - \$400,000 / Total Land Acquisition Cost - \$4,000,000	
Total Funding Needed	84,412,000
Developer Equity Needed (Approx. 25%)	21,000,000
Projected Total Net Profit	30,132,500

What's Next

- 1 - Collier County will make a final decision and award the project by February 24, 2018
- 2- Upon being awarded the project Banroc will sign a land purchase agreement with County for the 20 acres
- 3- Total purchase price for the 20 acres is expected to be \$4,000,000
- 4- An initial refundable escrow deposit of \$400,000 will be needed in March
- 5- Banroc will have a 6 months due diligence period to finalize site layout and secure funding for the project
- 6- During due diligence period Banroc will finalize an agreement for the funding of the Opera / Performing Arts Center - either with Opera Naples/ VPAC or with the Phoenicia Festival of the Voice Foundation
- 7- Due diligence period will be used to finalize design and project Proformas
- 8 - Banroc estimates timeframe for the project to be 36 months

Banroc Is Seeking

Banroc has the complete design, construction and marketing team in place to start the project immediately

Banroc is seeking an equity partner to fund the \$6,000,000 needed to purchase the land and do the preliminary site design, do the rezoning and create the PUD

Once the land is purchased Banroc has a significant list of interested funding sources who would fund the development of the project.

The option also exists for Banroc to partner in the project with one single investor or funding source.

For more information please contact

Harry Bandinel

Phone: 941 716 0720

E Mail: Harry@BanrocCorp.com

BANROC FORGE DEVELOPMENT GROUP

Prepared By

Harry Bandinel

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Naples, FL 34102

Phone: 941 716 0720
E Mail: Harry@BanrocCorp.com

THE BAYSHORE ARTS VILLAGE PROPOSED PROJECT SUMMARY

PROPOSAL UPDATES FEBRUARY 2, 2018

RESPONSE TO COLLIER COUNTY ITN

Solicitation 17 – 7169

Bayshore Gateway Triangle

17 Acre Land Purchase / Development Proposal

BANROC CORPORATION

550 Fifth Avenue South
Naples, FL 34102

February 2, 2018
Naples, Florida

RE: BANROC FEBRUARY 2, 2018 UPDATES: Response to Collier County ITN Solicitation 17-7169

Dear County Commissioners, Bayshore CRA Staff and Bayshore CRA Board,

Pursuant to Banroc's meeting this past January 30, 2018 with the Staff of the Bayshore CRA and based upon discussions during the meeting Banroc has made the following modifications and updates to its original proposal for the development of the 17 Acre CRA Tract.

Also please see attached Power Point presentation with updated site plans and project specifications.

In making these latest changes and improvements Banroc has attempted to directly address the concerns and issues that it have discovered as Banroc and its team have progressed with the design and development of the project. Banroc also took into consideration concerns and ideas expressed by the Bayshore CRA Board, the Board of County Commissioners and the public at large.

In light of these issues and discoveries herewith a "short list" of the specific modifications we have now included in our final proposal:

- 1- Banroc Forge is now not asking for any financial assistance or impact fee concessions from the County.
- 2- Banroc's proposed purchase price for the 17 Acres remains at \$3,200,000.
- 3- Given the issues with the rezoning required in Sugden Park and due to the reluctance/ lack of interest by the Bayshore CRA, the Board of County Commissioners and Collier County Parks and Rec Department to include Sugden Park in Banroc's overall master plan for the 17 Acres Banroc has reluctantly discarded the idea of including any improvements in Sugden Park. However Banroc will still diligently pursue the incorporation and connectivity of Sugden Park and Botanical Gardens with the Bayshore Arts Village and Opera / PAC.
- 4- Banroc will also promote its Bayshore Village to the over 200,000 annual visitors of Botanical Gardens as this is a captive audience of clients / patrons for the Village.
- 5- In an attempt to create easy access to Sugden Park for all Bayshore residents and to provide connectivity between the 17 Acres and Sugden Park, Banroc will provide a sidewalk and bike path connecting Bayshore Drive and Sugden Park on all along the South boundary of the 17 Acres. It will also provide a boardwalk from the Arts Village directly into Sugden Park.
- 6- Banroc has addressed the general concern about VPAC's ability to be able to raise the 30 to 50 million dollars needed for the construction of the Opera and Performing Arts Center. Failure by VPAC to raise the funds for the Opera and PAC. In light of this Banroc has provided a few alternatives.

The first is that Banroc will require VPAC to provide proof of the funds and a financial guarantee to Banroc in a timely manner so as to not affect the development of the 17 Acres.

The second alternative is that Banroc has also signed a letter of intent with the Phoenicia Festival of the Voice Foundation and its president, Maria Todaro, who has expressed a serious interest in purchasing and managing the Opera and Performing Arts Center. Maia and her husband are both internationally renowned Opera Singers and founders of the Phoenicia Festival of the Voice Foundation. They bring a level of professional experience far beyond any available in Naples and also have an extensive worldwide network of important contacts in both Opera and Performing Arts. They also have the network and capability of raising the funds needed for the construction of the Opera and Performing Arts Center.

In the event neither VPAC nor the Phoenicia Festival of the Voice Foundation is able to raise the funding Banroc has created an alternative to the Opera and PAC.

- 7- To address this issue Banroc has created two development options – "OPTION A" and "OPTION A ALTERNATE".

Under Option A: (Assumes VPAC or the Phoenicia FVF are able to obtain funding for PAC)

- i. Banroc will give VPAC and Phoenicia FVF 6 months from date Banroc is awarded the project to raise 50% of the total funds required for the PAC
- ii. At the end of 6 months VPAC or the Phoenicia FVF must then provide Banroc proof of funds and a none-refundable deposit of \$1,000,000 to be held in escrow as a guarantee VPAC will obtain full funding within 12 months.
- iii. If VPAC or the Phoenicia FVF obtains full funding within the 12 month period Banroc will proceed with its Option A - The Arts Village and the PAC.
- iv. (As per site plan - OPTION A)

Under Option Alternate: (Assumes VPAC or Phoenicia FVF cannot raise funds for the PAC)

- v. IF VPAC or Phoenicia FVF fail to raise the funds as stated above Banroc will develop the 17 acres under its Option A Alternate
- vi. This substitutes the PAC for a 1,000 seat outdoor acoustical Roman Amphitheater and Preforming Stage and Park
- vii. Plus an additional 75 residential condominiums
- viii. (As per site plan OPTION A ALTERNATE).

- 8- The Amphitheater will be designed for "acoustical perfection" and not require electronic amplification making it a unique facility - there are only a handful of such Amphitheatres in the United States.
- 9- The Roman Amphitheater will cost less than one tenth of cost of the PAC and it will not require a perpetual endowment. Its maintenance cost is minimal. It is a facility that will allow a wide and diverse range of musical, cultural and entertainment events. In most cases these events will be much more affordably priced than any offered in the Opera/PAC and thus be accessible to a wider audience.
- 10- Banroc will design the Amphitheater so that it is fully and directly integrated with the Arts Village, thus providing a great enhancement to the Village. It will be created in a park like setting so that it will be an esthetically beautiful also.
- 11- Banroc has also signed an agreement to engage the expertise and services of Maria Todaro and the Phoenicia Festival of the Voice Foundation to help fund, create and manage an extensive musical, cultural and entertainment program for the Arts Village, the PAC or the Amphitheater and Sugden Park. This will mean weekly events in the Arts Village and at the PAC or Amphitheater and at least once a month festivals and concerts in Sugden Park.

- 12- Banroc has the Shadley property under a purchase agreement and feels this is a critical component to provide a "Village" that is large enough to provide the "critical mass" of residential and commercial units to assure the long term financial success of the Arts Village and any businesses that open shop there. It also doubles the 17 Acres base density and greatly enhances the direct street front exposure and visibility of the project along Bayshore Drive. Including the Shadley property in the Village increases the total frontage on Bayshore from 350 feet to 825 feet.

The added land also allows enough space to build a true "Village". This means multiple restaurants, several plazas and open squares, waterfront dining, many shops and stores. Anything less and all you have is another small strip mall destined to be an economic failure due to lack of traffic.

- 13- Banroc Forge is committed to providing high quality beautifully designed workforce housing in the Arts Village along with affordable retail and office space geared specifically for small businesses.
- 14- Our design has incorporated a large central square along with several smaller plazas. These are designed to provide space for artists and musicians and to provide free / low cost cultural events and entertainment for all Village patrons.
- 15- We have also design space for 6 restaurants that all provide outdoor waterfront dining and 4 food service shops (bakery, ice cream shop, wine and cheese shop and a gourmet deli) all located in our various outdoor plazas.
- 16- A key component that will help insure the success of the Arts Village will be to encourage the over 200,000 annual visitors to Botanical Gardens to visit the Arts Village and Sugden Park. This will be accomplished via easy connectivity between all three facilities and cross promotion.
- 17- Banroc has added an important new member to our design team - local architect Matthew Kragh (MHK Architects) who will act as the local architect for the design the Arts Village.
- 18- Banroc has also increased the design and planning scope of the DLR Group - New York. DLR Group is now the lead architectural designer for the entire project, including the Arts Village and the Performing Arts Center. DLR Group is a worldwide leader in the complete design of cultural and arts facilities. The DLR Group has worked on 250 similar facilities worldwide. They have master planned a massive new cultural district comprised of multi performing arts centers in Shanghai, China that is currently under construction.
- DLR Group is currently the designing a new Arts Center in Sarasota, Florida in partnership with Schenkel Schultz Architects. This project is similar in size and scope to the proposed Bayshore Arts Village PAC.
- DLR Group is also working on the Straz Center for Performing Arts and Tampa Theater in Tampa.
- Unlike Fisher Dachs or other theater design firms that provide only "specialty theater consulting services" that are limited to the interior design of the PAC, the DLR Group provides the full and comprehensive spectrum of theater design services. This includes the building's architecture, engineering, acoustics, theater technical audiovisual and interior design. DLR'S comprehensive capabilities ensure that Bayshore obtains a truly world class PAC designed and built by world class professionals whom provide the specialized expertise required for such a complex structure.
- 19- The VPAC group has engaged a professional fund raiser to provide the services to obtain the necessary donations for the PAC. Banroc has also put its extensive network of contacts and potential donors at VPAC'S disposal. Banroc will be working directly with Maria Todaro and the Phoenicia Festival of the Voice to raise donor funds for the PAC or the Amphitheater.

20- Regarding the funding of the 17 Acre project Banroc has a large network of funding sources. Given the scope of the project and the significant sum needed (estimated to be between 65 and 82 million dollars) for the full development of the project funding will come from multiple sources. Banroc plans to fund the project in three phases. These include:

- 1- Funds on hand (\$400,000) (proof of funds letter available) for earnest money deposit available immediately.
- 2- Private investor funds to close on purchase of property and rezone (\$4,600,000) available 15 days after award of ITN and upon final negotiation of PSA
- 3- A combination of private and bank loans to fund the balance of project (\$40,000,000, to \$50,000 mil
- 4- We also have three private equity investors who would fund 100% of the project.

21- Banroc primary funding sources at this time are:

- 1- Four private high net worth investors
- 2- Avison and Young
- 3- Forge Development

Banroc has several other interested funding sources, several who have expressed an interest to fund the complete project. However, to finalize any funding Banroc will need to provide proof it has been awarded the project and also show in detail the terms and conditions of the purchase agreement.

22- Included also are Banroc's Summary Proforma for the Project. We consider this confidential information to be seen only by those to whom it may specifically concern. We have included both Options A and Option A Alternate.

To finalize funding and proceed with the purchase of the 17 Acres Banroc will require a final and definite purchase contract with price, terms and conditions. Upon receipt of the final purchase contract Banroc will require 30 days to put up the 10% deposit.

In closing Banroc hereby wishes to state that the above changes were made after further study with its development team and were made specifically to ensure the long term success of the project.

Banroc has carefully designed the project to ensure it will be a great facility for arts, culture and entertainment. However equally important is that we design a Village that will also be a commercial success and promote the continued redevelopment of the entire Bayshore area. To that end Banroc has engaged the extensive expertise of the DLR Group to create the design, layout and mix of residences, shops, offices, restaurants and public spaces that create a successful village.

Banroc's Arts Village will be a mixed use village that promotes arts and culture; that provides an environment and experience that will draw visitors from far and wide; that will be a catalyst for the final redevelopment of the Bayshore area and that is accessible to all ages and all socio economic levels.

As president of Banroc Corporation I am available anytime to answer any further questions.

Sincerely,

Harry Bandinel

Harry Bandinel

President

Banroc Corporation

BAYSHORE ARTS VILLAGE - OPTION A and OPTION A ALT

SUMMARY PROFORMA- REVISED JAN 2, 2018

UNIT BREAKDOWN

17 Acre CRA / 2.5 Acre Shadley Property

	PAC	AMP
Residential Lofts and Condos	120	120
Village Offices	30	30
Village Storefront Offices	10	10
Village Shops	35	35
Condo Hotel Suites	50	50
Food Service - Coffee Shop, Ice Cream, Deli, Wine and Cheese	4	4
Restaurants	6	6
East Side Condos	0	75
Total Bayshore Village Units	255	330

	OPT A	OPT A ALT
<u>Parking Provided</u>	350	350
Ground Level Under Arts Village Parking Garage	80	80
Outdoor Village Surface Parking	100	100
Over Flow/ Event Parking On Bayshore Drive 2,000 Line Feet	120	120
Condo Hotel Parking Garage	250	0
Under Performing Arts Center Parking	0	200
Amphitheater Parking	0	112
East Side 75 Condo Units	900	962
Total Spaces		

LIST OF APPROXIMATE TOTAL SQUARE FEET OF CONSTRUCTION IN VILLAGE

Total Areas - 17 Acres Plus 2.51 Acre Shadley Property
 Approximate Total Net Buildable Land Sq. Ft.

OPT A OPT. A ALT
 350,000 350,000

Proposed Construction

Arts Village Buildable Footprint	80,500	80,500
Village Condo Hotel / Parking Garage Footprint	15,000	15,000
PAC Footprint	75,000	0
Amphitheater Footprint	0	45,000
East Side Condos Footprint	0	57,000
Remaining Open Space - Parking, Sidewalks, Plazas, Green Space	179,500	152,500
Total Construction Footprint Square Feet	350,000	350,000

Total Square Feet of Construction

Proposed Village Construction Ground Floor Footprint	80,500	80,500
Proposed Village Construction Second Floor	72,400	72,400
Proposed Village Third Floor	62,100	62,100
Proposed Condo Hotel 50 Units	45,000	45,000
Proposed Open Area - Walkways, Plazas, Public Spaces, Elevators	100,500	100,500
Proposed Footprint PAC	70,000	0
Proposed East Side Condos 75 Units	430,500	108,700
		469,200

VILLAGE CONSTRUCTION SQ. FT. BREAKDOWN

Commercial Village Ground Floor

Food Shops 4 - Each 1,000 Sq. Ft.	Unit Size	Total Sq. Ft.
Restaurants 3 - Each 2,000 Sq. Ft.	4 x 1,000	4,000
Restaurants 3 - Each 5,000 Sq. Ft.	3 x 2,000	6,000
Storefront - 35 Small Retail Shops Each 1,000 Sq. Ft	3 x 5,000	15,000
Offices - 10 Store Front Office Space 1,000 Sq. Ft	35 x 1,000	35,000
Add Common Spaces, Hallways, Stairs, Elevators - 70,000 Sq. Ft x 15%	10 x 1,000	10,000
Total Ground Floor Foot Print - 80,500 Sq. Ft		10,500
		80,500

Commercial Village Second Floor

Office Suites 30 - Each 600 Sq. Ft.	Unit Size	Total Sq. Ft.
Loft Condos Residential 60 - Each 750 Sq. Ft	30 x 600	18,000
Add Common Spaces and Hallways 63,000 x 15%	60 x 750	45,000
Total Second Floor Foot Print - 72,450 Sq. Ft		9,450
		72,450

Commercial Village Third Floor

Loft Condos 60 - Each 900 Sq. Ft.	Unit Size	Total Sq. Ft.
Add Common Spaces and Hallways 54,000 x 15%	60 x 900	54,000
Total Third Floor 62,100 Sq. Ft.		8,100
		62,100

Condo hotel and Parking Garage

Approximate Land Total Sq. Ft. 140 x 190	Unit Size	Total Sq.
Total Sq. Ft. Condo Hotel 750 Sq. Ft./ Unit x 50 Units	50 x 750	26,600
Add Common Areas, Lobby, Stairs, Elevators 37,500 x 20%		37,500
Total Sq. Ft. Footprint		7,500
		15,000

East Side Residential Condos

Total 75 Units - Each 1,250 Sq. Ft.	1,250 x 75	93,750
Add Common Areas 15%	93,750 x .15	14,950
Total 100 Units		108,700

UNIT COST / PROJECTED SALE PRICE

VENUE AND APPROXIMATE SALE PRICE

<u>Food Shops 4 @ rent 1,000 Sq. Ft. each / \$24,000 annual rent</u>	Number Units	Unit Rent Ft. / Mo.	Unit Sale Price	Total Sale Price	Vert. Const. Per/ Sq. Ft	Total _ Cost
<u>Restaurants 3 @ rent 2,000 Sq. Ft. each / \$48,000 annual rent</u>	4	24 / 2000	350,000	1,400,000	120 x 4,000 GS	480,000
<u>Restaurants 3 @ rent 5,000 Sq. Ft. each / \$120,000 annual rent</u>	3	24 / 4000	640,000	1,920,000	120 x 6,000 GS	720,000
<u>Shops 35 @ rent 35,000 Sq. Ft. / 1,000 Sq. Ft.</u>	3	24 / 10,000	1,600,000	4,800,000	120 x 15,000 GS	1,800,000
<u>Office Storefront 10 @ 1,000 Sq. Ft Each</u>	35	15 / 1500	240,000	8,400,000	120 x 35,000 GS	4,200,000
<u>Second Floor Office 30 @ 500 Sq. Ft. Each</u>	10	24 / 2000	320,000	3,200,000	120 x 10,000 GS	1,200,000
<u>Village Lofts Condos 30 @ 750 Sq. Ft. Each</u>	30	24 / 1000	160,000	4,800,000	120 x 18,000 GS	2,160,000
<u>Village Loft Condos 30 @ 800 Sq. Ft. Each</u>	30	300 / 1400	225,000	6,750,000	140 x 22,500	3,150,000
<u>Village Loft Condos 60 @ 900 Sq. Ft. Each</u>	30	323 / 1500	259,000	7,770,000	140 x 22,500	3,150,000
<u>Condo Hotel Units (20 WKS x \$2,000/WK) + (32 WKS X \$1,000/WK) x 50% net</u>	60	313 / 1,800	298,000	17,880,000	140 x 54,000	7,560,000
<u>East Side Condos 75 Units 1,250 Sq. Ft. Each</u>	50	2,000	460,000	23,000,000	180 x 37,500	6,750,000
<u>Cost Common Areas and Hallways 10 % of Total Area</u>	75	316 / 2,000	395,000	29,625,000	150 x 93,750	14,062,500
	0	0	0	0	10 % / Total	4,700,000

TOTALS OPTION A

TOTALS OPTION A ALT

TOTAL	OPTION A	79,920,000	35,870,000
TOTAL	OPTION A ALT	109,545,000	49,932,500

TOTAL ESTIMATED COST OPTION A AND OPTION A ALT

	OPTION A	OPTION A ALT
Land Purchase 17 Acres CRA	3,200,000	3,200,000
Shadley Property	800,000	800,000
Rezone and PUD	200,000	200,000
Site Clearing (OPT A 5 ACRES) (OPT A ALT 8 ACRES)	100,000	150,000
Site Development (Option A 5 Acres) (Option A ALT 8 Acres)	600,000	1,000,000
Project Management	500,000	600,000
Architectural Design	1,500,000	2,250,000
Engineering	500,000	750,000
Impact Fees (Option A - 200 x \$20,000) Option A Alt 250 x \$20,000)	4,000,000	5,000,000
Permits - (Option A = 255 Units x 3,000) (Option A Alt 330 Units x \$3,000)	765,000	990,000
Total Cost Vertical Construction	35,870,000	49,932,500
Public Areas / Plazas / Walkways	1,500,000	1,500,000
Under Village Parking 350 Spaces (14,000 Each)	4,900,000	4,900,000
Condo Hotel Parking Garage 120 Spaces (\$12,000 Each)	1,440,000	1,440,000
Outdoor Surface Parking \$5,000 x 100	500,000	500,000
Allowance for Construction Funding Costs	1,800,000	2,000,000
Contingency Fund / Misc Costs	1,000,000	1,000,000
Marketing Costs	150,000	200,000
Sales Commissions (Option A \$80,000,000 x 5%) (Option A Alt \$109,000,000 x 5%)	4,000,000	5,450,000
Closing Costs \$80,000,000 x 2%	<u>2,000,000</u>	<u>2,500,000</u>
Total Cost	65,325,000	84,362,500

PROJECTED P&L OPTION A AND OPTION B

ITEM	OPTION A	OPTION B
Total Value of New Construction	79,920,000	109,545,000
Less Total Cost	<u>65,325,000</u>	<u>82,412,500</u>
Projected Profit from Arts Village	14,595,000	27,132,500
Add Projected Net Profit Performing Arts Center (50,000,000 x 8%)	4,000,000	0
Add Sale of 150 Parking Spaces x \$20,000	<u>3,000,000</u>	<u>3,000,000</u>
Total Profit	21,595,000	30,132,500
ROI	27	36

ROI OPTION A

Cash Investment Required - Initial Refundable Deposit for Land - \$400,000 / Total Land Acquisition Cost - \$4,000,000
Total Cost of Project 65,325,000
Developer Equity Needed (Approx. 25%) 16,500,000
Total Net Profit 21,595,000

ROI OPTION A ALT

Cash Investment Required - Initial Refundable Deposit for Land - \$400,000 / Total Land Acquisition Cost - \$4,000,000
Total Funding Needed 84,412,000
Developer Equity Needed (Approx. 25%) 21,000,000
Total Net Profit 30,132,500

NEW TAX REVENUE CITY AND COUNTY - OPTION A

Real Estate Taxes Option A (New Construction - 79 Million x 1.5%) 1,185,000
Sales Taxes Option A (From New Businesses) 45 Million Annual Sales 2,700,000
Total Taxes 3,885,000
New Jobs Created 250

NEW TAX REVENUE CITY AND COUNTY - OPTION A ALT

Real Estate Taxes Option A Alt (New Construction - 109.5 Million x 1.5%) 1,642,500
Sales Taxes Option A Alt (From New Businesses) 55 Million Annual Sales 3,850,000
Total Taxes 5,492,500
New Jobs Created 300



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A small version of the Avison Young logo, with the text 'Avison Young' and 'The Best' above it.

January 25, 2018

Mr. Harry Bandinel
Banroc Forge Development Corp.
6539 Oakland Hills Drive
Lakewood Ranch, FL 34202

Re: 17-acre Bayshore CR, Naples, FL

To whom it may concern:

With regard to Banroc Forge's RFP, Avison Young New York has been soliciting financing proposals from banks and joint venture equity investment from institutional equity sources. In the case of both the debt and the equity, there are several groups that are very interested in investing in the Bayshore project. While their interest is preliminary in advance of detailed underwriting, these are groups that we have closed deals with recently and they are simply awaiting official word that Banroc Forge is the chosen party. At that time, they will proceed towards a term sheet outlining what they can do on the Bayshore project.

I would be happy to discuss the above if required. Let me know what else you need to provide comfort in their ability to proceed.

Regards,

A handwritten signature in dark ink, appearing to read 'Dan Gorczycki'.

Dan Gorczycki
Senior Director



FORGE DEVELOPMENT GROUP
840 W. HAMILTON STREET
SUITE 620
ALLENTOWN, PA 18101
610-398-2988

November 10, 2017

It has been a pleasure working with you and the very impressive team you have gathered over the last few months and this letter shall serve as Forge Development Group's commitment in co-developing, investing and assisting in the capital raise, for the project the Bayshore Arts Village Development Project.

Our interest in teaming with Banroc on this project is a testament to your significant effort over the last year in assembling a world class group of investors, designers, and construction professionals and establishing a truly unique and significant project. The strong support from the various project stakeholders and the collaborative approach that has been exhibited is the team oriented environment we want to put our time, effort, and financial resources behind.

As a bit of background, Forge Development Group is a full service real estate development and investment firm currently involved in industrial, medical, commercial, hospitality and multi-family development projects in both Pennsylvania and Southwest Florida. Our extensive experience with capital partners including institutional and individual investors will serve as the funding sources for the Project. Our executive team has a combined 70 years of development and construction experience managing construction, development and financing of a wide range of projects and will bring to bear this experience and commitment to ensuring the project's success.

We look forward to working with you in making the Bayshore Arts Village a successful and impactful project.

Sincerely,

A handwritten signature in black ink that reads "Andy Baldo". The signature is fluid and cursive, with the first name "Andy" and last name "Baldo" clearly distinguishable.

Andy Baldo
Forge Development Group LLC



CAPA EXECUTIVE SUMMARY

PROGRESS REPORT FEBRUARY 1, 2018

Submitted by Bill Drackett, President

CURRENT BOARD ACTIVITIES

- The Cultural and Performing Arts Center (CAPA) board of directors has appointed a new president and two additional influential board members and embarked on board fund-raising training.
- Developers and CAPA have traded MOU drafts, and our design consultants and legal counsel are reviewing and making recommendations.
- CAPA's 2017-2018 concert season is underway with growing community excitement and a continually growing and dedicated audience base; and CAPA's 2018 Gala on January 8 was the largest and most successful ever.
- Developers are providing visuals for CAPA to use in presentations to our donor base and other interested parties to enlist their participation and support.
- CAPA is working with financial institutions to update our existing Letters of Intent from these institutions that pertain to loaning 85% to 90% of signed pledges as a bridge loan for this project.

■ **FUNDRAISING MASTER PLANNING**

- The Cultural and Performing Arts Center (CAPA) has retained Sally M. Woliver and Associates, Inc. (SWA) to conduct an independent analysis focusing on CAPA's ability to successfully manage a mega comprehensive multi-million dollar campaign.
- Work on this analysis began December 1 and will conclude by March 2, 2018.
- A confidential report will be delivered to the CAPA board no later than March 23.
- SWA is focused on fundraising, strategic planning and organizational management. Sally Woliver has 38+ years of fundraising experience and SWA has worked with more than 100 non-profit organizations locally and nationally.
- SWA's preliminary findings on CAPA have been very positive.
- SWA feels confident, even at this early juncture, in noting that CAPA has the "raw ingredients" in place to start a campaign during the second quarter of 2018.
- Beginning January 31, 2018, the CAPA Board began preliminary campaign preparations under SWA's guidance.



DEVELOPER RELATIONSHIPS & PROGRESS

- CAPA and arts center design consultants are reviewing detailed theater plans developed in 2013.
- These plans will be updated to reflect current building costs, phasing to match construction timeline, funding availability and 2018 community and marketplace needs.
- To ensure the veracity of the VPAC requirements for the dedicated 3-4 acres, VPAC will require 51% control of all theatre design decisions.
- CAPA is engaging a professional Owner's Rep for all aspects of the developer agreement, final MOU and transition to zoning and construction phases.
- Ongoing negotiations are going well.

VPAC TEAM OF CONSULTANTS

- Theater Consultant
Joshua Dachs, Fisher-Dachs Associates, Principal
To conceptualize the project within County guidelines and create the design.
- Arts market & Consumer Research
Steven A. Wolff, AMS Planning & Research, Principal
To provide strategic initiatives for planning and development of capital facilities and arts market and consumer research.
- Acoustician
Mark Holden, Jaffe Holden, FASA Chairman
To collaboratively ensure a superior acoustic environment.
- Project Costing
Stewart Donnell, Principal
To establish and implement stringent cost-control techniques.
- Artistic Consultant
Steve Monder, Executive Director, Cincinnati Symphony Orchestra
To advise on theatre operations and artist and employee contracts.



Planning | Urban Design
Landscape Architecture
Economics | Real Estate

February 5, 2018

GAI Project No. A171466.00

Ms. Debrah Forester, AICP
Director, Collier County CRA
3570 Bayshore Drive, Unit 102
Naples, Florida 34112

**Collier County ITN Comments and Observations
Bayshore Triangle CRA, Collier Florida**

Dear Ms. Forester:

Based on our task authorization dated January 11, 2018, this letter summarizes our comments and observations related to proposals issued for the Bayshore Gateway Triangle Area under the management and control of the Collier County Community Redevelopment Agency (CRA).

Our analysis is based principally upon proposal materials originally submitted and available at the time of the above authorization. To the degree time has allowed, changes to materials provided shortly after the authorization date were also taken into consideration where noted in this letter. We understand the proposers continue to discuss and provide CRA staff with subsequent materials and updates as negotiations proceed.

Because of the way in which further information may have been received, later changes were absolutely not given the same level of analysis or consideration as those in hand at the date the task order was officially transmitted to us. Regardless, under the basic terms of that authorization this letter comprises the complete record of our opinions based on information, material, or conversations as of this date. Should staff or County find it necessary, additional time or effort could be arranged.

In selected cases, we have applied additional information gathered from sources available to GAI through previous work or experience or from other secondary industry sources. As the analysis relates to cost information in particular, it is understood our information should be considered relative order-of-magnitude only. The information is to aid comparisons between the proposals and to provide points of reference. Such information is certainly not sufficient to render a detailed opinion about either the value of the projects or cost related impacts other than generally.

To the degree cost related information may be material to a final decision or a strategy regarding actual implementation, we will be glad to provide subsequent analysis. In any case, we believe the information we have used or relied upon is uniform and reasonable for the purposes described in this letter.

GAI Consultants, Inc.
618 E. South Street
Suite 700
Orlando, Florida 32801

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gaiconsultants.com

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It should be understood the overall information within the submissions either lacks detail or, by the notes of the respondents themselves, is preliminary such that we can only draw inferences and make assumptions about its intended meaning or relevance. In some situations, that kind of information is acceptable at an early stage of discussion but all parties to any decisions must absolutely acknowledge those limitations which can be material.

INTRODUCTION AND UNDERSTANDING

Several months ago, Collier County and the CRA issued an *Invitation to Negotiate* (ITN). As we understand the process, three submissions were provided to the county with one not sufficiently responsive to the ITN's specifications mandating certain cultural elements. In the two remaining submissions, the cultural elements focused on the Visual Performing Arts Center (VPAC).

We were asked to review the remaining two, comment on the concepts overall, comment on their content and uses, examine cost issues generally, calculate threshold property tax receipts made available to the County or CRA, and identify other issues or considerations associated with fulfilling the basic implementation strategy described.

We believe it is fair to say that both submissions outline very exciting concepts. Both incorporate similar elements and land uses although their notion of how those uses might function or be priced is materially different as we understand the information provided by the respondents. Both have the promise of amazing transformation for the Bayshore Gateway Triangle Community.

Even as we acknowledge changes which have occurred since we began our review, there could be additional enhancements or alterations to each submission as we prepare this letter. We believe it is also fair to say, while informative, the materials so far provided in the respective submissions are relatively basic in nature and require, in our opinion, significant refinement over the course of final selection and negotiation. This comment applies to both the older and newer information reviewed to date.

SUMMARY

In our opinion, two very exciting and probably transformative concepts have been described in the respective submissions provided by Arno and Banroc. We believe the staff and County would agree that both submissions describe very appealing, but ambitious plans, to be implemented on some 17 acres that would be sold to one of the parties.

These plans necessitate a series of obligations from the respondents themselves, their funding sources, other third parties and the County to be fulfilled as represented to date. Accomplishing all of the steps necessary would be difficult under the best of circumstances by experienced developers but we see modest evidence that those skills are an integral part of the teams in play.

We are not opining on the capability of either team. It would be a mistake for us to conclude neither party could fulfill the obligations described. It would also be a mistake not to recognize the need for oversight controls whichever respondent is selected. The absence of documented experience calls into question which person or parties will be responsible to the County and CRA to soldier the projects through all stages of planning, financial commitments, construction, the subsequent marketing of the vertical improvements, long term management, and coordination generally. Different people have been named but their roles are not solidly established that we can see.

Given the unusual complexity of mixed use development, a theme in both proposals, much greater detail needs to be secured in subsequent rounds of discussion or negotiation to assure accountability and coordination. While the timetables in both are not unusual, they may be for only a moderately experienced team.

The following points from each proposal are amplified over the next several pages.

- **Arno:** Strong design experience but no development experience addressed in the submission materials, especially as that experience relates to the complexities of managing mixed use projects such as the kind proposed. It is not clear that other parties mentioned provide additional needed skills or experience.
 - Construction costs need to be detailed although they may be reasonable for the residential components. We understand some costs have been raised in response to conversation with staff.
 - The small residential units described in the initial proposal are an untested concept regionally. Staff has advised us Arno now believes these units could be a challenge, and he has modified his plans to reflect bigger units. If we understand the changes, his price points will remain approximately the same although the cost of implementation clearly will rise overall. It is not quite clear how these added costs will spread though other aspects of the proposal at this point but we do believe increasing the size of each unit is beneficial compared to the concept initially described.
 - Provides for 20,000 SF to 30,000 SF of non-residential development which seems a practical level of inventory given the nature of the likely users to be attracted to the project. Level of non-residential development sufficient to add character and some shopping options without overwhelming the balance of the project functionally or financially.
 - Sales prices for both residential and non-residential product are very high.
 - Not clear how commercial or other parts of the project will be managed and operated, especially if there are major parts leased.

Ms. Debrah Forester
 February 5, 2018
 GAI Project No. A171466.00

Planning | Urban Design
 Landscape Architecture
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- Parking seems limited, and the submission does not address how it will be allocated to the residential units if at all.
- Should VPAC not be constructed, an alternative plan considers additional residential development which may, or may not be desirable. How this alternate strategy will be effected was not clear to us.
- Funding and financing plans very tentative and not reflected in the financial analysis provided.
- **Banroc:** The team is identified in the organizational chart but it's not clear that prior development or implementation experience is matched to the proposed mixed use concept.
 - Residential products appear relatively mainstream in size and price.
 - The plan calls for 80,000 SF to 90,000 SF of non-residential development which we believe will be challenging given the price structure and the nature of the likely users to be attracted to the project. At this scale, it could be a burden financially to the larger project.
 - Not clear how this major commercial element within the larger project will be managed and operated.
 - It is not clear whether portions are being developed primarily for sale or for lease. Both options appear possible but the choices have implications for operations and financing as well as valuation impacts that do not appear to be correctly recognized in the submission.
 - The non-residential components are less expensive than Arno but still seem at the very upper end of the market. *If rented*, they are well above the average rents achieved in the area generally.
 - Parking may be limited. In any case, the submission does not address how it will be allocated to the residential units if at all.
 - An alternative plan has been offered in the event VPAC is not implemented. How this alternative would be executed or managed is not altogether clear.
 - Construction costs need to be detailed although they may be reasonable.
 - Funding and financing plans very tentative and not reflected in the financial analysis provided.

PRINCIPALS AND KEY PARTIES

To be clear, we have not screened any of the credentials of those involved with either submission. Our comments here are not about their qualifications but rather about the means outlined to implement the particulars of each proposal.

It is our expectation that the claims and information advanced by the respondents cast each team in its best light. In that context, we would be looking for backgrounds in redevelopment specifically, the implementation of mixed use projects which are the fulcrum of both proposals, coordination of complex projects, and extensive leadership in a redevelopment setting in Florida.

Rather than an emphasis on those skills at this point, the submissions feature strong design commitments, great community sensitivity, and openness to evolving ideas. The latter is essential in any project largely in the public realm where community ideas, if not money, are part of the currency invested in the outcome. While it is wrong to conclude these respective projects cannot be done as outlined, neither party appears to have been engaged in a similar venture. It is not clear how the project's various issues and challenges will be managed absent very intensive effort from the County or CRA and its staff. At the very least, the limited documentation about relevant experience begs the question of who among the respective principals will the CRA and County hold accountable for immediate [agreement to basic business deal and terms] and longer term [coordination, construction, marketing, management] issues and needs.

For these submissions, the limited experience *could* mean many of the representations outlined would not be achieved. We believe this is a serious enough issue that any agreements need to affirm the accountable and controlling parties are tethered to their specific responsibilities in some way.

- **Arno:** Strong design experience but no development experience addressed in the submission materials. Our concern is that the lead individual is sufficiently knowledgeable to have weighed the project's many near and longer term challenges. While the lead's experience should be reflected in the construction costs pivotal to the concept, the experience is largely for small residential properties and small commercial structures. We would want to understand the particular participation of White Lotus since the file correspondence intimates the company could participate as a joint venture partner which, by definition, is substantively more than a passive role. Other parties or companies are identified in this submission but, to emphasize, their participation can only be inferred from the file copies of correspondence, and those inferences in terms of their responsibilities and obligations to the project are not altogether clear.
- **Banroc:** Our comments are very much the same but in the Banroc submission, an organizational chart lists the various parties and firms which seem likely to be involved. These team participants may fill the experience void. Based on the various aspects of the proposal addressing costs, financing, timing, and contingencies for satisfying the project's cultural elements, this group seems better positioned to deal with the overall venture.

CONCEPTS AND CONTENT

In both, we have very exciting concepts which might be deemed transformative. Each submission, however, has certain elements which are worth discussing, notably the kinds of housing, the composition and nature of the commercial spaces, the price points, parking, and the integration of the cultural elements. To the degree that construction costs are too low relative to proforma, these would cause the rents or sale prices to be *understated*. If the price points embedded in the respective submissions are necessary to their success, then the costs of implementation *must be* reasonable at this stage of planning. While projects costs could drop, our experience indicates this is rarely the case.

The costs of *building* the product *should be reliable* at this stage given the experience of the competing parties, assuming the project is reasonably well thought out. By contrast, the market's acceptance of any *rent or price* needed to cover the project's cost is a *speculative* consideration.

To place any reported construction numbers in context, we are working with another client involved in a 200 unit walk-up apartment being constructed for about \$93 per SF inclusive of all costs. Means indicates the national average, including general contractor cost and profits, for 1-3 story apartment construction was \$141 per SF in 2013 (\$2017, \$156) and about \$154 per SF in 2013 (\$2017, \$169) for 4-7 story apartment concrete block construction. Because the former is based on Orlando conditions and the latter are national numbers - averages in any case - caution is needed in drawing a comparison. Still, whatever the actual costs for the concepts proposed, the differences point to reasons to get more detailed information.

Without suggesting we have done any market analysis, we have looked at limited data including the *Collier County Community Housing Plan* which discusses the higher housing costs in this community compared with other parts of Florida. The information provided in that document generally reconciles to our own information. We believe, based on this information, the respective rents or selling prices seem on the higher end of the range for this marketplace for the products described.

If construction costs are grossly inaccurate, then the resulting cost of occupancy for owners or renters, whatever the product type, will be similarly in error. If rents or sales price cannot be aligned, *higher* costs would tend to increase the risks of the project. While smaller units might indeed lower costs, the market for the smallest residential spaces is virtually untested in Florida which is historically a very affordable state compared to most others.

Frankly, it is impossible to ascertain what is to be sold, rented, or managed from the way materials are summarized and presented so we don't really follow how these processes might be incorporated in each respondent's basic business model. The value of the various products has been estimated in different ways which is itself not a technical problem but drawing inferences about those parts of the project developed by the principals or others, then subsequently rented, or owned, impacts those calculations materially. The options need to be clarified to understand how the various interacting pieces will be funded, financed, and ultimately valued.

Commitment letters are provided and it may be worth having further conversations with the issuers to understand the level and form of commitment intended. Not surprisingly, the letters are very general. That is not atypically the situation. That said, further information might identify what the basic size, terms, and needs are as the commitments are formalized.

Any uncertainty about the overall concept, exacerbated by a potential gap between cost and pricing [rents or sales price], raises related questions about project feasibility in general, risk immediately, and the willingness of the capital markets, including those who submitted commitment letters, to actually engage. In our analysis, there are implications for the property tax receipts which could be generated. If every project component is *rented*, then taxable value is enhanced. If the various dwelling units are *sold*, then we should assume a portion of them will have homestead exemptions. If a measure now being considered by the legislature passes, a higher homestead exemption will further erode taxable value.

For both submissions, addressing the cultural element is a challenge. Specific to the opera hall, its costs and uncertainty are major issues but do not appear to be a staging or sequencing issue on which the balance of the project depends in either case.

For the opera hall, there are obvious questions about its implementation generally, timing, cost, and fundraising requirements. As the obvious last piece in either submission, the cultural element – whatever its final form – may never be implemented. Consequently, controls need to be directed toward that aspect in particular. It is reasonable to ask how failure to implement the cultural character of the project would affect the larger concept and the values or prices attributed to individual components. While one respondent has provided a cultural contingency plan, we don't see the broader implications addressed in either submission.

Both proposals integrate commercial uses on the first floor with some residential uses above. This mix is intuitively appealing and visually rich. Unfortunately, it is difficult to design and to finance.

The design issues arise from spacing and structural conditions. The required depth and width of the commercial spaces rarely match those of the upper floors so it is not uncommon to have "excess" or dysfunctional square footage in the commercial space where the building's retail value is retained at the front. The spatial dimensions of commercial space are moderately less challenging to a restaurant operation but these activities generate heightened service challenges, food smells, noise, and parking conflicts in certain hours. We encounter these design and management issues routinely.

Because these conditions impose added risk, the financial markets are not especially enthusiastic about this kind of integration. At least in several markets we have studied, the challenge for commercial spaces on the first floor is that, as a regulatory requirement, it is a burden on a project's overall financial performance. As a general matter, *owner occupied* units atop commercial spaces is more challenging than rental units. While the design issues could be more of an issue in the typical dimensions common to rental housing, the residents are free to terminate their leases if the setting is not acceptable.

Parking is costly but needed infrastructure in each response. At this stage, we don't know what the appropriate parking requirements are but we know they should vary materially by concept. For the financial community, more parking is better than less even if local governments are prepared to waive basic parking regulations. The necessity of parking is primarily a market consideration [what do my users expect?] and investment consideration [will the lender accept the risk of materially lower than average parking ratios?].

Parking is not exclusively a regulatory concern. We have seen both developers and lenders chafe at the idea lowered parking standards are functionally a beneficial incentive.

- **Arno:** Most of the comments above apply to Arno or his team which has limited experience with the kinds of issues being outlined. We are inferring the residential units are being *sold* to their residents, not rented, exacerbating the conditions described above.

This plan appears to have about 20,000 SF to 30,000 SF of non-residential space which could be an appropriate scale for what are likely to be local, non-credit users. The scheme may allow individual spaces to be combined. Still, there are at least 32 commercial units and the market is untested for that number of investors or owner occupied work spaces which are priced at about \$400 per SF. At this level, the economics of occupancy for the most likely class of users could be a challenge. In effect, the overall program pushes risk away from the commercial side by shifting a larger share of the project's space to residential product. That may be an advantage when comparing the two proposals.

We can identify 600 parking spaces in various locations, including about 200 generally connected to VPAC. How the total will be affected by phases or the presence of VPAC is not clear. We also do not know the allocation or assignment of these 600 parking spaces.

Analytically, we have assumed 1.5 spaces [average] will be dedicated in some way to each of the 175 dwelling units indicated. This allocation would allow about 4.5 spaces per thousand for the commercial uses if all parking is built. On the other hand, about 320 spaces seem tied to the core development program. If only these 320 become available, the commercial ratio seems very limited, especially in the evening hours if the commercial space is occupied by restaurants.

Prices appear to range from \$337 to \$380 per SF for most of the residential product which in the *initial* proposal is sized from 320 SF to 844 SF. Because of their small size, it may be difficult to lower the prices *per SF* which seem high even if the sales price *per dwelling unit* should fall below the current market. Based on the larger size of units we understand may be in play, as of several days ago, these cost and spatial dynamics would shift somewhat but remain at the higher end of the market in our opinion. Without regard to size of the units, it is not clear how parking is handled within the outlined pricing structure.

These residential prices per SF can only become commensurately higher if the unit size is reduced just as the price per SF would decrease if the units were enlarged as may now be happening. Having made these price observations, it is also true there is greater elasticity for housing prices than for commercial space.

If we understand the County's basic incentive policy, density and units may have to be credited to this project. Staff has explained this can be a difficult process if the size of the units should fall below certain thresholds, triggering a need to address the land development code. While the overall timetable is not necessarily unreasonable, it may be moderately aggressive, especially if there are regulatory and incentive hurdles to address. These hurdles are reduced if the size of the units is increased as is apparently now the case.

Staff has raised questions about construction costs and fees driving the Arno proforma. At \$120 per SF, the costs for multi-family or condo units could be low for conventional multi-family construction, based on the kinds of finishes which might be expected. Although we don't know what costs are being adjusted in the course of continuing discussions, we understand all costs are moving upward to reflect larger units and respond to staff comments.

If the aforementioned parking spaces and their costs are reallocated to the residential units, construction costs per SF increase to a level more in line with other data. The cost for *commercial* construction is more difficult to pin down since the quoted \$60 per SF may be *exclusively* for unfinished shell space. If so, we don't see a figure in the budget which would address any tenant finishes or allowances. Fees (%) appear very low.

Whatever costs are at this stage of discussion, the proposal is relying on a specific form of delivery and construction. The means outlined may bring the project's costs in line with the information submitted. Specific to Arno, his team does appear to have experience with the system of building panels very briefly described in the submission. As for the fees, while low, Arno may be accepting these costs in his assumed role. If so, than they may not be unreasonable but the figures need to be explained and reconciled.

- **Banroc:** Most of the comments above apply to the Banroc team which also seems to have limited experience with the kinds of issues associated with implementing a mixed use concept.

As with Arno, we are inferring the residential units are being sold to their residents, even though a rent option is listed in the financial information. While on the smaller side of what is generally produced in the multi-family market today, they are more mainstream in size, running about 800 SF to 900 SF. Selling prices are a good deal less than those of the Arno proposal, about \$300 to \$331 per SF for the 120 residential units included as Alternative A.

Should they be rented, they would run about \$2.00 per SF which is at the higher end of the range for a small apartment but necessary to recover the cost of structured parking. Rents in the regional market are generally much lower than this today. It is not clear how, if at all, the parking fits into the purchase price of the units. Again *should the units be rented*, it is not clear how management and operating costs effect the budget or the reported capitalized value of the units which properly stems from a *net operating income* figure, not a gross figure as appears done in the submission.

We don't understand how the condo hotel units will work as either rental or for sale product. Some capital costs (parking at the very least) flow into Option A as well Alternative A. These kinds of units are exceedingly specialized. There is no evidence the team can implement or manage this kind of product. The costs of management do not appear to be addressed.

This plan appears to have about 85,000 SF to 90,000 SF of non-residential space which may be challenging, given the general issues with integrating this space into the overall mix and operation. Again, the tenants are likely to be local, non-credit users. Although *rents* for the office, retail, or restaurant spaces are, on their face, are not wildly out of line, they are definitely at the upper end of the market. *If sold*, the sales price seem high at this stage, \$300 to \$350 per SF. These figures are more competitively priced than Arno's commercial facilities but it is unclear how tenant improvement costs or longer term management and leasing costs would be addressed. If not recognized, these costs would lower the capitalized value which has been reported in the submission. On balance, we believe this block of non-residential space is a challenge, given the square footage and the concerns about the interaction of commercial users with residents.

It appears about 650 spaces are delivered net of those linked to the parking which might come from VPAC or an alternate cultural facility. We do not know the allocation of parking but have assumed 1.5 spaces [average] per dwelling unit. This allocation would allow about 180 of these spaces to be shared or dedicated among the 120 residential units. This would allocate the remaining 470, about five spaces per thousand, for the commercial uses. This might be tight but the loads would vary by day and evening usage.

The submission does not easily allow us to isolate construction costs by component but approximately \$36,000,000 appears to be associated with the major vertical spaces net of parking. These spaces total about 323,000 SF for the portions of the program associated exclusively with the residential and non-residential spaces comprising the initial elements to be sold or leased. Construction costs, net of parking, for these major spaces generally described appear to run between \$110 and \$120 per SF. This places these costs below the national data already reported. Obviously, there are many limitations to the estimate applied but the figures invite further discussion about tightening the figures.

While the proposed amphitheater is no less speculative than VPAC, we are favorably disposed to an alternative cultural facility. It must absolutely be recognized that it is no more certain than VPAC but the approach is suggestive of strategic thinking.

Finally, the respondent, in its latest submission, intimates no incentives or shared costs are being requested although a density bonus is likely needed if we understand the submission properly. We don't know the County's process to secure such a bonus once a condominium hotel is inserted into the mix. This kind of use might cloud an otherwise predictable zoning and review process. Again, while the overall timetable is not necessarily unreasonable, it may be moderately aggressive, especially if there are regulatory hurdles to address.

FUNDING AND FINANCING

Both proposals are vague and non-specific regarding their respective financing plans. Beyond representations each project should realize a profit, based on the data presented, the information provided answers no real financial questions. As already described in this letter, varied assumptions and varied information could materially alter that which could be possible or feasible for the project.

We are guessing that no more than 50% to 60% loan to value would be available for the commercial space. That share would likely be more favorable for the residential portion of each project which generally appears targeted for immediate sale. These percentages point to the need for major contributions of equity and we simply cannot judge how those funds will be made available from the material provided.

TAX IMPLICATIONS

The varied assumptions incorporated in each submission result in entirely different valuation calculations, leading to similarly different levels of tax receipts, as shown in the accompanying table.

Table 1.0: Collier County, Base Year Estimated General Fund Receipts (3.5938 Mills)

Arno Submission

Average or indicated prices			Low	Medium	High
Residential Units					
Studio	54	\$ 120,000	\$ 10,091	\$ 19,615	\$ 19,795
1BR	21	\$ 202,500	\$ 9,217	\$ 6,008	\$ 12,990
2 BR	40	\$ 285,000	\$ 27,636	\$ 34,844	\$ 34,824
1BR	36	\$ 194,000	\$ 14,865	\$ 21,155	\$ 21,334
Subtotal			\$ 61,810	\$ 81,420	\$ 88,943
Commercial units					
Small	32	\$ 250,000	\$ 24,438	\$ 24,438	\$ 24,438
Restaurant	1	\$ 250,000	\$ 764	\$ 764	\$ 764
Subtotal			\$ 25,202	\$ 25,202	\$ 25,202
Total			\$ 87,011	\$ 106,621	\$ 114,145

Banroc Submission

Average or indicated prices			Low	Medium	High
Residential Units					
VLCondo	30	\$ 225,000	\$ 15,229	\$ 20,440	\$ 20,619
VLCondo	30	\$ 259,000	\$ 18,345	\$ 23,556	\$ 23,735
VLCondo	60	\$ 298,000	\$ 43,837	\$ 54,439	\$ 54,619
Subtotal			\$ 77,410	\$ 98,434	\$ 98,973
Commercial units					
Food shops	4	\$ 350,000	\$ 4,277	\$ 4,277	\$ 4,277
Restaurants	3	\$ 640,000	\$ 5,865	\$ 5,865	\$ 5,865
Restaurants	3	\$ 1,600,000	\$ 14,663	\$ 14,663	\$ 14,663
Shops	35	\$ 240,000	\$ 25,660	\$ 25,660	\$ 25,660
Store off	10	\$ 320,000	\$ 9,775	\$ 9,775	\$ 9,775
2nd FL off	30	\$ 160,000	\$ 14,663	\$ 14,663	\$ 14,663
Subtotal			\$ 74,902	\$ 74,902	\$ 74,902
ALT Uses					
Condo Hotel	50	\$ 460,000	\$ 70,259	\$ 70,259	\$ 70,259
ESCondo	75	\$ 395,000	\$ 77,020	\$ 91,523	\$ 90,496
Subtotal			\$ 147,278	\$ 161,782	\$ 160,755
Total w/o ALT			\$ 152,312	\$ 173,336	\$ 173,876
Total with ALT			\$ 299,591	\$ 335,118	\$ 334,630

Low: All qualified homestead exemptions assumed and applied
Medium: Half of qualified homesteads assumed and applied
High: No homesteads applied

The basic differences stem from the reported sales prices and more intensive development outlined in the Banroc proposal. In effect, Banroc is representing that more than half of its program will be comprised of non-residential uses. The Banroc proposal also includes certain alternative uses which we have addressed separately in the table.

If the larger units described in the Arno submission remain priced approximately as represented in the initial submission, we don't believe changes to the estimated tax receipts are material. We have not reflected the additional units which could be built in the Arno proposal if VPAC is abandoned.

CONTROLS

Both proposals have issues or raise needs for control and guidance. While we want to see a detailed memorandum of understanding (MOU) to codify the planned program and basic deal structure, it appears disposition of the 17 acres will be effected through a purchase and sales agreement (PSA).

We have not reviewed that document to understand how its terms would control the transaction, the planned concept or particular issues we are raising in this letter. From a quick scan, at least some are addressed.

We would encourage a form of development agreement accompany the sales contract to provide needed detail. Some aspects to consider include, but are not limited to, the following:

- Plan and entitlements
- Respective rights and responsibilities of parties
- Roles of individuals assigned
- Detailed financial plans
- Continuing financial and operating plans
- Incentives, if any
- Impact of takedowns, phasing, and other developer controlled actions
- Rights of assignment and sale
- Timetable for performance relative to other standards
- Reporting procedures
- Remedies and penalties

Sincerely,



Owen Beitsch, PhD, FAICP

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THIS REAL ESTATE PURCHASE AGREEMENT ("Agreement") is made and entered into as of the Effective Date of this Agreement (as herein below defined), by and between **Collier County Community Redevelopment Agency**, an agency established by an ordinance of the Board of County Commissioners of Collier County, a political subdivision of the State of Florida ("Seller"), and _____ and/or assigns ("Purchaser").

BACKGROUND

A. Seller, a public body, is the fee simple owner of real property located in Collier County, Florida, containing approximately 17.89 acres more or less with entitlements permitting development thereon and being more particularly described in **Exhibit A**, attached hereto, and by this reference made a part hereof (the "Property");

B. The Property is located in the designated Bayshore/Gateway Triangle Community Redevelopment Area ("CRA");

C. In response to Seller's solicitation request for proposals to purchase the Property (ITN 17-7169), Purchaser made a proposal described in **Exhibit B** (the "Purchaser Proposal") which was selected for further consideration by Seller; and

D. Seller and Purchaser desire to enter into a binding contract for the sale and purchase of the Property upon the terms and conditions herein below set forth.

NOW, THEREFORE, for and in consideration of the premises, the mutual covenants and agreements herein set forth, and other good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby expressly acknowledged by the parties hereto, the parties hereto do hereby covenant and agree as follows:

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

1 2. **Agreement to Buy and Sell.**

2
3 Seller agrees to sell the Property to Purchaser and Purchaser agrees to purchase the
4 Property from Seller in the manner and upon the terms and conditions set forth in this Agreement,
5 together with (i) all tenements, hereditaments and appurtenances relating thereto or associated
6 therewith, (ii) any and all plans, specifications, government entitlements, impact fee credits, utility
7 and connection fees and credits, permits, approvals, authorizations and licenses relating to or
8 affecting the Property, (iii) any and all right, title and interest of Seller in any street, road, alley or
9 avenue adjoining the Property to the center line thereof, (iv) any and all of Seller's right, title and
10 interest in any strip, hiatus, gore, gap or boundary adjustment area adjoining or affecting the
11 Property, and (v) all right, title and interest of Seller, if any, (including all fictitious name rights
12 and other name filing or registration rights of Seller, if any) in and to any names, and all derivations
13 thereof and all logos, trademarks, trade names and other rights used in connection therewith or
14 pertaining thereto.

15
16 3. **Deposit Money.**

17
18 a. Within _____ days after the Effective Date of this Agreement, Purchaser
19 shall deposit with _____, as Escrow Agent (the "Escrow Agent"), a deposit ("Deposit
20 Money" in the sum of _____ (10% of purchase price). The Deposit Money, as well as the
21 "Inspection Extension Deposit", "Entitlement Application Deposit" and "Closing Extension
22 Deposit", defined below in Section 7, Section 8, and Section 13, respectively, (collectively the
23 "Extension Deposit Money") will be held by Escrow Agent in escrow pending Closing (as defined
24 below) and upon Closing will be delivered to Seller or as Seller shall direct and credited to the
25 Purchase Price (as defined below in Section 4) at Closing, or returned to Purchaser in accord with
26 the terms of this Agreement.

27
28 b. Prior to the expiration of the Inspection Period as it may be extended (as
29 defined in Section 7b below), Purchaser may deposit with Escrow Agent an additional sum to be
30 held in accordance with Subsection a. above.

1 After receipt of a W-9 form from Purchaser, the Escrow Agent shall invest the Deposit
2 Money in an interest-bearing account, certificate of deposit, or a repurchase agreement. Any
3 interest accrued or earned thereon shall be paid or credited to Purchaser except in the event of a
4 default by Purchaser, and Seller being entitled to receive the deposit money pursuant to the terms
5 of this Agreement in which event any interest, together with the deposit money shall be disbursed
6 by Escrow Agent to Seller as liquidated damages in accordance with the terms of this Agreement.

7
8 **4. Purchase Price.**

9
10 a. Purchase Price. The purchase price to be paid by Purchaser to Seller for the
11 Property (hereinafter referred to as the "Purchase Price") is the sum of _____ (____).

12
13 b. Method of Payment. At the time of Closing, Purchaser shall pay the
14 Purchase Price as Seller shall direct by wire transfer of immediately available funds or by locally
15 drawn bank cashier's check, toward which all deposit money previously paid by Purchaser shall
16 be credited and subject to appropriate credits, adjustments and prorations as provided in this
17 Agreement.

18
19 **5. Access to Property By Purchaser and Provision of Information to**
20 **Purchaser Prior to Closing.**

21
22 a. Access to Property. Purchaser shall at all times prior to the expiration of
23 the Inspection Period (as defined in Section 7 below) have the privilege of going upon the Property
24 with its agents, representatives and designees as needed to inspect, examine, survey and otherwise
25 undertake those actions which Purchaser, in its discretion, deems necessary or desirable to
26 determine the suitability of the Property for Purchaser's intended uses thereof. Purchaser shall
27 maintain a log that lists the dates and identities of all third-party personnel visiting the Property
28 during the Inspection Period and the general purpose of their visit. The Purchaser need not obtain
29 advance approval for such visits from Seller. Purchaser, however, must notify the Seller of all
30 such visits and provide the log information not later than five (5) days after each such visit. Said
31 privilege shall include, without limitation, the right to make surveys, soils tests, borings,

1 percolation tests, compaction tests, environmental assessments, environmental tests and tests to
2 obtain any other information relating to the surface, subsurface and topographic conditions of the
3 Property. After each such entry, Purchaser shall promptly restore the Property to its condition
4 existing on the date of this Agreement less normal fair wear and tear, and Purchaser's agreement
5 to restore the Property shall survive any termination of this Agreement. Following the expiration
6 of the Inspection Period, as hereafter defined, Purchaser may install temporary facilities and
7 signage on the Property, subject to ordinary permitting requirements for such facilities, for the
8 purpose of preparing to close and develop the Property to include such activities as promoting
9 community awareness of the proposed development, pre-marketing and pre-construction
10 activities, and other general business purposes designed to advance the proposed development.
11 Purchaser shall pay for the cost of such facilities and the maintenance, upkeep, and operation of
12 such facilities. Purchaser shall indemnify and hold Seller harmless from and against any and all
13 liens which may arise as a result of the activities on the Property by Purchaser or Purchaser's
14 agents, representatives, and designees, and against any and all claims for death of or injury to
15 persons or damage to properties arising out of or as a result of the activities of Purchaser or of
16 Purchaser's agents, representatives, or designees pursuant to the provisions of this Section.
17 Purchaser's foregoing indemnity of Seller and obligations under this Section shall survive the
18 Closing or any termination of this Agreement.

19
20 b. Delivery of Information Relating to Property. Within five (5) business days
21 following the Effective Date, Seller shall deliver to Purchaser the documents regarding the
22 Property listed on **Exhibit C** attached hereto. Within thirty (30) days following the Effective Date,
23 Seller shall deliver to Purchaser documentation setting forth any tax, impact fee or utility
24 connection credits applicable to the Property, as well as any and all previously paid impact fees
25 and utility connection credits which would be credited against future impact or utility connection
26 fees due upon redevelopment of the Property in conformance with Code of Ordinance Section 74-
27 201(c).

1 6. **Survey and Title Matters.**

2
3 a. Survey. Purchaser may, at its cost, prior to Closing obtain a current survey
4 of the Property ("the Survey") prepared by a registered land surveyor, licensed in the State of
5 Florida (the "Surveyor"). The Survey shall be certified to the Purchaser, Seller, Purchaser's
6 attorney, and the Title Company (as defined below). The Surveyor's seal shall be affixed to the
7 Survey. If the Survey reflects any encroachments or projections or any condition that adversely
8 affect the marketability of title, then Purchaser shall notify Seller of the matter within twenty (20)
9 days after receipt of the Survey. If this notice is given to Seller before the end of the Inspection
10 Period, as subsequently defined herein, Seller shall exercise good faith efforts to cause the removal
11 of the matter to the extent otherwise required under the provisions of the following Section 6(b).
12 If not so provided, Seller shall have no such obligation and following the Inspection Period the
13 existence of such conditions shall not be a cause for termination by the Purchaser nor shall the
14 removal of such conditions be a condition precedent to closing.

15
16 b. Title Evidence/Title Objections. Prior to Closing, Purchaser shall obtain, at
17 Purchaser's expense a current title insurance commitment and a copy of all exceptions referred to
18 therein (the "Title Commitment") from _____ or other licensed
19 title insurance company acceptable to Purchaser (the "Title Company"). The Title Commitment
20 shall set forth the requirements to issue an ALTA Form "B" title insurance policy in the amount
21 of the Purchase Price (the "Title Policy"), which Title Policy shall insure the Purchaser's fee simple
22 title to the Property. Purchaser shall examine the Title Commitment and the matters therein in its
23 schedules B1 and B2 affecting title to the Property. If, based on such schedules, Purchaser has
24 any objections thereto (the "Title Objections"), then Purchaser shall notify Seller of the Title
25 Objections during the Inspection Period (as defined in Section 7 below). Purchaser may object to
26 matters that: (i) adversely affect the marketability of title to the Property in accordance with law;
27 (ii) are set forth as requirements by the Title Company in schedule B1; or (iii) are encumbrances,
28 easements, restrictions or other matters encumbering the Property, whether or not scheduled as
29 exceptions to coverage in schedule B2, if Purchaser believes that they will interfere with, restrict,
30 or adversely affect its proposed use of the Property. Any matters shown on schedule B2 to which
31 Purchaser does not so timely object will be considered as Permitted Encumbrances to which

Purchaser shall take title subject to. Seller shall have no obligation to cure any such Title Objections, but Seller shall notify Purchaser within five (5) days after receipt of Purchaser's notice of Title Objections as to whether Seller is willing to cure all or any of Purchaser's Title Objections. Purchaser's sole remedy shall be to terminate this Agreement prior to the expiration of the Inspection Period if Purchaser is not satisfied with Seller's election as to title matters. In the event that Seller elects to cure any Title Objections, Seller shall have until the Closing Date (as defined below) to attempt to cure them. If Seller is unable or unwilling (provided, however, that if the Seller has caused a particular Title Objection or if Seller has given notice to Purchaser that it has elected to cure such Title Objection) then Seller shall exercise good faith efforts with respect to such title defect that it caused or elected to remove, to remove the defects by the Closing Date. If despite Seller's election to cure it is not able to do so by the Closing Date, then Purchaser shall have the option of either accepting title as it then exists, or extending the closing date by mutual agreement with the Seller, or demanding a refund of the Deposit Money paid hereunder which shall be returned forthwith to Purchaser, and thereupon Purchaser and Seller shall be released of all further obligations under this Agreement. At any time prior to Closing, Purchaser shall be entitled to have the effective date of the Title Commitment (or subsequently updated title commitment) brought current and if the updated Title Commitment (or prior updated title commitment as the case may be) reveals any matters which were not contained in the original Title Commitment which adversely affect the marketability of title, then Purchaser shall notify Seller of such adverse matter and Seller shall exercise good faith efforts to cause the removal of the adverse matter to the extent otherwise required under the provisions of this Section.

7. Inspection Period and Due Diligence.

a. Purchaser shall have until one-hundred twenty (120) days after the Effective Date (hereinafter referred to as the "Inspection Period") to: (i) determine if the Property is satisfactory to Purchaser in Purchaser's sole and absolute discretion; (ii) evaluate the feasibility of obtaining the approvals identified in the Land Use Entitlement Condition in Section 8 to enable Purchaser to use the Property as Purchaser has proposed; (iii) evaluate the economic feasibility of its development, and other matters affecting the Property; (iv) determine that all government permits, approvals, and entitlements, as now exist respecting the Property remain in full force and

1 effect; (v) evaluate the acceptability of the Permitted Encumbrances in Purchaser's sole and
2 absolute discretion; and (vi) prepare and evaluate applications with Collier County, in its
3 governmental capacity, to rezone the Property, and if and as necessary, to amend the Collier
4 County Growth Management Plan and/or Land Development Code then obtain related permits to
5 allow for and authorize development as outlined in the Purchaser Proposal, as specified in Section
6 8. Seller, as the owner of the Property, hereby authorizes Purchaser to do so. If, for any reason,
7 Purchaser is not satisfied with the Property or the results of its inspections, or evaluations, then
8 Purchaser may at its sole and absolute discretion, by written notice to Seller delivered on or before
9 the expiration of the Inspection Period, terminate this Agreement, and thereafter the parties hereto
10 shall have no further rights, duties, or obligations to sell or purchase hereunder. If Purchaser fails
11 to give any such written notice on or before the expiration of the Inspection Period, then such
12 termination right shall be deemed waived and of no further force or effect. During the Inspection
13 Period, Purchaser may, in Purchaser's sole discretion and at Purchaser's expense, have the
14 Property tested and inspected to determine if the Property contains any hazardous or toxic
15 substances, wastes, materials, pollutants or contaminants. As used herein, "Hazardous
16 Substances" shall mean and include all hazardous and toxic substances, wastes or materials, any
17 pollutants or contaminants (including, without limitation, asbestos and raw materials which include
18 hazardous components), or other similar substances, or materials which are included under or
19 regulated by any local, state or federal law, rule or regulation pertaining to environmental
20 regulation, contamination or clean-up, including, without limitation, "CERCLA", "RCRA", or
21 state superlien or environmental clean-up statutes (all such laws, rules and regulations being
22 referred to collectively as "Environmental Laws"). Purchaser may obtain a hazardous waste report
23 (the "Report") prepared by a licensed or registered engineer. Purchaser shall maintain a log that
24 lists all third party consultant engagements and tracks their status. Purchaser shall have all such
25 third party reports certified to Purchaser and to Seller. In the event that Purchaser terminates this
26 Agreement at any time, Purchaser shall immediately deliver the originals of all such third-party
27 reports, as well as the log, to Seller. The third-party reports and log need not be provided to Seller
28 if Purchaser closes the purchase. In the event, the Purchaser terminates this agreement prior to the
29 end of the Inspection Period for reasons not mentioned in Section 11, the Seller will retain ten (10)
30 percent of the deposit.

31

1 b. Notwithstanding anything herein to the contrary, at Purchaser's option,
2 Purchaser may extend the Inspection Period for an additional thirty (30) days upon written
3 notification to Seller during the Inspection Period and delivery to Seller of a sum of **Ten Thousand**
4 **and 00/100 Dollars (\$10,000.00)** as consideration for the extension, as "Inspection Extension
5 Deposit". Should Purchaser close on this Agreement, Purchaser shall receive a credit for this
6 additional deposit towards the Purchase Price. In the event, the Purchaser terminates this
7 agreement post Inspection Period for reasons not mentioned in Section 11, all deposits will be
8 disbursed to Seller.

9
10 c. During the Inspection Period, Purchaser will meet with the Naples Airport
11 Authority (NAA) to discuss the proposed building height of the Performing Arts Center described
12 in Section 9 and to determine what concerns, if any, the NAA may have and how such may be
13 satisfied or mitigated. No later than thirty (30) days prior to expiration of the Inspection Period,
14 Purchaser will provide to Seller a written Height Notice, which will contain a summary of its
15 discussion with the NAA, and copies of any correspondence, agreements of support or statements
16 of no objection regarding a specific building height on the Property. If the Height Notice summary
17 report and NAA correspondence demonstrate support or no objection to buildings of the Height
18 contained in Purchasers Proposal, or such lower height that is acceptable to Purchaser, then Seller
19 and Purchaser hereby agree that such lower height shall replace 100 feet as the height in **Exhibit**
20 **E** and the applicable condition in Section 9. If, however, the Height Notice does not include
21 specific correspondence demonstrating support or no objection to buildings of a specific height,
22 then Purchaser in such Height Notice will advise the Seller of what building height lower than 100
23 feet, if any, would be acceptable to Purchaser to preserve the catalytic nature of Purchasers
24 Proposal, and therein also provide a summary of why Purchaser believes such lower height should
25 replace 100 feet as the height contained in **Exhibit E** and the applicable condition in Section 9. In
26 this circumstance, Seller must advise Purchaser in writing within ten business (10) days after
27 receipt of such Height Notice as to whether Seller will accept the inclusion of such building height,
28 as Purchaser has indicated will be acceptable to it, as an included requirement in the Land Use
29 Entitlement Conditions described in Section 8 below. If Seller agrees to the height outlined under
30 either Height Notice scenario, then approval of such height by all relevant government bodies shall
31 be a part of the Land Use Entitlement Conditions. If Seller does not so agree it must advise

Purchaser as to the height it will accept as part of the Land Use Entitlement Conditions. Seller's failure to timely respond in such ten business (10) day period will be deemed to be agreement to inclusion as an entitlement condition in Section 8 below. By agreeing to set a height limit as an entitlement condition, the Seller in no way diminishes the rights or obligates the Board of County Commissioners to review and approve or disapprove the land use application during the entitlement process. The Purchaser recognizes that agreement by the Seller to establish a height for the purposes of an entitlement condition in no way predetermines a height approval for the purposes of the land entitlement process.

d. The Purchaser acknowledges that a Bald Eagle nest was sighted on the parcel and the Purchaser shall follow all County, State, and Federal regulations and guidelines regarding such nest. U.S. Fish and Wildlife Service (USFWS) guidelines require that nests be protected with a 330' Primary Buffer Zone and a 660' Secondary Buffer Zone. Until such time that USFWS deems this nest abandoned/lost, development orders within the 660' buffer zone will be reviewed for consistency with federal protection guidelines. A Bald Eagle Management Plan (BEMP) may be required during any development order stage (Zoning, Site Development Plan, and/or Plat). The approved BEMP will determine the time frame and guidelines to follow for construction to commence. During the Inspection Period, Purchaser will meet with appropriate agencies to discuss the proposed development and to determine what concerns, if any, they may have and how such may be satisfied or mitigated. No later than thirty (30) days prior to expiration of the Inspection Period, Purchaser will provide to Seller a written summary of its discussion with the agencies and copies of any correspondence.

8. **Development Approvals.** Purchaser's obligation to purchase the Property shall be expressly conditioned upon Purchaser, at its sole expense, obtaining approval from Collier County and other governmental authorities having jurisdiction for all necessary governmental permits and approvals to construct a mixed-use development as outlined in **Exhibit B**.

a. **Land Use Entitlement Conditions.** Purchaser's obligation to purchase the Property is contingent on Purchaser obtaining final approval of any rezone, and any amendment(s) to the Collier County Growth Management Plan and/or Land Development Code, as are necessary to obtain such rezone, to permit the uses (inclusive of height of Performing Arts Center) outlined in Purchaser Proposal as more specifically described in **Exhibit E** (the "Land Use Entitlement

1 Conditions"). In order to have this condition apply, Purchaser must: (i) submit its application to
2 Collier County to rezone the Property, together with any additional lands Purchaser may own or
3 have contracted to buy, and to amend the Collier County Growth Management Plan and/or Land
4 Development Code not later than sixty (60) days after the end of the Inspection Period, as it may
5 be extended, and (ii) comply with all applicable requirements to set (and actually request) a hearing
6 on the rezone application before the Board of County Commissioners. Purchaser may extend the
7 deadline to file its land use entitlement applications for an additional sixty (60) days upon written
8 notification to Seller and delivery to Seller of a sum of Ten Thousand and 00/100 Dollars
9 (\$10,000), as consideration for the extension, as "Entitlement Application Deposit". Should
10 Purchaser close on this Agreement, Purchaser shall receive a credit for this additional deposit
11 towards the Purchase Price. Failure to timely file land use entitlement applications will render this
12 Agreement null and void and all deposits will be disbursed to Seller. Purchaser's application to
13 rezone the Property shall include a reasonably detailed site or master plan with elevation sketches,
14 such detailed site or master plan shall be submitted no later than ninety (90) days prior to the
15 Collier County Planning Commission hearing. Purchaser shall pursue such applications with
16 reasonable diligence and in a timely and commercially reasonable manner consistent with the
17 prevailing standards of practice applicable to handling and processing land use matters in Collier
18 County, Florida. Purchaser acknowledges that Seller desires that Purchaser attempt to satisfy the
19 Land Use Entitlement Conditions within twelve (12) months after the date of all applicable
20 applications. Purchaser will attempt to meet such time frame. In furtherance thereof, Seller agrees
21 to use its best efforts to cause the Collier County Growth Management Division and/or the Board
22 of County Commissioners to: (i) designate the application submitted by Purchaser as "Fast Track
23 Process" (whereby county staff will be required to review and respond to any submittals within
24 fifteen (15) business days); (ii) cause the applications for amendments to the Collier County
25 Growth Management Plan and Land Development Code, to be processed concurrently with
26 Purchaser's application to rezone the Property; and (iii) permit any amendment to the Collier
27 County Comprehensive Plan to be received and processed "out of cycle", if necessary. The
28 Purchaser, in turn acting in good faith, shall respond to comments from any submittal for review
29 within fifteen (15) business days. Notwithstanding the persistence of Purchaser and Seller in
30 diligently pursuing the Entitlement process, the Parties agree the final BCC Hearing may ultimately
31 occur outside the twelve (12) month processing goal, and agree there is no outside date for closing

1 so long as Purchaser is pursuing the entitlements in an expeditious and timely manner consistent
2 with the standards set forth herein. Closing shall be scheduled and occur in accordance with
3 Section 13(a), below, based on the timing of all such approvals by the Collier County Board of
4 County Commissioners.

5 b. The Purchaser must obtain all the Land Use Entitlement Conditions on the
6 Property, together with any adjoining land as Purchaser may then own or have contracted to
7 purchase.

8
9 (1) The owner/seller of such other or adjoining land must agree
10 in writing that if the requested rezoning of the Property, together with such other or adjoining land
11 is approved and thereafter the Purchaser does not close on the purchase of the Property in accord
12 with the terms of this Agreement that the Seller and the Board of County Commissioners of Collier
13 County shall have the right to reverse the rezoning of the Property and of any such other or adjacent
14 land and to return it to the zoning as existed prior to the rezoning initiated by Purchaser under this
15 Agreement;

16
17 (2) Any covenants, easements or other agreements intended to
18 burden the Property as a part of any such rezoning may only be effective if, as, and when Purchaser
19 closes and takes title to the Property but shall also, at the Seller's option, be assignable to the Seller
20 in the event Purchaser does not close the purchase in accord with this Agreement and Seller wishes
21 to leave the new zoning in place.

22
23 (3) The Purchaser may wish to include lands owned by third
24 parties, not otherwise included in the Purchaser Proposal, those lands shall be included in the
25 application for approval of the Land Use Entitlement and the Purchaser shall provide an updated
26 Purchaser Proposal identifying the additional land and Purchaser's plans for its inclusion with the
27 Property in such application no later than sixty (60) days prior to expiration of the Inspection
28 Period, and allow the Seller a thirty (30) day review period. The Seller reserves the right to approve
29 or deny the updated Purchaser Proposal within the review period. Failure to respond to the
30 Purchaser's updated Purchaser Proposal within the review period shall be interpreted as approval
31 by the Seller. Should the Seller deny the updated Purchaser Proposal, the Purchaser shall have the

1 right to terminate this Agreement and receive a return of the Deposit Money (less 10%), but not
2 the Extension Deposit Money.

3
4
5 c. Bayshore Gateway Triangle CRA Density Bonus. The Seller agrees to make
6 available up to _____ bonus density units to the Purchaser to develop the site as outlined in
7 **Exhibit B**. Those bonus density units shall be pursued by Purchaser in accordance with applicable
8 codes and law in effect at the time of application. As soon as Purchaser determines final built out
9 density of its development of the Property but in no event later than 5 years of the Closing Date,
10 the Purchaser shall, at no cost to the Seller, release to the Bayshore Gateway Triangle CRA its
11 rights to any unused residential density.

12
13 **9. Memorandum of Understanding ("MOU") with a Visual Performing Arts**
14 **Organization.** A copy of an executed MOU with a Visual Performing Arts Organization will be
15 submitted to the Seller prior to the completion of the Inspection Period. MOU must contain time
16 certain fundraising benchmarks that recognize that time is of the essence for the completion of a
17 performing arts center as well as terms providing for an alternative plan as set forth in the Purchaser
18 Proposal .

19
20 **10. Public Infrastructure Improvements – Connection to Sugden Park.** Public
21 Infrastructure Improvements will be constructed to at least County Standards and will provide at
22 a minimum 8-foot multi-use pathway, lighting, and security gate to Sugden Park. Construction
23 shall be completed within twenty-four (24) months from the date of Purchaser commences
24 construction of initial phase of project.

25
26 **11. Conditions Precedent to Purchaser's Obligation to Close - Seller Covenants.**

27
28 a. Conditions Precedent. The obligation of Purchaser to close under this
29 Agreement is expressly conditioned upon the satisfaction by, and as of the time of, the closing of
30 the conditions listed below in this paragraph, provided that, Purchaser, at its election, may waive
31 any such conditions:

1 (i) From and after the Effective Date, there shall not have been or be
2 any adverse environmental condition affecting the Property provided that this condition precedent
3 shall not apply in the event that such change were to have been caused directly or indirectly by
4 Purchaser or Purchaser's agents.

5 (ii) From and after the Effective Date, there shall not have been or be
6 any moratoriums in effect or be proposed that would delay use of any approvals, permits and
7 entitlements pertaining to the Property, or prevent, restrict or delay the ability to develop the
8 Property as then approved, permitted, zoned and entitled.

9 (iii) From and after the Effective Date, there shall not have been or be
10 any adverse change in the condition of Seller's title to the Property or the physical condition of the
11 Property and all existing entitlements, permits and approvals remain in full force and effect and
12 unmodified, except as provided herein.

13 (iv) All representations and warranties of Seller remain true and correct
14 in all material respects as of Closing.

15 (v) Seller performing as required under this Agreement.

16
17
18 b. In the event that any of the foregoing conditions precedent to Closing are
19 not satisfied by a date eighteen (18) months after the date Purchaser submits its initial application
20 for rezoning and/or amendment(s) to the Collier County Growth Management Plan and/or Land
21 Development Code, then, in such event, Purchaser shall have the option of: (i) waiving the
22 condition precedent and closing without reduction to the Purchase Price in accordance with the
23 other terms and provisions of this Agreement; or (ii) canceling this Agreement by providing Seller
24 written notice of such cancellation no later than 9:00 AM on the date scheduled for Closing in
25 which event Seller shall receive the Deposit Money including Extension Deposit Money. In the
26 event that Purchaser fails to timely provide Seller with written notice of its election of either option
27 (i), or (ii) herein, then, Purchaser shall be deemed to have elected option (i).

1 12. **Land Use Entitlement Condition and Property Benefit Approval.**

2
3 As specified in Section 8, Purchaser shall have the right, prior to Closing, to file
4 applications with Collier County to: (i) rezone the Property; (ii) amend the Comprehensive Growth
5 Management Plan and/or Land Development Code, as applicable to the Property, consistent with
6 the Purchaser Proposal as it may be updated in accord with Section 8 and the Land Use Entitlement
7 Conditions. Purchaser shall pay all fees and costs of such applications. Seller agrees to execute
8 such authorizations, designations of agents and approvals and consents as may be required for
9 Purchaser to do so.

10
11 13. **Closing Date and Closing Procedures and Requirements.**

12
13 a. Closing Date. The closing (the "Closing") shall be held on or before fifteen
14 (15) business days after final action by the Collier County Board of County Commission, and the
15 expiration of all applicable appeals periods, of the last of the (i) rezoning of the Property; and (ii)
16 amendment to the Comprehensive Growth Management Plan and/or Land Development Code, as
17 applicable to the Property, consistent with Purchaser's Proposal and the Land Use Entitlement
18 Conditions, but only after and conditioned on the satisfaction of all conditions set forth in Section
19 11. Closing shall be held at the offices of the agent for the Title Company. Closing may also
20 occur on an earlier date at a time selected by Purchaser upon at least fifteen (15) business days
21 prior notice to Seller.

22 The failure of the Purchaser to close by the Closing Date without excuse in accord
23 with the terms of the Agreement (e.g. non-satisfaction of conditions precedent and Seller failure
24 to perform) shall result in a forfeiture of all funds held in escrow and termination of the Agreement
25 as specified in Section 11. County Manager or designee, at his sole discretion, may enter into a
26 mutual written agreement on behalf of Seller that extends the Closing Date one time for thirty (30)
27 days subject to a Closing Extension Deposit of \$25,000 paid by the Purchaser without further
28 approval by the Board of County Commissioners. The deposit is in addition to the Purchase Price
29 and is nonrefundable.

30
31 b. Conveyance of Title/Assignments/Deliveries at Closing. At the Closing,

1 Seller shall execute and deliver to Purchaser a Statutory Deed conveying good and marketable fee
2 simple title to the Property subject only to the Permitted Encumbrances. Such Statutory Deed shall
3 reserve a fifteen (15) foot maintenance and access easement to Collier County along the Northern
4 Boundary of the Property for access and maintenance of storm water facilities. . Seller shall also
5 provide Purchaser with assignments, with consents as needed, of any and all professional plans,
6 specifications and other work product and development entitlements, approvals, credits and
7 permits, as are applicable to the Property. Seller and Purchaser agree that such documents
8 (including, but not limited to resolutions, certificates of good standing and certificates of authority
9 as may be necessary to carry out the terms of this Agreement) shall be executed and/or delivered
10 by such parties at the time of Closing, including, without limitation, a customary owner's affidavit
11 in form sufficient to enable the Title Company to delete all standard title exceptions other than
12 survey exceptions from the Title Policy and a certificate duly executed by Seller certifying that
13 Seller is not a foreign person for purposes of the Foreign Investment in Real Property Tax Act
14 (FIRPTA) which certificate shall include Seller's taxpayer identification number and address or a
15 withholding certificate from the Internal Revenue Service stating that Seller is exempt from
16 withholding tax on the Purchase Price under FIRPTA.

17 c. Closing Costs. At the Closing, Purchaser shall pay for any applicable state,
18 county, and other applicable documentary stamps or other transfer taxes; Purchaser shall pay: (i)
19 the cost of all of its inspections and investigations of the Property; (ii) all costs related to any
20 Purchaser's financing; (iii) the premium on Purchaser's Title Policy and any charges for the Title
21 Commitment; (iv) the cost of recording the Statutory Deed; and (v) all other costs incurred by
22 Purchaser. Each party shall pay its own attorneys' fees and costs.

23 d. At closing, and as a condition to Purchaser funding the disbursement of the
24 proceeds of the sale, the Title Company must endorse the Title Commitment and/or issue the Title
25 Policy, in either case to: (i) insure the gap and eliminate any exceptions for it; (ii) insure title in
26 Purchaser's name; and (iii) delete all standard exceptions other than for unpaid current taxes.

27 e. Covenant Against Voluntary Annexation. Purchaser acknowledges that the
28 deed conveying the Property shall include a covenant approved by the Collier County Attorney
29 that states in substantial part that Purchaser and every successor owner in title shall not: 1) petition

1 or otherwise request to annex the Property into a municipality; and/or 2) vote or agree in any way
2 to a municipality initiated annexation of the Property. This covenant shall run with the Property,
3 and will be fully binding on any successor, heir, and assign of the Purchase. This covenant is a
4 substantial part of the material consideration given to the County in connection with the sale of the
5 Property. In the event the covenant is violated, Purchaser, or its then successors in interest, shall
6 pay the Seller all costs, including attorney's fees, incurred by the Seller in enforcing this covenant.
7 This covenant shall be separately enforceable by the Community Redevelopment Agency of
8 Collier County and by the Collier County Board of County Commissioners.

9 All obligations under this Section shall survive the closing and delivery of the Statutory Deed.

10 **14. Post-Closing Maintenance Covenant.** Following Closing, Purchaser agrees that
11 it shall use reasonable diligence to clean up the Property and thereafter maintain the Property in a
12 manner that is consistent with that typically used by developers in urban settings who are
13 anticipating marketing a planned development project thereon.

14 **15. Post-Closing Development Schedule.** Following Closing, Purchaser will submit
15 permits to the appropriate permitting Agencies as required to proceed to final development
16 approval within 90 days of closing.

17 **16. Right of First Refusal.** In the event, the Purchaser is unable to complete the
18 development as outlined in the "Purchaser Proposal", Seller will have the first right of refusal to
19 purchase the property for _____ (insert purchase price) plus
20 actual verifiable application costs associated with additional entitlements received on the property,
21 including rezoning and permits.

22 **17. Assignment.** Purchaser may assign Purchaser's rights under this Agreement to an
23 entity that is owned by or affiliated with the current principals of Purchaser,
24 and/or _____ with Seller's approval.

25 **18. Possession of Property.** Seller shall deliver to Purchaser full and exclusive
26 possession of the Property on the Closing Date.

1 19. **Condemnation/Risk of Loss.** In the event that all of the Property or any portion
2 thereof is taken by eminent domain prior to Closing, Purchaser shall have the option of either: (i)
3 canceling this Agreement and receiving a refund of the all deposit monies, whereupon both parties
4 shall be relieved of all further obligations under this Agreement except those that explicitly survive
5 termination of this Agreement; or (ii) proceeding with Closing without reduction of the Purchase
6 Price, in which case Purchaser shall be entitled to all condemnation awards and settlements, if any.
7 Seller retains the risk of loss pending Closing.

8 20. **Warranties and Representations of Seller.** Seller hereby represents and warrants
9 to Purchaser, as follows:

10 a. Seller has the full right, power and authority to enter into and deliver this
11 Agreement and to consummate the purchase and sale of the Property in accordance herewith and
12 to perform all covenants and agreements of Seller hereunder.

13 b. Seller's U.S. Taxpayer Identification Number is _____ and no
14 withholding of sale proceeds is required with respect to Seller's interest in the Property under
15 Section 1445(a) of the Internal Revenue Code.

16 c. There are no present violations of any ordinances, regulations, laws or
17 statutes of any governmental agency related to the Property or improvements thereon.

18 d. There are not presently pending any condemnation actions with respect to
19 the Property nor has Seller received written notice of or is Seller aware of any being contemplated.
20

21 e. After the Effective Date, Seller shall not do anything to cause any change
22 in the existing zoning classification or entitlements that benefit the Property unless requested to do
23 so by Purchaser or consistent with the Agreement.
24

25 f. There is no litigation pending against or respecting the Property.
26

27 g. Seller has not heretofore entered into any agreements, or allowed or suffered
28 to be filed or created, any new conditions, that adversely affect title, use or development of the

1 Property that are not listed in **Exhibit B** which will be binding against the Property following
2 Closing.

3 h. To the best of Seller's knowledge there is no hazardous or toxic waste or
4 contamination located on the Property.

5 Notwithstanding anything in this Section 20 or the other provisions of this Agreement to the
6 contrary, the correctness of any representation or warranty made by Seller under this Agreement
7 shall also be a condition precedent to Purchaser's obligation to close as provided in Section 13 of
8 this Agreement. The representations and warranties contained in this Section shall survive
9 Closing.

10 21. **Defaults.** Upon a default by Purchaser under this Agreement and Purchaser's
11 failure to cure the default within thirty (30) days following notice thereof in writing from Seller,
12 then Escrow Agent shall pay the Deposit Money and extension monies, plus any interest actually
13 earned thereon, to Seller as its sole and exclusive remedy, in lieu of all others, as liquidated
14 damages and in full settlement of any claims or damages whereupon this Agreement shall become
15 null and void and of no further force or effect. It is hereby agreed that Seller's damages may be
16 difficult to ascertain and that the Deposit Money paid by Purchaser to the Escrow Agent constitutes
17 reasonable liquidation thereof and is intended not as a penalty, but as liquidated damages, Seller
18 shall have no right to seek specific performance of this Agreement or any claim for actual damages.
19 Notwithstanding anything herein to the contrary, Seller shall not be required to provide said thirty
20 (30) days notice if Purchaser's default is its failure to close on the Closing Date.

21 Upon a default by Seller under this Agreement and Seller's failure to cure the default within
22 thirty (30) days following notice thereof in writing from Purchaser, Purchaser may, at its option,
23 and as its sole and exclusive remedies in lieu of all others require that the Extension Deposit Money
24 paid to the Escrow Agent, plus any interest actually earned thereon, be refunded to Purchaser by
25 Escrow Agent or Purchaser may enforce specific performance of Seller's obligation to close under
26 this Agreement.

27 22. **Real Estate Brokers.** Purchaser hereby represents and warrants to Seller that
28 Purchaser has not engaged or dealt with any agent, broker or finder in regard to this Agreement or

1 to the sale and purchase of the Property contemplated hereby. Purchaser hereby indemnifies Seller
2 and agrees to hold Seller free and harmless from and against any and all liability, loss, cost, damage
3 and expense, including, but not limited to, attorney's fees and costs of litigation, both prior to and
4 on appeal, which Seller shall ever suffer or incur because of any claim by any agent, broker or
5 finder, engaged by Purchaser, whether or not meritorious, for any fee, commission or other
6 compensation with respect to this Agreement or to the sale and Purchase of the Property
7 contemplated hereby.

8 Seller hereby represents and warrants to Purchaser that Seller has not engaged or dealt with
9 any agent, broker or finder in regard to this Agreement or to the sale and purchase of the Property
10 contemplated. Seller hereby indemnities Purchaser and agrees to hold Purchaser free and harmless
11 from and against any and all liability, loss, cost, damage and expense, including but not limited to
12 attorneys' fees and costs of litigation both prior to and on appeal, which Purchaser shall ever suffer
13 or incur because of any claim by any agent, broker or finder engaged by Seller, whether or not
14 meritorious, for any fee, commission or other compensation with respect to this Agreement or to
15 the sale and Purchase of the Property contemplated hereby.

16
17 23. **Notices.** Any notices which may be permitted or required hereunder shall be in
18 writing and shall be deemed to have been duly given as of the date and time the same are personally
19 delivered, transmitted electronically (i.e. telecopier device with printed transmittal confirmation)
20 or within three (3) days after depositing with the United States Postal Service, postage prepaid by
21 registered or certified mail, return receipt requested, or within one (1) day after depositing with
22 Federal Express or other overnight delivery service from which a receipt may be obtained, and
23 addressed as follows:

24

25 To Purchaser:

26

27 With a copy to:

28

29 To Seller:

Collier County Community Redevelopment Agency
3299 Tamiami Trl E., Suite 202
Naples, FL 34112-5746

30

31

1 Attn: County Manager
2 Telephone: 239-252-8383

3
4 With a copy to: Jeffrey A. Klatzow, Esq.
5 Collier County Attorney
6 Collier County Attorney's Office
7 3299 East Tamiami Trail, Suite 800
8 Naples, FL 34112-5749
9 Telephone: (239) 252-8400
10 Facsimile: (239) 774-0225
11

12 To Escrow Agent: _____

13 or to such other address as either party hereto shall, from time to time, designate to the other party
14 by notice in writing as herein provided.

15 24. **Escrow Agent.** The parties shall utilize the _____ as Escrow Agent,
16 pursuant to an agreement acceptable to the parties. Escrow Agent, as escrow agent, is acting in
17 the capacity of a depository only, and shall not be liable or responsible to anyone for any damages,
18 losses or expenses unless same shall be caused by the gross negligence or willful malfeasance of
19 Escrow Agent. In the event of any disagreement among any of the parties to this Agreement or
20 among them or any of them and any other person, resulting in adverse claims and demands being
21 made in connection with or for any Property involved herein or affected hereby, Escrow Agent
22 shall be entitled to refuse to comply with any such claims or demands as long as such disagreement
23 may continue, and in so refusing, shall make no delivery or other disposition of any Deposit Money
24 then held by it under this Agreement, and in so doing Escrow Agent shall not become liable in any
25 way for such refusal, and Escrow Agent shall be entitled to continue to refrain from acting until
26 (a) the rights of adverse claimants shall have been finally settled by binding arbitration or finally
27 adjudicated in a court assuming and having jurisdiction of the Earnest Money involved herein or
28 affected hereby (after all applicable periods for appeal have expired), or (b) all differences shall
29 have been adjusted by agreement and Escrow Agent shall have been notified in writing of such
30 agreement signed by the parties hereto. Further, Escrow Agent shall have the right at any time

1 after a dispute between Seller and Purchaser has arisen, to pay any Earnest Money held by it into
2 the registry of any court of competent jurisdiction for payment to the appropriate party, whereupon
3 Escrow Agent's obligations hereunder shall terminate and Escrow Agent shall be automatically
4 released of any and all obligations. All costs of the escrow and the Escrow Agent shall be shared
5 equally between Purchaser and Seller.

6 **25. General Provisions.** No failure of either party to exercise any power given
7 hereunder or to insist upon strict compliance with any obligation specified herein, and no custom
8 or practice at variance with the terms hereof, shall constitute a waiver of either party's right to
9 demand exact compliance with the terms hereof. This Agreement contains the entire agreement
10 of the parties hereto, and no representations, inducements, promises or agreements, oral or
11 otherwise, between the parties not embodied herein shall be of any force or effect. The Purchaser
12 Proposal and Seller's solicitation have merged into it. Any amendment to this Agreement shall
13 not be binding upon any of the parties hereto unless such amendment is in writing and executed
14 by Seller and Purchaser. The provisions of this Agreement shall inure to the benefit of and be
15 binding upon the parties hereto and their respective heirs, administrators, executors, personal
16 representatives, successors and assigns. Time is of the essence of this Agreement. Wherever under
17 the terms and provisions of this Agreement the time for performance falls upon a Saturday,
18 Sunday, or Legal Holiday, such time for performance shall be extended to the next business day.
19 This Agreement may be executed in multiple counterparts, each of which shall constitute an
20 original, but all of which taken together shall constitute one and the same agreement. The headings
21 inserted at the beginning of each Section are for convenience only, and do not add to or subtract
22 from the meaning of the contents of each Section. Seller and Purchaser do hereby covenant and
23 agree that such documents as may be legally necessary or otherwise appropriate to carry out the
24 terms of this Agreement shall be executed and delivered by each party at the Closing. This
25 Agreement shall be interpreted under the laws of the State of Florida.

26 **26. Survival of Provisions.** The covenants, representations and warranties set forth in
27 this Agreement shall survive the Closing.

28 **27. Severability.** This Agreement is intended to be performed in accordance with, and
29 only to the extent permitted by, all applicable laws, ordinances, rules and regulations. If any

1 provision of this Agreement or the application thereof to any person or circumstance shall, for any
2 reason and to any extent, be invalid or enforceable, the remainder of this Agreement and the
3 application of such provision to other persons or circumstances shall not be affected thereby but
4 rather shall be enforced to the greatest extent permitted by law.

5 28. **Attorneys' Fees.** In the event legal action is brought to interpret or enforce this
6 Agreement, any provision hereof or any matter arising herefrom, the prevailing party shall be
7 entitled to recover its reasonable costs, fees and expenses, including, but not limited to, witness
8 fees, expert fees, consultant fees, attorney, paralegal and legal assistant fees, costs and expenses
9 and other professional fees, costs and expenses at trial or on appeal.

10 29. **Effective Date.** When used herein, the term "Effective Date" or the phrase "the
11 date hereof" or "the date of this Agreement" shall mean the last date that either Purchaser or Seller
12 execute this Agreement.

13 **IN WITNESS WHEREOF,** Purchaser, Seller, and Escrow Agent have caused this
14 Agreement to be executed as of the dates set forth.

15 **AS TO SELLER:**

16

17 **ATTEST:**

18 DWIGHT E. BROCK, Clerk

19

20

21

22

23 Approved as to form and legality:

24

25

26 Jennifer A. Belpedio

27 Assistant County Attorney

28

**COLLIER COUNTY COMMUNITY
REDEVELOPMENT AGENCY**

BY: _____

_____, Deputy Clerk

_____, Chairman

JAB
1/31/18

1 AS TO PURCHASER:

2 WITNESSES:

3

4 _____

5 Witness #1 (Signature)

6

7 _____

8 Witness #1 (Print Name)

Name and title

9

10 _____
11 Witness #2 (Signature)

12

13 _____

14 Witness #2 (Print Name)

15

16

17

1
2
3
4
5
6

EXHIBIT A

Legal Description



EXHIBIT B

Purchaser Proposal

Proposal from _____ in response to Solicitation 17-7169, Sale of 17.89 Acres within the Bayshore Gateway Triangle Redevelopment Area, dated June 1, 2017, or as amended through the negotiation or inspection period or this agreement, a copy of which can be found attached to this agreement:

EXHIBIT C

Documents to be Delivered

Any available records, legal documents and other information in Seller's possession or under the control of Seller concerning the Property, such as surveys, title insurance policies, documents listed as Schedule B exceptions in Seller's title insurance policy, permits, approvals, plans and specifications, covenants, conditions and restrictions, public and private easements, soil tests, environmental assessment reports (Phase I and Phase II), documents concerning pending or threatened legal actions, and notices of violations of laws, if any.

EXHIBIT F

Property Benefits To Be Received By Purchaser

1. All existing impact fee credits that run with the Property.