

**GULF BREEZE CITY COUNCIL
EXECUTIVE SESSION AGENDA
SPECIAL MEETING**

**NOVEMBER 25, 2013
MONDAY, 6:30 P.M.
COUNCIL CHAMBERS**

REMINDER: THIS MEETING WILL BE HELD ON MONDAY, NOVEMBER 25, 2013, DUE TO THE THANKSGIVING HOLIDAY

SPECIAL MEETING: Resolution No. 43-13, Year End Budget Adjustment for FY 2013

ACTION AGENDA ITEMS:

- A. Discussion and Action Regarding Application for Special Event from the Pensacola Sports Association for the Double Bridge Run (02/01/2014)
- B. Discussion and Action Regarding Application for Special Event from Gulf Breeze Chamber of Commerce for Holiday Parade (12/07/2013)
- C. Discussion and Action Regarding Change Order Request – Tiger Point Golf Club – Main Building
- D. Discussion and Action Regarding Capital Trust Agency Bond Program – LVI RD Osceola, LLC – Resolution 32-13
- E. Discussion and Action Regarding Capital Trust Agency Bond Program – The Lexington/The Lexington House – Resolution 33-13
- F. Discussion and Action Regarding Capital Trust Agency Bond Program –Mainsail Health Care Group II – Resolution 34-13
- G. Discussion and Action Regarding Capital Trust Agency Bond Program – Senior Care Living 1 – Resolution 35-13
- H. Discussion and Action Regarding Capital Trust Agency Bond Program – Equinox of Jacksonville – Resolution 36-13
- I. Discussion and Action Regarding Pensacola Beach Natural Gas Service

**GULF BREEZE CITY COUNCIL
EXECUTIVE SESSION AGENDA
SPECIAL MEETING**

- J. Discussion and Action Regarding Appointment of Gary Michaels to Capital Trust Agency Board
- K. Information Items
- L. Public Forum

If any person decides to appeal any decisions made with respect to any matter considered at this meeting or public hearing, such person may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and any evidence upon which the appeal is to be based.

The public is invited to comment on matters before the City Council upon seeking and receiving recognition from the Chair.



City of Gulf Breeze

TO: Edwin A. Eddy, City Manager
FROM:  David J. Szymanski, Assistant City Manager
DATE: November 22, 2013
SUBJECT: **Budget Adjustments, Resolution No.43-13**

Attached is the proposed year end budget adjustment for fiscal year 2013. By State statute, the City of Gulf Breeze has to (within sixty days after the end of the most recent fiscal year) present a year end budget adjustment to the City Council for approval. This adjustment addresses situations where costs have gone over or remained under budget. Because of this requirement, the City has declared the last Executive Session of November 2013 a Special Meeting in order to approve the year end budget resolution.

RECOMMENDATION: That the City Council approve at the City Council Special Meeting on Monday, November 25, 2013, the Year End Budget Adjustment Resolution 43-13.

Resolution 43-13

A RESOLUTION TO BE ENTITLED

A RESOLUTION OF THE CITY OF GULF BREEZE AUTHORIZING AND MAKING REVISIONS, TRANSFERS, AND APPROPRIATIONS FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2013

WHEREAS: The City of Gulf Breeze, Florida is required to adhere to governmental accounting Practices that comply with Florida Statue 189.418

NOW, THEREFORE BE IT RESOLVED by the City of Gulf Breeze to adopt an amended Fiscal Year 2013 Budget as follows:

Final Budget												
City of Gulf Breeze - Fiscal Year 2012-2013												
	General Fund	Urban Core Redevel	GB Financial	Natural Gas Fund	SSRUS Fund	Solid Waste Fund	Water & Sewer Fund	Stormwater Fund	Tiger Point Golf Club	Traffic Citation Fund	Total All Funds	
Revenues:												
Ad Valorem Taxes 1.90	1,165,757	752,089									1,917,846	
Non Ad Valorem Taxes	1,337,022										1,337,022	
Grant Revenue	3,559,929										3,559,929	
Sales Revenue	232,287		638,590	1,884,750	4,274,816	673,465	1,809,445	190,324	1,312,696	777,679	11,794,052	
Fines & Judgements	167,108										167,108	
Miscellaneous Revenue	681,986		213,741	98,560	907,830	124,585	400	87,000	4,284,609	12,012	2,039,114	
Utility Transfers	1,428,169				227,326						6,027,104	
Government Interfund	193,737										193,737	
GBFS CTA Transfer	825,000										825,000	
Reserves Brought Forward	5,300,071	369,638		975,971		63,354	168,751				6,877,785	
Total Revenues, Transfers & Fund Balances	14,891,066	1,121,727	852,331	2,959,281	5,409,972	736,819	2,102,781	277,724	5,597,305	789,691	34,738,697	
Expenditures:												
Wages	2,369,909		81,375	416,419	1,004,124	91,248	232,056	84,669	786,252	7,890	5,073,942	
Taxes & Benefits	800,668		24,740	104,661	241,345	11,529	42,301	16,742	45,815	604	1,288,405	
Professional & Contract Services	574,153	306,911	63,570	718,083	661,411	532,892	801,514	14,804	303,985	193,553	4,170,876	
Operations & Repair	943,486	86,003	14,513	148,964	677,845	5,455	156,268	12,423	294,725	413,209	2,752,892	
Supplies & Fuels	1,002,515	2,974	24,157	256,773	284,894	4,874	77,367	3,285	675,935	13,098	2,345,873	
Debt Costs (Int & Prin)	480,695		29,468		626,027		77,489	42,567			1,256,246	
Capital	8,453,914			1,109,025	274,944		333,762		3,490,594		13,662,239	
Tap Fee Reserves					295,825						295,825	
Total Expenditures	14,625,340	395,888	237,823	2,753,926	4,066,416	645,998	1,720,757	174,490	5,597,305	628,354	30,846,297	
Transfers Out	265,726	725,839	508,650	205,355	317,496	90,821	382,024	22,817		102,781	2,621,509	
Reserves			105,858		1,026,060			80,417		58,556	1,270,891	
Total Appropriated Expenditures Transfers & Reserves	14,891,066	1,121,727	852,331	2,959,281	5,409,972	736,819	2,102,781	277,724	5,597,305	789,691	34,738,697	

General Fund

Revenues:	FY2013 Budget	FY2013 Actual
Ad Valorem Taxes 1.90	1,140,395	1,165,757
Non Ad Valorem Taxes	1,341,326	1,337,022
Grant Revenue	579,313	3,559,929
Sales Revenue	283,800	232,287
Fines & Judgements	186,900	167,108
Miscellaneous Revenue	211,264	681,986
Utility Transfers	850,000	1,428,169
Government Interfund	193,737	193,737
GBFS CTA Transfer	825,000	825,000
Reserves Brought Forward		5,300,071
Total Revenues, Transfers & Fund Balances	5,611,735	14,891,067
Expenditures:		
Wages	2,292,923	2,369,909
Taxes & Benefits	703,670	800,668
Professional & Contract Ser	455,960	574,153
Operations & Repair	727,466	943,486
Supplies & Fuels	480,010	1,002,515
Debt Costs (Int & Prin)	444,102	480,695
Capital	5,000	8,453,916
Unclassified		
Total Expenditures		14,625,341
Transfers Out	178,726	265,726
To Reserves	323,878	
Total Appropriated Expenditures Transfers & Reserves	5,611,735	14,891,067

CRA

Revenues:	FY2013 Budget	FY2013 Actual
Ad Valorem Taxes 1.90	752,089	752,089
Non Ad Valorem Taxes		
Grant Revenue		
Sales Revenue		
Fines & Judgements		
Miscellaneous Revenue		
Utility Transfers		
Government Interfund		
Reserves Brought Forward		369,638
Total Revenues, Transfers & Fund Balances	752,089	1,121,727
Expenditures:		
Wages		
Taxes & Benefits		
Professional & Contract Ser	300,000	306,911
Operations & Repair	82,300	86,003
Supplies & Fuels	7,100	2,974
Debt Costs (Int & Prin)		0
Capital	168,952	0
Unclassified		
Total Expenditures	558,352	395,888
Transfers Out	193,737	725,839
To Reserves		
Total Appropriated Expenditures		
Transfers & Reserves	752,089	1,121,727

Gulf Breeze Financial

Revenues:	FY2013 Budget	FY2013 Actual
Ad Valorem Taxes 1.90		
Non Ad Valorem Taxes		
Grant Revenue		
Sales Revenue	702,401	638,590
Fines & Judgements		
Miscellaneous Revenue	237,000	213,741
Utility Transfers		
Government Interfund		
GBFS CTA Transfer		
Total Revenues, Transfers & Fund Balances	939,401	852,331
Expenditures:		
Wages	80,900	81,375
Taxes & Benefits	28,218	24,740
Professional & Contract Services	72,840	63,570
Operations & Repair	17,400	14,513
Supplies & Fuels	17,040	24,157
Debt Costs (Int & Prin)		29,468
Capital	3,756	0
Unclassified		
Total Expenditures	220,154	237,823
Transfers Out	524,000	508,650
To Reserves	195,247	105,858
Total Appropriated Expenditures Transfers & Reserves	939,401	852,331

Natural Gas

Revenues:	FY2013 Budget	FY2013 Actual
Ad Valorem Taxes 1.90		
Non Ad Valorem Taxes		
Grant Revenue		
Sales Revenue	2,000,000	1,884,750
Fines & Judgements		
Miscellaneous Revenue	6,000	98,560
Utility Transfers		
Government Interfund		
GBFS CTA Transfer		
Reserves Brought Forward		975,971
Total Revenues, Transfers & Fund Balances	2,006,000	2,959,281
Expenditures:		
Wages	359,120	416,419
Taxes & Benefits	113,366	104,661
Professional & Contract Services	892,500	718,083
Operations & Repair	97,400	148,964
Supplies & Fuels	157,590	256,773
Debt Costs (Int & Prin)		0
Capital		1,109,025
Unclassified		
Total Expenditures	1,619,976	2,753,926
Transfers Out	191,617	205,355
To Reserves	194,407	
Total Appropriated Expenditures Transfers & Reserves	2,006,000	2,959,281

South Sant Rosa Utility

Revenues:	FY2013 Budget	FY2013 Actual
Ad Valorem Taxes 1.90		
Non Ad Valorem Taxes		
Grant Revenue		
Sales Revenue	4,091,593	4,274,816
Fines & Judgements		
Miscellaneous Revenue	459,446	907,830
Utility Transfers	227,557	227,326
Government Interfund		
GBFS CTA Transfer		
Reserves Brought Forward		
Total Revenues, Transfers & Fund Balances	4,778,596	5,409,972
Expenditures:		
Wages	965,110	1,004,124
Taxes & Benefits	291,197	241,345
Professional & Contract Services	627,500	661,411
Operations & Repair	607,900	677,845
Supplies & Fuels	305,200	284,894
Debt Costs (Int & Prin)	1,063,040	626,027
Capital		274,945
Unclassified		295,825
Total Expenditures	3,859,947	4,066,416
Transfers Out	271,778	317,496
To Reserves	646,871	1,026,060
Total Appropriated Expenditures Transfers & Reserves	4,778,596	5,409,972

Solid Waste

Revenues:	FY2013 Budget	FY2013 Actual
Ad Valorem Taxes 1.90		
Non Ad Valorem Taxes		
Grant Revenue		
Sales Revenue	1,064,431	673,465
Fines & Judgements		
Miscellaneous Revenue		
Utility Transfers		
Government Interfund		
Reserves Brought Forward		63,354
Total Revenues, Transfers & Fund Balances	1,064,431	736,819
Expenditures:		
Wages	77,549	91,248
Taxes & Benefits	9,550	11,529
Professional & Contract Services	903,487	532,892
Operations & Repair	3,000	5,455
Supplies & Fuels	4,000	4,874
Debt Costs (Int & Prin)	0	0
Capital	0	0
Unclassified		
Total Expenditures	997,586	645,998
Transfers Out	66,845	90,821
To Reserves		
Total Appropriated Expenditures Transfers & Reserves	1,064,431	736,819

Water & Sewer

Revenues:	FY2013 Budget	FY2013 Actual
Ad Valorem Taxes 1.90		
Non Ad Valorem Taxes		
Grant Revenue		
Sales Revenue	1,842,350	1,809,445
Fines & Judgements		
Miscellaneous Revenue	35,500	124,585
Utility Transfers		
Government Interfund		
GBFS CTA Transfer		
Reserves Brought Forward		168,751
Total Revenues, Transfers & Fund Balances	1,877,850	2,102,781
Expenditures:		
Wages	266,068	232,056
Taxes & Benefits	63,770	42,301
Professional & Contract Services	764,946	801,514
Operations & Repair	142,100	156,268
Supplies & Fuels	78,600	77,367
Debt Costs (Int & Prin)	113,089	77,489
Capital		333,762
Unclassified		0
Total Expenditures	1,428,573	1,720,757
Transfers Out	399,337	382,024
To Reserves	49,940	
Total Appropriated Expenditures Transfers & Reserves	1,877,850	2,102,781

Stormwater

Revenues:	FY2013 Budget	FY2013 Actual
Ad Valorem Taxes 1.90		
Non Ad Valorem Taxes		
Grant Revenue		
Sales Revenue	195,000	190,324
Fines & Judgements		
Miscellaneous Revenue	0	400
Utility Transfers		87,000
Government Interfund		
Reserves Brought Forward		
Total Revenues, Transfers & Fund Balances	195,000	277,724
Expenditures:	Water & Sewer Fund	Stormwater Fund
Wages	90,125	84,669
Taxes & Benefits	27,046	16,742
Professional & Contract Services	15,000	14,804
Operations & Repair	11,400	12,423
Supplies & Fuels	2,500	3,285
Debt Costs (Int & Prin)	42,567	42,567
Capital		0
Unclassified		0
Total Expenditures	188,638	174,490
Transfers Out	16,000	22,817
To Reserves		80,416
Total Appropriated Expenditures Transfers & Reserves	204,638	277,724

Tiger Point Golf Club

Revenues:	FY2013 Budget	FY2013 Actual
Ad Valorem Taxes 1.90		
Non Ad Valorem Taxes		
Grant Revenue		
Sales Revenue		1,312,696
Fines & Judgements		
Miscellaneous Revenue		
Utility Transfers		
Government Interfund		
Reserves Brought Forward		4,284,609
Total Revenues, Transfers & Fund Balances	0	5,597,305
Expenditures:		
Wages		786,252
Taxes & Benefits		45,815
Professional & Contract Services		303,985
Operations & Repair		294,725
Supplies & Fuels		675,935
Debt Costs (Int & Prin)		0
Capital		3,490,594
Unclassified		0
Total Expenditures	0	5,597,305
Transfers Out		0
To Reserves		
Total Appropriated Expenditures Transfers & Reserves	0	5,597,305

Traffic Citation

Revenues:	FY2013 Budget	FY2013 Actual
Ad Valorem Taxes 1.90		
Non Ad Valorem Taxes		
Grant Revenue		
Sales Revenue	425,000	777,679
Fines & Judgements		
Miscellaneous Revenue	6,000	12,012
Utility Transfers		
Government Interfund		
Reserves Brought Forward		
Total Revenues, Transfers & Fund Balances	431,000	789,691
Expenditures:		
Wages		7,890
Taxes & Benefits		604
Professional & Contract Services	30,000	193,553
Operations & Repair	305,000	413,209
Supplies & Fuels	21,000	13,098
Debt Costs (Int & Prin)		0
Capital		
Unclassified		0
Total Expenditures	356,000	628,354
Transfers Out	75,000	102,781
To Reserves		58,556
Total Appropriated Expenditures Transfers & Reserves	431,000	789,691



City of Gulf Breeze

Police Department

Richard Hawthorne
Interim Chief of Police

To: Edwin Eddy, City Manager

From: Richard Hawthorne, Interim Chief *RH*

Ref: Special Event Application

Date: November 20, 2013

The Pensacola Sports Association has submitted an application for their yearly Double Bridge Run. The event will once again be a two-race-run with the 15K beginning in Pensacola and coming across the Pensacola Bay Bridge and the 5K beginning at the High School Field house area. The race will be on February 1, 2014. The 15K will begin at 7am in Pensacola. The 5K will begin at 8am in Gulf Breeze. Approximately 3500 runners are expected to participate.

Traffic Control will be done by on-duty, off-duty and auxiliary officers, as well as, VIP'S. The PSA pays for six officers during the event

RECOMMENDATION: That the City Council approve the Double Bridge Run.





City of Gulf Breeze

POLICE DEPARTMENT

PETER R. PAULDING
Chief of Police

ROBERT C. RANDLE
Deputy Chief of Police

CITY OF GULF BREEZE SPECIAL EVENT

PACKET INCLUDES

- 1) COPY OF REQUIREMENTS TO CONDUCT SPECIAL EVENTS
- 2) APPLICATION TO CONDUCT SPECIAL EVENT

ABOVE DOCUMENTS MUST BE SIGNED, DATED AND RETURNED TO
 THE GULF BREEZE POLICE DEPARTMENT
 AT LEAST (30) DAYS PRIOR TO THE SPECIAL EVENT


 Applicant's Signature

11/19/13
 Date

**APPLICATION TO CONDUCT SPECIAL EVENT ON
CITY PROPERTY OR RIGHT-OF-WAY**

11/19/13

Date Sub_____

1. ORGANIZATION BEING REPRESENTED:

Name Pensacola Sports Association
Address 101 W. Main St. Pensacola 32502

2. PERSON REQUESTING PERMIT:

Name Jason Libbert
Address 101 W. Main St.
Phone 434-2800

3. PERSON ACTING AS CHAIRMAN AND RESPONSIBLE FOR CONDUCT THEREOF:

Name SAME AS ABOVE
Address _____
Phone _____

4. DATE, HOURS AND LOCATION OF EVENT:

Saturday, Feb. 1, 2014 - 7am - 9am - Hwy 98
parallel St - Kenilworth Ave.

5. GENERAL DESCRIPTION OF ACTIVITIES, ESTIMATED ATTENDANCE, NUMBER AND TYPE OF VEHICLES, IF ANY. IF A FUND RAISING EVENT, INDICATE PROPOSED USE OF FUNDS:

16th Double Bridge Run - 15k runs from Pensacola, through Gulf Breeze, and onto Pensacola Beach - 5k runs from Daniel St to Kenilworth Ave onto Hwy 98 onto Pensacola Beach
4,000 runners - emergency vehicles, sag wagon, & a cone truck

Jason Libbert 11/19/13
Applicant's Signature/Date

[Signature] 11-20-13
Police Department's Approval/Date

City Manager's Approval/Date



City of Gulf Breeze

POLICE DEPARTMENT

PETER R. PAULDING
Chief of Police

CITY OF GULF BREEZE

REQUIREMENTS TO CONDUCT SPECIAL EVENT ON CITY PROPERTY OR IN THE CITY OF GULF BREEZE

Applicant must provide at least (30) days prior to the Special Event:

- (a) The name, address, and telephone number of the person requesting the permit.
- (b) The name and address of the organization or group he or she is representing.
- (c) The name, address and telephone number of the person or persons who will act as chairman of the special event and be responsible for the conduct thereof.
- (d) The purpose of the event, a general description of the activities to take place, the estimated number of persons to participate or otherwise attend, and the number and types of vehicles (if any) to participate.
- (e) The date the event is to be conducted and the hours it will commence and terminate.
- (f) The specific location(s) where the event is to take place.
- (g) Sponsors of special events will be responsible for all costs incurred by the city in providing required public safety personnel. Cost for public safety personnel will include FICA, retirement, and overtime. We will attempt to use auxiliary and part-time officers to keep the expense down, but should we have to utilize full time personnel the cost will increase considerably.
- (h) Assurance that the applicant will conform to necessary fire prevention rules, regulations and guidelines.

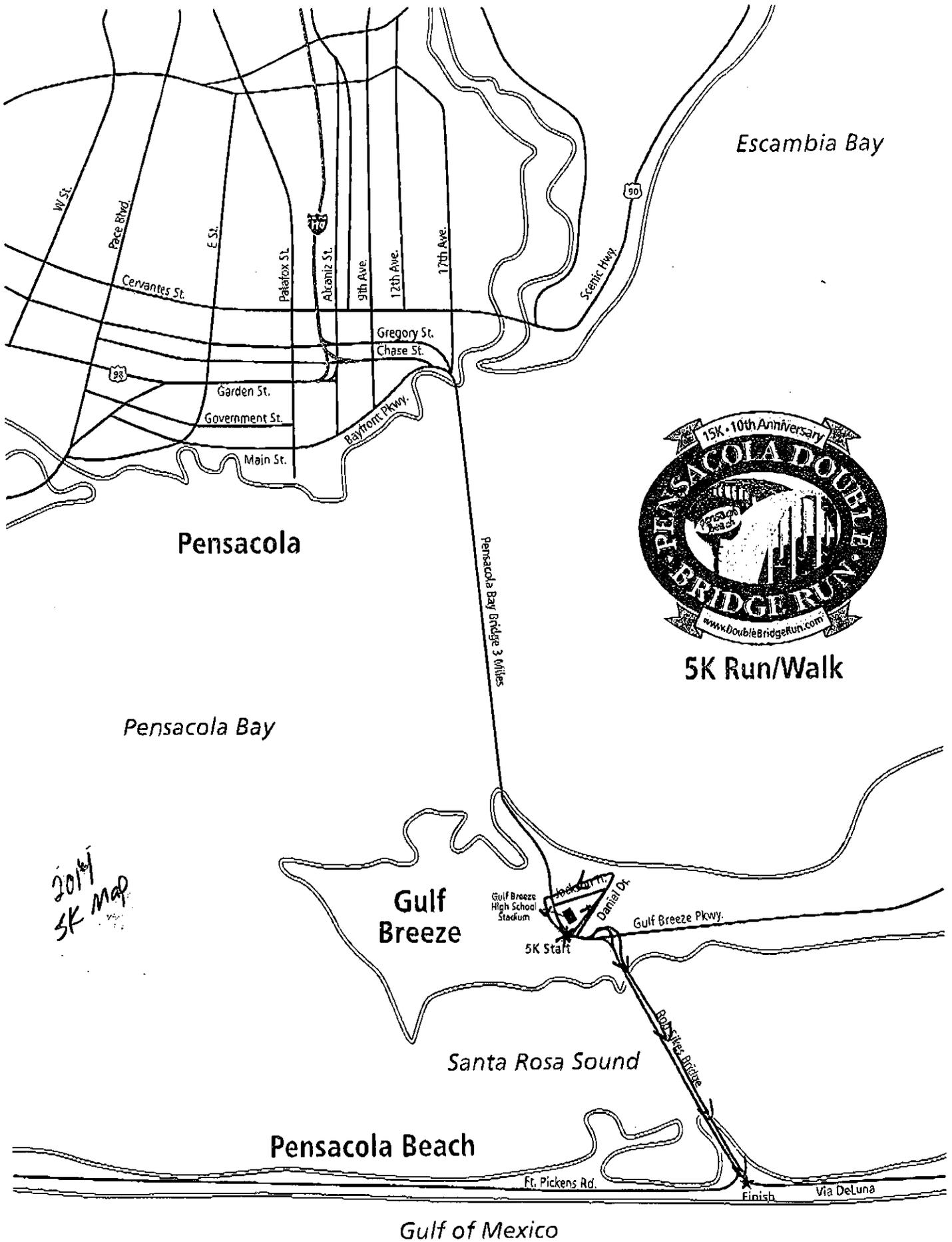
- (i) Assurance of indemnification and insurance coverage. The applicant shall agree to indemnify and hold harmless the City, its servants agents and employees for any and all claims caused by or arising out of the activities permitted. The applicant shall provide certification of an appropriate policy of insurance to protect the City from liability which might arise from the special event. The policy occurrence limits shall not be less than \$1,000,000. A Copy of the policy shall be submitted at the time of application.
- (j) Sponsors shall be required to submit a detailed map illustrating the location of the event and the streets which may be affected by the event. Per City Council action, no event will be allowed on U.S. Highway 98.
- (k) Such other information as the Chief of Police and/or the City Manager may deem necessary in order to provide for traffic control, street and property maintenance and the protection of the public health, safety and welfare.
- (l) Event sponsors will be responsible for cleanup of the event site and/or route. Failure by the sponsor to cleanup the site will result in the city doing the cleanup and billing the sponsor for the actual cost.


 Applicant's Signature

11/19/13
 Date


 Police Department's Approval

11-20-13
 Date

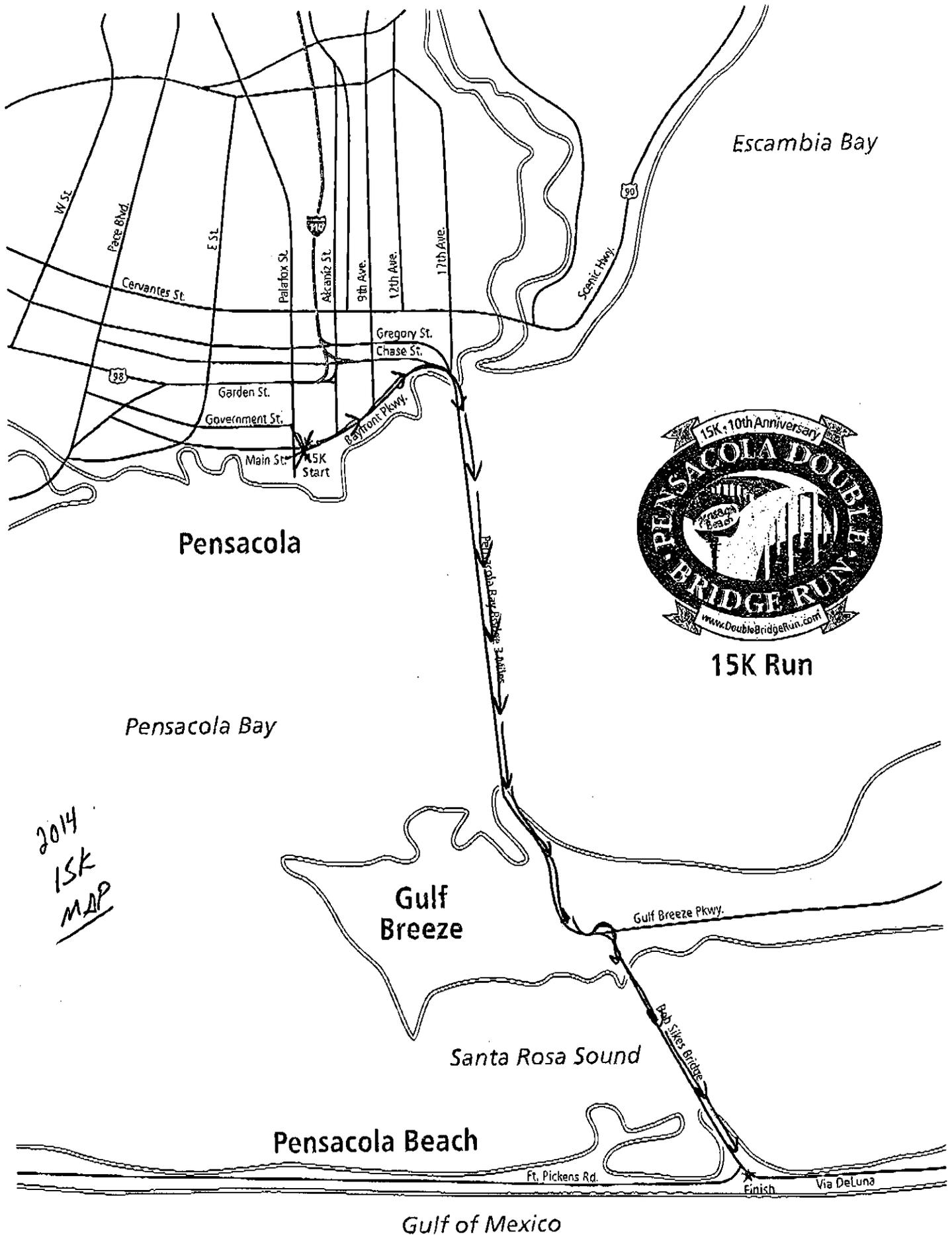


2014
5K Map



5K Run/Walk

Gulf of Mexico



15K Run

2014
15K
MAP

Pensacola

Pensacola Bay

Gulf Breeze

Santa Rosa Sound

Pensacola Beach

Gulf of Mexico



City of Gulf Breeze

Police Department

Robert C. Randle
Chief of Police

Richard Hawthorne
Deputy Chief of Police

To: Edwin Eddy, City Manager

From: Richard Hawthorne, Dep. Chief *RHX*

Ref: Special Event Application

Date: November 15, 2013

The Chamber has submitted a special event application for the yearly Holiday Parade. The Parade will be held on Saturday, December 7, 2013. Lineup will begin at 8am with the Parade starting at 10am. The Parade will conclude around 11:30am. The route, as in the past, will begin at the High School back parking lot and proceed down Shoreline and conclude at the Baptist Church on McLane St. On Duty, off duty, auxiliary officers and VIPS will be used to control traffic.

RECOMMENDATION: That the City Council approve the Chamber Holiday Parade.





Gulf Breeze Police Department

**311 Fairpoint Drive
Gulf Breeze, FL 32561**

**Chief Robert Randle
Deputy Chief Rick Hawthorne**

**Office 850-934-5121
Fax 850-934-5127**

City of Gulf Breeze Special Event

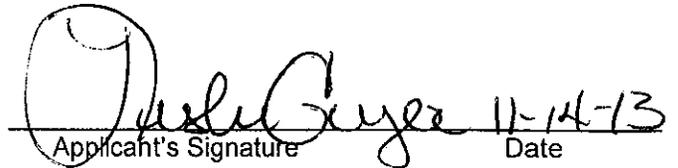
Packet Includes:

1. Copy of Requirements to conduct special events.
2. Application to conduct special events.

The above documents must be signed, dated and returned to:

The Gulf Breeze Police Department
311 Fairpoint Drive
Gulf Breeze, FL 32561

At least (30) days prior to the special event


Applicant's Signature Date



Gulf Breeze Police Department

***311 Fairpoint Drive
Gulf Breeze, FL 32561***

***Chief Robert Randle
Deputy Chief Rick Hawthorne***

***Office 850-934-5121
Fax 850-934-5127***

City of Gulf Breeze

REQUIREMENTS TO CONDUCT SPECIAL EVENT ON CITY PROPERTY OR IN THE CITY OF GULF BREEZE

Applicant must provide the following information at least 30 days prior to the Special Event:

- (a) The name, address and telephone number of the person requesting the permit.
- (b) The name and address of the organization or group he or she is representing.
- (c) The name, address and the telephone number of the person(s) who will act as chairman of the Special Event and be responsible for the conduct thereof.
- (d) The purpose of the event, a general description of the activities to take place, the estimated number of persons to participate or otherwise attend, and the number and types of vehicles (if any) to participate.
- (e) The date the event is to be conducted and the hours it will commence and terminate.
- (f) The specific location(s) where the event is to take place.
- (g) Sponsors of the Special Events will be responsible for all costs incurred by the city in providing required public safety personnel. Cost for public safety personnel will include FICA, retirement and overtime. We will attempt to use auxiliary and part-time officers to keep the expense down, but should we have to utilize full-time personnel, the cost will increase considerably.
- (h) Assurance that the applicant will conform to the necessary fire prevention rules, regulations and guidelines.

- (i) Assurance of indemnification and insurance coverage. The applicant shall agree to indemnify and hold harmless the City, its servants agents and employees for any and all claims caused by or arising out of the activities permitted. The applicant shall provide certification of an appropriate policy of insurance to protect the City from liability which might arise from the special event. The policy occurrence limits shall not be less than \$1,000,000. A Copy of the policy shall be submitted at the time of application.
- (j) Sponsors shall be required to submit a detailed map illustrating the location of the event and the streets which may be affected by the event. Per City Council action, no event will be allowed on U.S. Highway 98.
- (k) Such other information as the Chief of Police and/or the City Manager may deem necessary in order to provide for traffic control, street and property maintenance and the protection of the public health, safety and welfare.
- (l) Event sponsors will be responsible for cleanup of the event site and/or route. Failure by the sponsor to cleanup the site will result in the city doing the cleanup and billing the sponsor for the actual cost.


Applicant's Signature 11-14-13 Date


Police Department's Approval 11-14-13 Date

APPLICATION TO CONDUCT SPECIAL EVENT ON
CITY PROPERTY OR RIGHT-OF-WAY

11-15-2013
Date Submitted

1. ORGANIZATION BEING REPRESENTED:

Name Gulf BROSSE AREA CHAMBER
Address 409 GULF BROSS PARKWAY, GULF BROSS FL 32561

2. PERSON REQUESTING PERMIT:

Name Josie Cotti
Address 409 GULF BROSS PARKWAY
Phone (850) 932-7888

3. PERSON ACTING AS CHAIRMAN AND RESPONSIBLE FOR CONDUCT THEREOF:

Name DAVID SZYMANSKI
Address 1070 SITORSKIS DR
Phone (850) 934-5106

4. DATE, HOURS AND LOCATION OF EVENT:

SATURDAY, December 7, 2013 8:00AM - Noon

5. GENERAL DESCRIPTION OF ACTIVITIES, ESTIMATED ATTENDANCE, NUMBER AND TYPE OF VEHICLES, IF ANY. IF A FUND RAISING EVENT, INDICATE PROPOSED USE OF FUNDS: GULF BROSS CHRISTMAS PARADE

BEGINS WITH LINE-UP ON THE BUS RAMP BEHIND THE SCHOOLS.
PARADE PROGRESSES DOWN SITORSKIS DR TO McLEANS, DENISE McLEANS
ENDING AT FAIRPOINT (FIRST BAPTIST CHURCH). PARADE ACTIVITY ON
STREET FROM 10-11:30 AM.

Julie Borge 11-24-13
Applicant's Signature/Date

[Signature] 11-15-13
Police Department's Approval/Date

City Manager's Approval/Date



City of Gulf Breeze

DEPARTMENT OF PARKS AND RECREATION

TO: Edwin A. Eddy, City Manager

FROM: Ron Pulley, Director of Parks and Recreation

A handwritten signature in blue ink, appearing to read "R. Pulley", is written over the name "Ron Pulley" in the "FROM:" line.

SUBJECT: Change Order Request - Tiger Point Golf Club - Main Building

DATE: November 18, 2013

Mattair Construction is progressing with the repairs that Council authorized for the buildings at Tiger Point. Roofing and structural repairs have been completed, remediating leaks and penetrating moisture in numerous areas. Change Order #1 is complete with new windows throughout the second floor as well as mold remediation and a replacement window in the banquet room. The original approved scope of work totaled \$64,000. Change Order #1 was approved for an additional \$33,887.60, bringing that total to \$102,887.60.

The demolition necessary to determine the full extent of the termite damage is now underway. As advised at the beginning of the project, the original scope totaling \$64,000 was predicated by damage being confined to three previously documented sites; the banquet room serving area, the kitchen loading dock and the exterior wall of the Ladies Locker Room. In other words, termite damage at additional sites or to degrees greater than anticipated would require additions to the scope of work and funding.

Active termites were located in the 2" X 4" wooden expansion joints within the entrance patio and elevated sidewalk. This required removal, filling, and refinishing. The moisture barrier between the elevated flower beds and the stuccoed side of the building had failed, allowing moisture to further damage the structure.

During the moisture and mold remediation process inside the building, the exterior facing walls were stripped, treated, sealed and refinished. Because wallpaper had been employed throughout the facility, it was necessary to strip and refinish the interior walls as well.

These two items are reflected as Change Order #2 (attached) for an additional sum of \$16,065.50.

Recommendation

That Council authorize Change Order # 2 in the total amount of \$16,065.50, thereby increasing the total project cost to \$118,953.20.

MATTAIR CONSTRUCTION CO., INC.

57 S. Coyle Street
 Pensacola, FL 32502
 (850) 433-7538
 Lic. #RG0027358

JOB ESTIMATE

TO: RON PULLEY
CITY OF GULF BREEZE

DATE: REVISED 10/1/2013
 JOB NO.: _____
 LOCATION: TIGER POINT CLUB HOUSE CONCRETE
REPAIRS AND WATERPROOFING

		AMOUNT
	<u>PROPOSED COINCRETE REPAIRS AND WATERPROOFING:</u>	
1	REMOVE BAD 2X4'S IN THE SIDEWALK OUTSIDE OF THE PRO SHOP ENTRANCE AND SEAL ALL EXPANSION JOINTS AND CONTROL JOINTS TO PERVENT WATER FROM GETTING UNDER SIDEWALK AND RUNNING INTO BUILDING. INJECT CHEMICAL GROUT ALONG THE FACE OF THE WALL IN THE FLOWER BED TO PREVENT WATER INTRUSION FROM THAT AREA. REPAIRS WILL BE MADE FROM THE ENTRANCE DOOR ON THE EAST SIDE RAISED SIDWALK TO THE FRONT ENTRANCE. INCLUDES PATCHING STEPS AND RE-STAINING FRONT ENTRANCE CONCRETE.	\$ 6,418.00
2	REMOVE WALL COVERING FROM INTERIOR WALLS, REMOVE GLUE AND APPLY SEALER AS NEEDED. PRIME ENTIRE AREAS, RE-FINISH WALLS AS NEEDED, APPLY PAINT FINISH AS RECOMMENDED, COVER EXISTING FURNITURE AND FINISHES.	\$ 6,970.00
	MATTAIR OVERHEAD AND FEE	\$ 2,677.60
	NOTE: ALL AREAS OF WORK WILL BE LEFT IN A BROOM SWEEPED CONDITION AND ALL REPAIRS WILL MATCH EXISTING CONDITIONS AS WELL AS POSSIBLE.	
	MATTAIR OVERHEAD AND FEE	
	NOTE: THIS CONCRETE REPAIR WORK WILL INCLUDE A 5 YEAR WARRANTY.	

WORK APPROVED BY: _____ ESTIMATED JOB COST **\$ 16,065.60**
 DATE: _____ ESTIMATED BY LLOYD J. MATTAIR, JR.

CHANGE ORDER

MATTAIR CONSTRUCTION CO., INC.
57 S. Coyle Street
Pensacola, FL 32502
(850) 433-7538

Number 2

TO: CITY OF GULF BREEZE
ATTN: RON PULLEY

Phone	Date	10/1/2013
Job Name/Location		
TIGER POINT CLUBHOUSE		
Job Number	Job Phone	572-0317

We hereby agree to make the change (s) specified below:

- | | | | | |
|---|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|----|----------|
| 1 | REMOVE 2X4'S FROM ELEVATED SIDEWALK, FILL WITH PROPER MATERIAL, CAULK ALL EXPANSION AND CONTROL JOINTS, RE-CAULK SIDEWALK TO EXTERIOR WALL, INJECT GROUT ALONG FLOWER BEDS, REPAIR STEP NOSINGS AND RE-STAIN EXISTING STAINED CONCRETE AT FRONT ENTRANCE AREA. | ADD | \$ | 6,418.00 |
| 2 | REMOVE WALL COVERING FROM INTERIOR WALLS, REMOVE GLUE AND RE-FINISH WALLS, THEN PRIME AND PAINT INTERIOR WALLS, COLUMNS AND STAIN ADDED BASEBOARD. | ADD | \$ | 6,970.00 |
| | MATTAIR OVERHEAD AND FEE | ADD | \$ | 2,677.60 |

WE AGREE Hereby to make the change (s) specified above at this price		\$ 16,065.60
Date	PREVIOUS CONTRACT AMOUNT	\$ 102,887.60
Authorized Signature (Contractor)	REVISED CONTRACT TOTAL	\$ 118,953.20

ACCEPTED - The above prices and specifications of this Change Order are satisfactory and are hereby accepted.

Date of acceptance _____

Signature _____
 (Owner's Representative)



City of Gulf Breeze

OFFICE OF THE CITY MANAGER

MEMORANDUM

To : Mayor and City Council
From :  Edwin A. Eddy, City Manager
Date : November 21, 2013
Subject: Capital Trust Agency Bond Programs

Capital Trust Agency has several projects under scrutiny at present. This activity is due in part to the improving economy, market conditions, and the fact that there is money available at the State level for allocation (authority) to issue tax exempt bonds for private, for profit projects. In addition, and probably more importantly, there is a backlog of demand for senior care living facilities.

In each of the five projects listed below, CTA has adopted an inducement Resolution for each project. Feasibility studies for each are underway and the authority to issue private activity tax exempt bonds is being pursued by each project team.

At this point, the City Council should consider adoption of a Resolution that approves the plan of finance for each project, a corresponding amendment to the Interlocal Agreement with the Town of Century for each, approval of the public hearing (TEFRA) report for each and CTA's development of a final plan.

More information about each project is provided below. (This information is excerpted from the City Attorney's letter to the Century Town Council.)

LVI RD Osceola

(Resolution No. 32-13; Amendment No. 45 to Interlocal Agreement)

CTA requests your approval of a bond issuance to facilitate financing the acquisition, construction, development, installation and equipping by LVI RD Osceola, LLC, ("LVI Osceola," a subsidiary of LVI) of a senior living facility to be known as Osceola Senior Living Center to be located in Kissimmee, Florida.

The Project. The developer intends to build a new senior living facility to be located at 3208 North John Young Parkway, Kissimmee, Florida, 34741. The facility will be comprised of 120 units, 72 of which will be assisted living units and 48 of which will be memory care units. It is anticipated that the facility will be managed initially by LVM.

The Bonds. The proposed financing contemplates the issuance of approximately \$23,515,000.00 of CTA tax exempt bonds and loaning the proceeds thereof to the developer for the purposes described above. Nevertheless, the developer and CTA have requested that you approve the authorization of approximately \$35,000,000.00 of CTA bonds. The bonds would be issued for "private activity" purposes and, further, the developer is a for-profit entity. Accordingly, this financing is contingent upon the developer receiving private activity bond allocation from the State of Florida.

The Lexington/The Lexington House

(Resolution No. 33-13; Amendment No. 47 to Interlocal Agreement)

CTA requests your approval of a bond issuance to enable The Lexington Corporation to (i) acquire and refinance an existing independent senior living facility known as The Lexington located in Johnson City, Tennessee, and (ii) finance the acquisition, construction, development, furnishing and equipping of a new assisted living facility to be known as The Lexington House also to be located in Johnson City, Tennessee.

The Project. This financing contemplates the acquisition and refinancing of an existing senior living facility as well as the construction and development of a new assisted living facility. The Lexington Corporation intends to acquire and refinance an existing, 73 unit independent senior living facility known as The Lexington that is located at 400 North Boone Street, Johnson City, Tennessee, 37604. It also intends to construct a new approximately 88 unit assisted living facility, to be known as The Lexington House, that will be located at an existing structure that is adjacent to and adjoining The Lexington.

It is anticipated that, at least initially, both facilities will be managed by MJM Associates, LLC. You may recall that MJM is the same entity that was proposed to manage the three assisted living facilities for the Hills-Citrus Holdings financing that you approved on August 5, 2013, (i.e., Resolution 12-13, Amendment No. 38 to Interlocal Agreement).

The Lexington Corporation is a tax-exempt, 501(c)(3) not-for-profit entity. According to its financial advisor and the application it filed with CTA, The Lexington Corporation has significant experience in the development of senior housing. The primary principal of The Lexington Corporation has significant real estate development experience including development of 12 senior living facilities, six multi-family housing developments, 27 shopping centers and big box stores, 18 Walgreens Stores, and a handful of single family residential subdivisions.

The Bonds. It is difficult to discern from the financing application the expected project cost for the two facilities discussed above. The Lexington Corporation and CTA request that you

approve an authorization of approximately \$25,000,000.00 and loan the proceeds thereof to the Lexington Corporation for the purposes described above.

Public Purpose. CTA's bond counsel has represented that the issuance of the bonds and loaning the proceeds thereof to the Lexington Corporation as contemplated herein constitutes a valid public purpose. The attached proposed Resolution 33-13 includes a finding that the projects will serve significant public purposes described in Part II of Florida Statutes Chapter 159. Section 159.26 thereof sets forth findings of the Florida Legislature that in order to improve the prosperity and welfare of the state and its inhabitants, and to improve health care, it is both necessary and in the public interest to facilitate financings of certain health care facilities such as the projects discussed in this segment.

It is important to note that The Lexington projects discussed herein are located in the State of Tennessee and there is no direct connection to projects in the State of Florida. This is the first instance of CTA seeking to financing projects that do not have a direct connection to the State of Florida.

Please recall that during your meeting on September 6, 2011, the City Council enacted its Ordinance No. 10-11 and adopted its Resolution No. 10-11 in which it conferred authority unto Capital Trust Agency to issue bonds for public purpose projects that are located entirely outside the State of Florida (and the Town of Century took similar action). Those actions were undertaken pursuant to the provisions of Florida Statute Section 163.01(7)(g)1. which authorizes interlocal agencies like Capital Trust Agency to "*finance facilities on behalf of any person, relating to a governmental function or purpose . . . which may serve populations within or outside*" the municipal boundaries of Century and Gulf Breeze.

Bond counsel for CTA believed that the above language authorized CTA to issue bonds for projects which not only have a nexus to the State of Florida, but also for projects that are located entirely outside the State of Florida. However, since the language of the statute did not specifically state that financings could be undertaken for projects located entirely outside of the State of Florida, it was contemplated that CTA would seek formal bond validation as a prerequisite to issuing an bonds for projects that do not have a nexus to the State of Florida. "Bond validation" is a legal proceeding through which government entities in the State of Florida can obtain a judicial declaration confirming their authority to issue bonds.

Mainsail Healthcare Group II

(Resolution No. 34-13; Amendment No. 52 to Interlocal Agreement)

CTA requests your approval of a bond issuance to facilitate financing the acquisition, construction, installation and equipping by Mainsail Healthcare Group II, LLC, or one or more of its affiliates (collectively "Mainsail") of six senior living facilities, two of which to be located in Melbourne, Florida, and the others to be located in Palm Beach, Florida, Wildwood, Florida, Springhill, Florida, and St. Petersburg, Florida.

The Projects. Mainsail intends to acquire an existing assisted living facility and develop five memory care facilities, to-wit:

- (1) Acquire and develop an existing, approximately 82 unit assisted living facility known as the Viera Assisted Living Residence, located at 3325 Bresley Drive, Town of Viera, Melbourne, Florida, 32940;
- (2) Construct and develop five new 96 unit Alzheimer's/memory care facilities to be known as and located at:
 - (i) Viera Alzheimer's/Memory Care Residence, 3325 Bresley Drive, Town of Viera, Melbourne, Florida, 32940;
 - (ii) Palm Beach Alzheimer's/Memory Care Residence, southeast corner of Kentucky Street and Congress Avenue, West Palm Beach, Florida, 33406;
 - (iii) The Villages Alzheimer's/Memory Care Residence, 7046 Powell Road, Wildwood, Florida, 34785;
 - (iv) Springhill Alzheimer's/Memory Care Residence, southeast corner of Parade Road and County Line Road, Springhill, Florida, 34606; and
 - (v) Tampa Bay Alzheimer's/Memory Care Residence, 571 Martin Luther King Jr. Street North, St. Petersburg, Florida, 33705.

The Sponsor and Manager. Mainsail Healthcare is comprised of George Muller, his son, George Muller, Jr., and Dr. Martin Hamburg. George Muller is an attorney by trade with over 35 years of experience in real estate and investment banking. He is also the facilitator of many of the projects that have come before the CTA board for financing. Dr. Hamburg is a neurophysiologist with the Weill Medical College at Cornell University and specializes in the care and treatment of people with cognitive disabilities.

It is contemplated that all of the facilities will be managed by MJM Associates. They are the same managers contemplated for The Lexington projects (see, segment VI, above) as well as the Hills-Citrus Holdings Projects that you approved last July.

Public Purpose. CTA's bond counsel has represented that the issuance of the bonds and loaning the proceeds thereof as contemplated herein constitutes a valid public purpose. The attached proposed Resolution 34-13 includes a finding that the Senior Care projects will serve significant public purposes described in Part II of Florida Statutes Chapter 159. Section 159.26 sets forth findings of the Florida Legislature that in order to improve the prosperity and welfare of the State and its inhabitants, and to improve health care, it is necessary and in the public interest to facilitate the financings of certain facilities such as the senior care projects discussed in this segment. The statute further provides that the purposes to be achieved by such projects and their

financings implement the government purposes under the Florida Constitution of providing for the health, safety and welfare of the people of the State of Florida.

Senior Care Living 1

(Resolution No. 35-13; Amendment No. 50 to Interlocal Agreement)

CTA requests your approval of a bond issuance to facilitate financing the acquisition, construction, installation and equipping by Senior Care Living 1, Inc., or one or more of its affiliates (collectively, "Senior Care Living"), of three senior living facilities to be located in Cooper City, Florida, Palm Bay, Florida, and Tampa, Florida.

The Projects. Senior Care Living intends to develop three new senior housing facilities that are specifically designed for Alzheimer's/memory care residents and will be licensed assisted living facilities, to-wit:

- (1) Cooper City Memory Care, Palm Avenue, Cooper City, Florida, 33024;
- (2) Palm Bay Memory Care, 380 Malabar Road SE, Palm Bay, Florida, 32907; and
- (3) Tampa Bay Memory Care, 5308 Kelly Road, Tampa, Florida, 33615.

At this juncture, it is anticipated that all three facilities will be similar with each containing a total of 58 units that will accommodate and be licensed for 78 beds. Each facility would consist of 20 semi-private units containing approximately 333 sq. ft. with private bathrooms and accommodating a total of 40 beds, and the rest of the facility would consist of 38 private rooms containing approximately 270 sq. ft. with private bathrooms, accommodating 38 persons. In addition to the resident rooms, each facility will have usual assisted living amenities with dining rooms, activity rooms, beauty/barber shop, and all being handicap accessible.

Project Sponsor and Manager. According to its application for financing, Senior Care Living 1 was formed in September 2013. Its sole director and president is Mark C. Bouldin, who is a practicing attorney as well as an entrepreneur in many businesses. He is also president of Kronos Capital which, according to the application, creates and oversees the development of approximately \$30,000,000.00 in real estate developments on an annual basis. Mr. Bouldin is also affiliated with Sun Coast Trust Management which provides trust management services for both private and public trusts as well as single purpose charitable organizations.

The application also reflects that Mr. Bouldin has eight years of experience with eight different assisted living facilities ranging in size from 58 to 122 beds, all located on the west coast of Florida from St. Petersburg to Naples. His experience includes development, ownership and oversight of the management company.

Senior Care Living's application for financing also reflects that the anticipated manager of the facilities will be Validus Senior Living, an entity that was formed in January 2013 and is headquartered in Tampa. Validus offers a wide range of services in the senior housing sector including development planning, acquisition, operations and property management. Its chief

executive officer, Stephen Benjamin, has 24 years' experience in the business of senior care and senior housing. He is the former president of Horizon Bay Senior Communities and was responsible for the oversight of operations, financial performance, strategic planning and integration. During Mr. Benjamin's tenure at Horizon, its portfolio grew to 91 senior housing communities with 16,500 units. The financing application reflects that the asset value of Horizon exceeded \$2.5 billion dollars and Horizon grew to become the tenth largest manager in senior housing in the United States, employing over 3,800 associates.

Public Purpose. CTA's bond counsel has represented that the issuance of the bonds and loaning the proceeds thereof as contemplated herein constitutes a valid public purpose. The attached proposed Resolution 35-13 includes a finding that the Senior Care projects will serve significant public purposes described in Part II of Florida Statutes Chapter 159. Section 159.26 sets forth findings of the Florida Legislature that in order to improve the prosperity and welfare of the State and its inhabitants, and to improve health care, it is necessary and in the public interest to facilitate the financings of certain facilities such as the senior care projects discussed in this segment. The statute further provides that the purposes to be achieved by such projects and their financings implement the government purposes under the Florida Constitution of providing for the health, safety and welfare of the people of the State of Florida.

Equinox of Jacksonville

(Resolution 36-13; Amendment No. 53 to Interlocal Agreement)

The project. Equinox intends to develop a 130 unit senior living facility to be known as the Equinox Senior Living Center, located near the southwest corner of the intersection of Jefferson Street and Bay Street, Jacksonville, Florida. It is contemplated that the facility will have 130 units, comprised of 62 independent living units, 28 independent assisted units, and 40 memory care units. The 62 independent living units would be equally divided between one bedroom and two bedroom apartments. The facility would be housed in a seven story building which borders downtown Jacksonville. The preliminary plans for the facility include a 4,000 sq. ft. rooftop garden and terrace with a multi-purpose room.

The Sponsor and Manager. Equinox is a single purpose entity created by Equinox International, LLC, (which is the managing member of Equinox and owns 60%) and The Clarkson Companies (which owns 40%). The principals of Equinox International are Steven A. Stern and Reverend Carlton D. Jones, both of whom have extensive real estate development experience and are regarded to have strong reputations throughout the Jacksonville area. The principals of the Clarkson Company are Charles A. Clarkson and Robert W. Clarkson, who also have extensive real estate development experience.

Equinox's application to CTA for financing reflects that the facility will be managed by Finley Management, Inc. The company is a multi-family property management firm with over 30 years' experience in market-rate apartments, affordable housing, and senior living. The company specializes in third-party fee management throughout Texas, Florida and the southeast.

Public Purpose. CTA's bond counsel has represented that the issuance of the bonds and loaning the proceeds thereof to Equinox as contemplated herein constitutes a valid public purpose.

The enclosed, proposed, Resolution 36-13 includes findings that the senior living facility that is proposed to be financed will serve public purposes by (i) providing gainful employment and making significant contribution to the economic growth of the local community, (ii) promoting commerce within the State of Florida, (iii) providing safe, decent and accessible living facilities for the senior living community, (iv) advancing the economic prosperity and general welfare of the State of Florida and its people, and (v) implementing the governmental purposes under the Florida Constitution of providing for the health, safety and welfare of the State of Florida.

The Bonds. In its application for financing, Equinox indicated that the project costs are expected to be approximately \$41,300,000.00 with approximately \$31,000,000.00 to come from tax-exempt and taxable bond proceeds. The difference between the anticipated costs and the bond proceeds is expected to be equity in the form of cash or subordinated debt contributed by Equinox. Nevertheless, in order to be sure that there are sufficient amounts of bond funds available to develop the facility, Equinox and CTA have requested that you approve the authorization of approximately \$48,000,000.00 of CTA bonds and loaning the proceeds thereof to Equinox for the purposes described above.

As with many of the other financings proposed for your consideration, the bonds for Equinox would also be issued for "private activity" purposes. Also, Equinox is a for-profit entity. Thus, this financing is contingent upon Equinox receiving private activity bond allocation from the State of Florida.

RECOMMENDATION:

THAT THE FOLLOWING RESOLUTIONS BE PLACED ON THE AGENDA FOR THE DECEMBER 2, 2013, CITY COUNCIL MEETING FOR ADOPTION:

1. RESOLUTION 32-13 (LVI RD OSCEOLA, LLC);
2. RESOLUTION 33-13 (THE LEXINGTON/THE LEXINGTON HOUSE);
3. RESOLUTION 34-13 (MAINSAIL HEALTHCARE GROUP, II, LLC);
4. RESOLUTION 35-13 (SENIOR CARE LIVING 1, INC.); AND
5. RESOLUTION 36-13 (EQUINOX OF JACKSONVILLE, LLC).

RESOLUTION 32-13

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GULF BREEZE, FLORIDA, APPROVING A PLAN OF FINANCE FOR THE COSTS OF THE ACQUISITION, CONSTRUCTION, DEVELOPMENT, INSTALLATION AND EQUIPPING OF A SENIOR LIVING FACILITY LOCATED IN THE STATE OF FLORIDA; APPROVING THE ISSUANCE OF APPROXIMATELY \$35,000,000 CAPITAL TRUST AGENCY REVENUE BONDS FOR THE PURPOSE OF FINANCING A LOAN PROGRAM TO ASSIST IN FINANCING SUCH FACILITY; PROVIDING FOR REPEAL OF CONFLICTING PROVISIONS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Council (the “City Council”) of Gulf Breeze, Florida (the “City”), a municipal corporation of the State of Florida, has heretofore adopted Resolution No. 14-99 dated as of July 19, 1999 (the “Original Resolution”), and entered into an Interlocal Agreement between the City and the Town of Century, Florida, dated as of August 2, 1999, as amended by Amendments No. 1 through No. 44 (collectively, the “Enabling Agreement”), approving the creation of the Capital Trust Agency (the “Agency”), a legal entity and a public agency of the State of Florida, organized and existing under the provisions of Chapter 163, Part I, and Chapter 159, Part II, Florida Statutes, Ordinance No. 05-97 of the City, as amended, and its Articles of Incorporation, as amended and other applicable provisions of law (collectively, the “Act”), to enable public, private and not-for-profit organizations to obtain public assistance in financing or refinancing certain beneficial projects or programs that benefit, enhance and/or serve a public purpose; and

WHEREAS, pursuant to the Act and in accordance with the provisions of the Original Resolution, the Agency did on October 30, 2013, take official action by adopting its preliminary resolution (the “Agency Resolution”) indicating its intent to authorize the financing of the hereinafter described project, and the issuance from time to time of revenue bonds (the “Bonds”) by the Agency for a loan program for the purpose, among other things, of acquiring, constructing, developing, installing and equipping an approximately 120-unit senior living facility to be known as “Osceola Senior Living Facility,” to be located at Lots 1, 2, 3 and 4, Osceola Corporate Center Replat Twenty, PB 21, PGS 135-137, Kissimmee, Osceola County, Florida 34741 (the “Senior Living Facility”) as described in the attached Schedule “I”; and

WHEREAS, the City has been advised that the Agency desires to issue the Bonds in an aggregate principal amount of approximately \$35,000,000 (the exact amount to be determined by the appropriate official of the Agency, as being the amount required to fund the financing herein authorized), to finance the Senior Living Facility on behalf of LVI RD Osceola, LLC, a Florida limited liability company, or one or more of its affiliates, whose principal place of business is 9681 Gladiolus Drive, Suite 211, Fort Myers, Florida 33908 (as applicable, the “Borrower”) to fund a program herein described (the “Plan of Finance”); and

WHEREAS, the proposed Senior Living Facility is appropriate to the needs and circumstances of the community in which it is located and will serve a public purpose by (i) providing gainful employment and making a significant contribution to the economic growth of the local community, (ii) promoting commerce within the State of Florida, (iii) providing safe, decent and accessible living facilities for the senior living community, and (iv) advancing the economic prosperity and the general welfare of the State of Florida and its people; and

WHEREAS, in order to improve health care, it is necessary and in the public interest to facilitate the financing of the Senior Living Facility and to facilitate and encourage the planning and development of such Senior Living Facility without regard to the boundaries between counties, municipalities, special districts, and other local governmental bodies or agencies in order to more effectively and efficiently serve the interests of the greatest number of people in the widest area practicable; and

WHEREAS, the public purposes to be achieved by such Senior Living Facility and the financing or refinancing thereof in compliance with the criteria and requirements of Chapter 159, Part II, Florida Statutes, as amended, implement the governmental purposes under the Florida Constitution of providing for the health, safety, and welfare of the people of the State of Florida; and

WHEREAS, Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), requires public approval of certain revenue bonds by an applicable elected representative or governmental unit on behalf of which such bonds are to be issued, following a public hearing; and

WHEREAS, (i) notice of such public hearing was given in the form required by the Code by publication at least fourteen (14) days prior to such public hearing in the *Pensacola News Journal* on November 18, 2013 and (ii) the Bonds and the Plan of Finance have been submitted to such public hearing held on behalf of the City Council of the City on December 2, 2013; and

WHEREAS, the City Manager has conducted the public hearing on behalf of the City Council and provided reasonable opportunity for all interested persons to express their views, both orally and in writing, and diligently and conscientiously considered all comments and concerns expressed by such individuals, if any; and

WHEREAS, the City Council desires to approve the Bonds and the issuance and sale thereof pursuant to the Plan of Finance and to grant all approvals required or contemplated by Section 147(f) of the Code, to express its approval of the action taken by the Agency and its officials pursuant to the Agency Resolution, and to grant all other approvals required by the Enabling Agreement, as amended, and the Original Resolution in connection with the issuance and sale of the Bonds.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GULF BREEZE, FLORIDA:

SECTION 1. PUBLIC HEARING NOTICE AND REPORT APPROVED.

The City Council hereby approves the form of and the manner of publication of the Notice of Public Hearing (the "Notice") published on November 18, 2013 in the *Pensacola News Journal*, a newspaper of general circulation in the jurisdiction of the City. The City Council hereby approves the report of the public hearing conducted by the City Manager, a copy of which is attached as Exhibit "A" hereto. Such Notice and other means and methods utilized by the City to give notice of purpose, time and date of the public hearing provided reasonable notice sufficient to inform residents of the City of the proposed Bonds.

SECTION 2. BONDS AND PLAN OF FINANCE APPROVED.

For purposes of the Act, the City hereby approves the Plan of Finance described herein, and the issuance of the Bonds described in the Notice. The Agency and its officers, employees, agents and attorneys are hereby authorized from time to time to take all action, to execute and deliver such authorizations, approvals, certificates and documents, and to enter into, on behalf of the Agency, all interlocal agreements, repurchase agreements, bond credit or insurance agreements, reimbursement agreements, and other agreements, approvals or instruments deemed necessary or convenient to effect, implement, maintain and continue the Plan of Finance, the financing or refinancing of the Senior Living Facility through the issuance from time to time of the Bonds and the purposes for which the Bonds are to be issued. No obligation of the Agency under any such agreement shall constitute an obligation of the City except to the extent the same may be expressly approved by the City. The Bonds shall be limited and special obligations of the Agency, and shall not constitute a pledge of the faith and credit or taxing power of or constitute an obligation of the City.

SECTION 3. AMENDMENT NO. 45 TO THE ENABLING AGREEMENT RATIFIED.

Pursuant to the Enabling Agreement, there is hereby approved the execution and delivery of Amendment No. 45 to the Enabling Agreement (the "Amendment") to effect the approvals set forth in Section 1 and Section 2 hereof. Such Amendment shall be in substantially the form attached hereto as Exhibit "B," and the Mayor is authorized to execute and deliver the same on behalf of the City Council, with such changes not inconsistent herewith as the Mayor shall approve, her execution thereof to conclusively establish such approval.

SECTION 4. TEFRA APPROVAL.

After diligent and conscientious consideration of the views expressed by the persons appearing at the public hearing, the City Council hereby approves the Agency's Plan of Finance, and the issuance by the Agency of approximately \$35,000,000 aggregate principal amount of revenue bonds for all purposes under Section 147(f) of the Code, for all purposes of the Enabling Agreement, as amended, and for all purposes of the Original Resolution.

SECTION 5. REPEALING CLAUSE.

All resolutions or parts thereof of the City in conflict with the provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.

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SECTION 6. EFFECTIVE DATE.

This resolution shall take effect immediately upon its adoption this 2nd day of December, 2013.

**GULF BREEZE, FLORIDA
CITY COUNCIL**

(SEAL)

By: _____
Beverly H. Zimmern, Mayor

ATTEST:

By: _____
Leslie Guyer, City Clerk

EXHIBIT “A”
REPORT OF CITY MANAGER

[Follows]

A-1

EXHIBIT "B"

**FORM OF AMENDMENT NO. 45
OF THE ENABLING AGREEMENT**

AMENDMENT NO. 45 TO INTERLOCAL AGREEMENT

This **AMENDMENT NO. 45 TO INTERLOCAL AGREEMENT** (this "Amendment No. 45") is made and entered into as of the 2nd day of December, 2013, by and among the **CITY OF GULF BREEZE, FLORIDA**, a municipal corporation of the State of Florida ("Gulf Breeze") and the **TOWN OF CENTURY, FLORIDA**, a municipal corporation of the State of Florida ("Century"). Gulf Breeze and Century may collectively be referred to herein as the "Parties."

WITNESSETH:

WHEREAS, the Parties hereto have by Interlocal Agreement, dated as of August 2, 1999, as amended by Amendments No. 1 through No. 44 (collectively, the "Enabling Agreement"), heretofore provided for the creation of the Capital Trust Agency (the "Agency"), to enable public, private and not-for-profit organizations to obtain public assistance in financing certain projects or programs that benefit, enhance and/or serve a public purpose; and

WHEREAS, LVI RD Osceola, LLC, a Florida limited liability company, or one or more of its affiliates (as applicable, the "Borrower"), has represented to the Agency that, acting for itself or through its affiliates, it plans to develop, own, and operate a senior living facility in Kissimmee, Florida; and

WHEREAS, on October 30, 2013, the Agency approved a request by the Borrower that the Agency issue its revenue bonds in a principal amount of approximately \$35,000,000 (the exact amount to be determined by the appropriate official of the Agency, as being the amount required to fund the financing herein authorized), in one or more series from time to time (collectively, the "Bonds") and loan the net proceeds thereof to the Borrower, for the purpose, among other things, of financing the acquisition, construction, development, installation and equipping of an approximately 120-unit senior living facility to be known as Osceola Senior Living Facility and to be located in Kissimmee, Osceola County, Florida 34741 (the "Senior Living Facility"), as described in the attached Schedule "I"; and

WHEREAS, the Agency will issue its Bonds on a case-by-case basis after review by the Agency, to provide financing and refinancing from time to time for individual projects or groups of projects, or eligible financing programs, based upon the credit pledged therefor from one or more of the projects, the Borrower, a sponsor, a credit enhancement facility, if any, or from the revenues of any such programs; and

WHEREAS, Section 7 of the Enabling Agreement requires that as a condition precedent to the Agency issuing the Bonds, the Agency must obtain the prior written approval, evidenced by resolution, from the governing bodies of Century and Gulf Breeze approving such issuance

and approving an amendment to the Enabling Agreement specifically authorizing such issuance. Such approval evidenced by appropriate resolutions has been obtained, authorizing the execution and delivery of this Amendment No. 45 to the Enabling Agreement with respect to the financing herein described; and

WHEREAS, the Parties desire to amend the Enabling Agreement to permit and authorize the Agency to issue the Bonds herein described and loan the proceeds to the Borrower in order to provide financing for the Senior Living Facility.

NOW, THEREFORE, the Parties hereby agree as follows:

SECTION 1. ENABLING AGREEMENT AMENDED FOR PROJECT.

This Amendment No. 45 is entered into pursuant to Section 7 of the Enabling Agreement for the purpose of authorizing the Agency to issue the Bonds and to finance projects of the type and character of the Senior Living Facility.

SECTION 2. BONDS, PROGRAM, PLAN OF FINANCE APPROVED.

The Parties do hereby approve and authorize the Bonds, and the issuance of such Bonds from time to time, in one or more series, in an aggregate principal amount of approximately \$35,000,000 (the exact amount to be determined by an appropriate official of the Agency to be sufficient to enable the financing or refinancing of the Senior Living Facility). Each installment or issue of such Bonds shall be designated by series, in such manner as the Agency shall determine, so as to separately identify each such installment or issue. The Agency and its officers, employees, agents and attorneys are hereby authorized to enter into, on behalf of the Agency, from time to time, interlocal agreements, cash management agreements, interest rate swap or hedge transactions, investment agreements, repurchase agreements, bond credit or insurance agreements, escrow agreements, reimbursement agreements, security documents and other agreements, approvals or instruments deemed necessary or convenient to effect or implement the financing or refinancing of the Senior Living Facility through the issuance of the Bonds, and the purposes and programs for which the Bonds are to be issued and to conform to the purposes stated in the Articles of Incorporation of the Agency to the authorizations herein contained. No obligation of the Agency under any such agreement or instrument shall constitute an obligation of Century or Gulf Breeze. The Bonds shall be limited and special obligations of the Agency, payable from the revenues or receipts of such programs or projects, payments made by the Borrower, a sponsor, or other sources relating to the purpose for which they are issued, all in the indentures for the Bonds. The Bonds shall not constitute a pledge of the faith and credit or taxing power of or constitute an obligation of Century or Gulf Breeze.

SECTION 3. ADMINISTRATIVE FEES AND EXPENSES FOR THE TOWN OF CENTURY.

Upon the issuance of each series or installment of Bonds, Century shall be paid by either the Agency or Gulf Breeze, solely from amounts received from the Borrower, the sum specified on Schedule "II" attached hereto.

SECTION 4. ENABLING AGREEMENT CONTINUED.

The Enabling Agreement, as amended hereby, is hereby ratified, confirmed and approved and shall otherwise continue in full force and effect. Nothing in this Amendment No. 45 shall be deemed to adversely affect the authorizations in the Enabling Agreement as it existed prior to the effective date of this Amendment No. 45, or to adversely affect the interests of the holders of any Bonds issued or to be issued pursuant to such authorizations. Except as and only to the extent specifically amended hereby, such Enabling Agreement is hereby incorporated by reference.

SECTION 5. INDEMNITY.

To the extent permitted by law, the Agency and Gulf Breeze shall indemnify, defend and hold harmless Century against any and all claims, losses, liabilities or damages to property or any injury or death of any person or persons occurring in connection with the issuance of the Bonds pursuant hereto, or in connection with the acquisition or operation of any project, or for any liability any way growing out of or resulting from the Enabling Agreement, as amended, this Amendment No. 45, the financing agreements and/or bond indentures executed in connection with the Bonds, including, without limitation, all costs and expenses of Century, including reasonable attorney's fees, incurred in the performance of any activities of Century in connection with the foregoing or the enforcement of any agreement of the Agency herein contained. Any such obligation of Gulf Breeze or the Agency shall be payable solely from the amounts available to them for such purposes under the Bond financing or any other plan of finance heretofore or hereafter undertaken by the Agency, and shall not constitute a general obligation or a pledge of the faith and credit of Gulf Breeze or the Agency, or an obligation to pay the same from any sources other than such amounts available to them for such purposes under the Bond financing.

SECTION 6. SEVERABILITY OF INVALID PROVISIONS.

If any one or more of the covenants, agreements or provisions herein contained shall be held contrary to any express provisions of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed severable from the remaining covenants, agreements or provisions and shall in no way affect the validity of any of the other provisions hereto.

SECTION 7. COUNTERPARTS.

This Amendment may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 8. EFFECTIVE DATE; AMENDMENTS.

This Amendment shall take effect when duly executed by the Parties and filed in accordance with the law. This Amendment may be amended only by written instrument signed by authorized representatives of Century and Gulf Breeze; provided, however, that no such amendment which would adversely affect the rights of the holders or owners of any then outstanding Bonds of the Agency or of any other member shall take effect until such time as all necessary consents or approvals with respect to such Bonds shall have been obtained, in the case of the rights of bondholders, or the consents and approvals of the affected members, in the case of the rights of members.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the Parties have caused this Amendment No. 45 to the Enabling Agreement to be executed by their duly authorized officers as of the date first above written.

[SEAL]

CITY OF GULF BREEZE, FLORIDA

By: _____
Beverly H. Zimmern, Mayor

ATTEST:

By: _____
Leslie Guyer
City Clerk

TOWN OF CENTURY, FLORIDA

[SEAL]

By: _____
Freddie W. McCall, Sr., Mayor

ATTEST:

By: _____
Leslie Gonzalez, Town Clerk

SCHEDULE "I" TO EXHIBIT B

The Senior Living Facility consists of the acquisition, construction, development, installation, furnishing and equipping of an approximately 120-unit senior living facility comprised of approximately 72 assisted living units and 48 memory support units for the elderly to be known as the "Osceola Senior Living Center, to be located at Lots 1, 2, 3 and 4, Osceola Corporate Center Replat Twenty, PB 21, PGS 135-137, Kissimmee, Osceola County, Florida 34741, and expected to be owned by the Borrower and managed initially by LivingVentures Management, LLC, a Florida limited liability company.

**SCHEDULE "II" TO EXHIBIT B
PAYMENT TO TOWN OF CENTURY**

\$350.00 per million principal amount of each issue, upon issuance thereof, but not less than \$2,500.00.

SCHEDULE "I"

The Senior Living Facility consists of the acquisition, construction, development, installation, furnishing and equipping of an approximately 120-unit senior living facility comprised of approximately 72 assisted living units and 48 memory support units for the elderly to be known as the "Osceola Senior Living Center, to be located at Lots 1, 2, 3 and 4, Osceola Corporate Center Replat Twenty, PB 21, PGS 135-137, Kissimmee, Osceola County, Florida 34741, and expected to be owned by the Borrower and managed initially by LivingVentures Management, LLC, a Florida limited liability company.

SCHEDULE I

RESOLUTION 33-13

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GULF BREEZE, FLORIDA, APPROVING A PLAN OF FINANCE FOR THE REFINANCING OF A SENIOR LIVING FACILITY AND FOR THE COSTS OF THE ACQUISITION, CONSTRUCTION, DEVELOPMENT, INSTALLATION AND EQUIPPING OF SENIOR LIVING FACILITIES LOCATED IN THE STATE OF TENNESSEE; APPROVING THE ISSUANCE OF APPROXIMATELY \$25,000,000 CAPITAL TRUST AGENCY REVENUE BONDS FOR THE PURPOSE OF FINANCING A LOAN PROGRAM TO ASSIST IN FINANCING AND REFINANCING SUCH FACILITIES; PROVIDING FOR REPEAL OF CONFLICTING PROVISIONS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Council (the “City Council”) of Gulf Breeze, Florida (the “City”), a municipal corporation of the State of Florida, has heretofore adopted Resolution No. 14-99 dated as of July 19, 1999 (the “Original Resolution”), and entered into an Interlocal Agreement between the City and the Town of Century, Florida, dated as of August 2, 1999, as amended by Amendments No. 1 through No. 46 (collectively, the “Enabling Agreement”), approving the creation of the Capital Trust Agency (the “Agency”), a legal entity and a public agency of the State of Florida, organized and existing under the provisions of Chapter 163, Part I, and Chapter 159, Part II, Florida Statutes, Ordinance No. 05-97 of the City, as amended, and its Articles of Incorporation, as amended and other applicable provisions of law (collectively, the “Act”), to enable public, private and not-for-profit organizations to obtain public assistance in financing or refinancing certain beneficial projects or programs that benefit, enhance and/or serve a public purpose; and

WHEREAS, pursuant to the Act and in accordance with the provisions of the Original Resolution, the Agency did on October 30, 2013, take official action by adopting its preliminary resolution (the “Agency Resolution”) indicating its intent to authorize the financing of the hereinafter described project, and the issuance from time to time of revenue bonds (the “Bonds”) by the Agency for a loan program for the purpose, among other things, of (i) refinancing a 73-unit independent living facility known as “The Lexington” located at 400 North Boone Street, Johnson City, Washington County, Tennessee 37604, and (ii) financing the acquisition, construction, development, furnishing and equipping of an approximately 88-unit assisted living facility to be known as “The Lexington House” and to be located at an existing structure adjacent to and adjoining The Lexington, Johnson City, Washington County, Tennessee 37604 (collectively, the “Senior Living Facilities”), as described in the attached Schedule “I”; and

WHEREAS, the City has been advised that the Agency desires to issue the Bonds in an aggregate principal amount of approximately \$25,000,000 (the exact amount to be determined by the appropriate official of the Agency, as being the amount required to fund the financing herein authorized), to finance and refinance the Senior Living Facilities on behalf of The Lexington

Corporation, a Tennessee not-for-profit corporation, authorized to transact business in the State of Florida, or one or more of its affiliates, whose principal place of business is 2513 Wesley St, Johnson City, Tennessee 37601 (as applicable, the "Borrower") to fund a program herein described (the "Plan of Finance"); and

WHEREAS, the proposed Senior Living Facilities are appropriate to the needs and circumstances of the community in which they are located and will serve a public purpose by (i) providing gainful employment and making a significant contribution to the economic growth of the local community, (ii) promoting commerce within the State of Florida, (iii) providing safe, decent and accessible living facilities for the senior living community, and (iv) advancing the economic prosperity and the general welfare of the State of Florida and its people; and

WHEREAS, in order to improve health care, it is necessary and in the public interest to facilitate the financing of the Senior Living Facilities and to facilitate and encourage the planning and development of such Senior Living Facilities without regard to the boundaries between counties, municipalities, special districts, and other local governmental bodies or agencies in order to more effectively and efficiently serve the interests of the greatest number of people in the widest area practicable; and

WHEREAS, the public purposes to be achieved by such Senior Living Facilities and the financing or refinancing thereof in compliance with the criteria and requirements of Chapter 159, Part II, Florida Statutes, as amended, implement the governmental purposes under the Florida Constitution of providing for the health, safety, and welfare of the people of the State of Florida; and

WHEREAS, Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), requires public approval of certain revenue bonds by an applicable elected representative or governmental unit on behalf of which such bonds are to be issued, following a public hearing; and

WHEREAS, (i) notice of such public hearing was given in the form required by the Code by publication at least fourteen (14) days prior to such public hearing in the *Pensacola News Journal* on November 18, 2013 and (ii) the Bonds and the Plan of Finance have been submitted to such public hearing held on behalf of the City Council of the City on December 2, 2013; and

WHEREAS, the City Manager has conducted the public hearing on behalf of the City Council and provided reasonable opportunity for all interested persons to express their views, both orally and in writing, and diligently and conscientiously considered all comments and concerns expressed by such individuals, if any; and

WHEREAS, the City Council desires to approve the Bonds and the issuance and sale thereof pursuant to the Plan of Finance and to grant all approvals required or contemplated by Section 147(f) of the Code, to express its approval of the action taken by the Agency and its officials pursuant to the Agency Resolution, and to grant all other approvals required by the

Enabling Agreement, as amended, and the Original Resolution in connection with the issuance and sale of the Bonds.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GULF BREEZE, FLORIDA:

SECTION 1. PUBLIC HEARING NOTICE AND REPORT APPROVED.

The City Council hereby approves the form of and the manner of publication of the Notice of Public Hearing (the "Notice") published on November 18, 2013 in the *Pensacola News Journal*, a newspaper of general circulation in the jurisdiction of the City. The City Council hereby approves the report of the public hearing conducted by the City Manager, a copy of which is attached as Exhibit "A" hereto. Such Notice and other means and methods utilized by the City to give notice of purpose, time and date of the public hearing provided reasonable notice sufficient to inform residents of the City of the proposed Bonds.

SECTION 2. BONDS AND PLAN OF FINANCE APPROVED.

For purposes of the Act, the City hereby approves the Plan of Finance described herein, and the issuance of the Bonds described in the Notice. The Agency and its officers, employees, agents and attorneys are hereby authorized from time to time to take all action, to execute and deliver such authorizations, approvals, certificates and documents, and to enter into, on behalf of the Agency, all interlocal agreements, repurchase agreements, bond credit or insurance agreements, reimbursement agreements, and other agreements, approvals or instruments deemed necessary or convenient to effect, implement, maintain and continue the Plan of Finance, the financing or refinancing of the Senior Living Facilities through the issuance from time to time of the Bonds and the purposes for which the Bonds are to be issued. No obligation of the Agency under any such agreement shall constitute an obligation of the City except to the extent the same may be expressly approved by the City. The Bonds shall be limited and special obligations of the Agency, and shall not constitute a pledge of the faith and credit or taxing power of or constitute an obligation of the City.

SECTION 3. AMENDMENT NO. 47 TO THE ENABLING AGREEMENT RATIFIED.

Pursuant to the Enabling Agreement, there is hereby approved the execution and delivery of Amendment No. 47 to the Enabling Agreement (the "Amendment") to effect the approvals set forth in Section 1 and Section 2 hereof. Such Amendment shall be in substantially the form attached hereto as Exhibit "B," and the Mayor is authorized to execute and deliver the same on behalf of the City Council, with such changes not inconsistent herewith as the Mayor shall approve, her execution thereof to conclusively establish such approval.

SECTION 4. TEFRA APPROVAL.

After diligent and conscientious consideration of the views expressed by the persons appearing at the public hearing, the City Council hereby approves the Agency's Plan of Finance,

and the issuance by the Agency of approximately \$25,000,000 aggregate principal amount of revenue bonds for all purposes under Section 147(f) of the Code, for all purposes of the Enabling Agreement, as amended, and for all purposes of the Original Resolution.

SECTION 5. REPEALING CLAUSE.

All resolutions or parts thereof of the City in conflict with the provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.

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SECTION 6. EFFECTIVE DATE.

This resolution shall take effect immediately upon its adoption this 2nd day of December, 2013.

**GULF BREEZE, FLORIDA
CITY COUNCIL**

(SEAL)

By: _____
Beverly H. Zimmern, Mayor

ATTEST:

By: _____
Leslie Guyer, City Clerk

EXHIBIT "A"
REPORT OF CITY MANAGER

[Follows]

EXHIBIT "B"

**FORM OF AMENDMENT NO. 47
OF THE ENABLING AGREEMENT**

AMENDMENT NO. 47 TO INTERLOCAL AGREEMENT

This **AMENDMENT NO. 47 TO INTERLOCAL AGREEMENT** (this "Amendment No. 47") is made and entered into as of the 2nd day of December, 2013, by and among the **CITY OF GULF BREEZE, FLORIDA**, a municipal corporation of the State of Florida ("Gulf Breeze") and the **TOWN OF CENTURY, FLORIDA**, a municipal corporation of the State of Florida ("Century"). Gulf Breeze and Century may collectively be referred to herein as the "Parties."

WITNESSETH:

WHEREAS, the Parties hereto have by Interlocal Agreement, dated as of August 2, 1999, as amended by Amendments No. 1 through No. 46 (collectively, the "Enabling Agreement"), heretofore provided for the creation of the Capital Trust Agency (the "Agency"), to enable public, private and not-for-profit organizations to obtain public assistance in financing certain projects or programs that benefit, enhance and/or serve a public purpose; and

WHEREAS, The Lexington Corporation, a Tennessee not-for-profit corporation authorized to do business in the State of Florida, or one or more of its affiliates (as applicable, the "Borrower"), has represented to the Agency that, acting for itself or through its affiliates, it plans to own and operate and develop, own, and operate senior living facilities, each located in Johnson City, Tennessee; and

WHEREAS, on October 30, 2013, the Agency approved a request by the Borrower that the Agency issue its revenue bonds in a principal amount of approximately \$25,000,000 (the exact amount to be determined by the appropriate official of the Agency, as being the amount required to fund the financing herein authorized), in one or more series from time to time (collectively, the "Bonds") and loan the net proceeds thereof to the Borrower, for the purpose, among other things, of (i) refinancing a 73-unit independent living facility known as "The Lexington" located at 400 North Boone Street, Johnson City, Washington County, Tennessee 37604, and (ii) financing the acquisition, construction, development, furnishing and equipping of an approximately 88-unit assisted living facility to be known as "The Lexington House," to be located at an existing structure adjacent to and adjoining The Lexington, Johnson City, Washington County, Tennessee 37604 (collectively, the "Senior Living Facilities"), as described in the attached Schedule "I"; and

WHEREAS, the Agency will issue its Bonds on a case-by-case basis after review by the Agency, to provide financing and refinancing from time to time for individual projects or groups of projects, or eligible financing programs, based upon the credit pledged therefor from one or more of the projects, the Borrower, a sponsor, a credit enhancement facility, if any, or from the revenues of any such programs; and

WHEREAS, Section 7 of the Enabling Agreement requires that as a condition precedent to the Agency issuing the Bonds, the Agency must obtain the prior written approval, evidenced by resolution, from the governing bodies of Century and Gulf Breeze approving such issuance and approving an amendment to the Enabling Agreement specifically authorizing such issuance. Such approval evidenced by appropriate resolutions has been obtained, authorizing the execution and delivery of this Amendment No. 47 to the Enabling Agreement with respect to the financing herein described; and

WHEREAS, the Parties desire to amend the Enabling Agreement to permit and authorize the Agency to issue the Bonds herein described and loan the proceeds to the Borrower in order to provide financing for the Senior Living Facilities;

NOW, THEREFORE, the Parties hereby agree as follows:

SECTION 1. ENABLING AGREEMENT AMENDED FOR PROJECT.

This Amendment No. 47 is entered into pursuant to Section 7 of the Enabling Agreement for the purpose of authorizing the Agency to issue the Bonds and to finance projects of the type and character of the Senior Living Facilities.

SECTION 2. BONDS, PROGRAM, PLAN OF FINANCE APPROVED.

The Parties do hereby approve and authorize the Bonds, and the issuance of such Bonds from time to time, in one or more series, in an aggregate principal amount of approximately \$25,000,000 (the exact amount to be determined by an appropriate official of the Agency to be sufficient to enable the refinancing and the financing of the Senior Living Facilities). Each installment or issue of such Bonds shall be designated by series, in such manner as the Agency shall determine, so as to separately identify each such installment or issue. The Agency and its officers, employees, agents and attorneys are hereby authorized to enter into, on behalf of the Agency, from time to time, interlocal agreements, cash management agreements, interest rate swap or hedge transactions, investment agreements, repurchase agreements, bond credit or insurance agreements, escrow agreements, reimbursement agreements, security documents and other agreements, approvals or instruments deemed necessary or convenient to effect or implement the financing and refinancing of the Senior Living Facilities through the issuance of the Bonds, and the purposes and programs for which the Bonds are to be issued and to conform to the purposes stated in the Articles of Incorporation of the Agency to the authorizations herein contained. No obligation of the Agency under any such agreement or instrument shall constitute an obligation of Century or Gulf Breeze. The Bonds shall be limited and special obligations of the Agency, payable from the revenues or receipts of such programs or projects, payments made by the Borrower, a sponsor, or other sources relating to the purpose for which they are issued, all in the indentures for the Bonds. The Bonds shall not constitute a pledge of the faith and credit or taxing power of or constitute an obligation of Century or Gulf Breeze.

SECTION 3. ADMINISTRATIVE FEES AND EXPENSES FOR THE TOWN OF CENTURY.

Upon the issuance of each series or installment of Bonds, Century shall be paid by either the Agency or Gulf Breeze, solely from amounts received from the Borrower, the sum specified on Schedule "II" attached hereto.

SECTION 4. ENABLING AGREEMENT CONTINUED.

The Enabling Agreement, as amended hereby, is hereby ratified, confirmed and approved and shall otherwise continue in full force and effect. Nothing in this Amendment No. 47 shall be deemed to adversely affect the authorizations in the Enabling Agreement as it existed prior to the effective date of this Amendment No. 47, or to adversely affect the interests of the holders of any Bonds issued or to be issued pursuant to such authorizations. Except as and only to the extent specifically amended hereby, such Enabling Agreement is hereby incorporated by reference.

SECTION 5. INDEMNITY.

To the extent permitted by law, the Agency and Gulf Breeze shall indemnify, defend and hold harmless Century against any and all claims, losses, liabilities or damages to property or any injury or death of any person or persons occurring in connection with the issuance of the Bonds pursuant hereto, or in connection with the acquisition or operation of any project, or for any liability any way growing out of or resulting from the Enabling Agreement, as amended, this Amendment No. 47, the financing agreements and/or bond indentures executed in connection with the Bonds, including, without limitation, all costs and expenses of Century, including reasonable attorney's fees, incurred in the performance of any activities of Century in connection with the foregoing or the enforcement of any agreement of the Agency herein contained. Any such obligation of Gulf Breeze or the Agency shall be payable solely from the amounts available to them for such purposes under the Bond financing or any other plan of finance heretofore or hereafter undertaken by the Agency, and shall not constitute a general obligation or a pledge of the faith and credit of Gulf Breeze or the Agency, or an obligation to pay the same from any sources other than such amounts available to them for such purposes under the Bond financing.

SECTION 6. SEVERABILITY OF INVALID PROVISIONS.

If any one or more of the covenants, agreements or provisions herein contained shall be held contrary to any express provisions of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed severable from the remaining covenants, agreements or provisions and shall in no way affect the validity of any of the other provisions hereto.

SECTION 7. COUNTERPARTS.

This Amendment may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 8. EFFECTIVE DATE; AMENDMENTS.

This Amendment shall take effect when duly executed by the Parties and filed in accordance with the law. This Amendment may be amended only by written instrument signed by authorized representatives of Century and Gulf Breeze; provided, however, that no such amendment which would adversely affect the rights of the holders or owners of any then outstanding Bonds of the Agency or of any other member shall take effect until such time as all necessary consents or approvals with respect to such Bonds shall have been obtained, in the case of the rights of bondholders, or the consents and approvals of the affected members, in the case of the rights of members.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the Parties have caused this Amendment No. 47 to the Enabling Agreement to be executed by their duly authorized officers as of the date first above written.

CITY OF GULF BREEZE, FLORIDA

[SEAL]

By: _____
Beverly H. Zimmern, Mayor

ATTEST:

By: _____
Leslie Guyer
City Clerk

TOWN OF CENTURY, FLORIDA

[SEAL]

By: _____
Freddie W. McCall, Sr., Mayor

ATTEST:

By: _____
Leslie Gonzalez, Town Clerk

SCHEDULE "I" TO EXHIBIT B

The Senior Living Facilities consist of the (i) refinancing of a 73-unit independent living facility known as "The Lexington" located at 400 North Boone Street, Johnson City, Washington County, Tennessee 37604, and (ii) acquisition, construction, development, furnishing and equipping of an approximately 88-unit assisted living facility to be known as "The Lexington House," to be located at an existing structure adjacent to and adjoining The Lexington, Johnson City, Washington County, Tennessee 37604, and expected to be owned by the Borrower and managed initially by MJM Associates, LLC, a Delaware limited liability company

**SCHEDULE "II" TO EXHIBIT B
PAYMENT TO TOWN OF CENTURY**

\$350.00 per million principal amount of each issue, upon issuance thereof, but not less than \$2,500.00.

SCHEDULE "I"

The Senior Living Facilities consist of the (i) refinancing of a 73-unit independent living facility known as "The Lexington" located at 400 North Boone Street, Johnson City, Washington County, Tennessee 37604, and (ii) acquisition, construction, development, furnishing and equipping of an approximately 88-unit assisted living facility to be known as "The Lexington House," to be located at an existing structure adjacent to and adjoining The Lexington, Johnson City, Washington County, Tennessee 37604, and expected to be owned by the Borrower and managed initially by MJM Associates, LLC, a Delaware limited liability company

SCHEDULE I

RESOLUTION 34-13

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GULF BREEZE, FLORIDA, APPROVING A PLAN OF FINANCE FOR THE COSTS OF THE ACQUISITION, CONSTRUCTION, DEVELOPMENT, IMPROVEMENT, INSTALLATION AND EQUIPPING OF SENIOR LIVING FACILITIES LOCATED IN THE STATE OF FLORIDA; APPROVING THE ISSUANCE OF APPROXIMATELY \$169,000,000 CAPITAL TRUST AGENCY REVENUE BONDS FOR THE PURPOSE OF FINANCING A LOAN PROGRAM TO ASSIST IN FINANCING SUCH FACILITIES; PROVIDING FOR REPEAL OF CONFLICTING PROVISIONS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Council (the “City Council”) of Gulf Breeze, Florida (the “City”), a municipal corporation of the State of Florida, has heretofore adopted Resolution No. 14-99 dated as of July 19, 1999 (the “Original Resolution”), and entered into an Interlocal Agreement between the City and the Town of Century, Florida, dated as of August 2, 1999, as amended by Amendments No. 1 through No. 51 (including Amendments No. 14-A, 23-A, 24-A and 37-A) (collectively, the “Enabling Agreement”), approving the creation of the Capital Trust Agency (the “Agency”), a legal entity and a public agency of the State of Florida, organized and existing under the provisions of Chapter 163, Part I, and Chapter 159, Part II, Florida Statutes, Ordinance No. 05-97 of the City, as amended, and its Articles of Incorporation, as amended and other applicable provisions of law (collectively, the “Act”), to enable public, private and not-for-profit organizations to obtain public assistance in financing or refinancing certain beneficial projects or programs that benefit, enhance and/or serve a public purpose; and

WHEREAS, pursuant to the Act and in accordance with the provisions of the Original Resolution, the Agency did on October 30, 2013, take official action by adopting its preliminary resolution (the “Agency Resolution”) indicating its intent to authorize the financing of the hereinafter described project, and the issuance from time to time of revenue bonds (the “Bonds”) by the Agency for a loan program for the purpose, among other things, of (i) refinancing the acquisition, renovation, installation and equipping of an existing senior living facility located in Town of Viera, Melbourne, Florida, West Palm Beach, Florida, and (ii) financing the acquisition, construction, development, installation and equipping of five (5) senior living facilities to be located in Town of Viera, Melbourne, Florida, West Palm Beach, Florida, Wildwood, Florida, Spring Hill, Florida and St. Petersburg, Florida (collectively, the “Senior Living Facilities”), as described in the attached Schedule “I”; and

WHEREAS, the City has been advised that the Agency desires to issue the Bonds in an aggregate principal amount of approximately \$169,000,000 (the exact amount to be determined by the appropriate official of the Agency, as being the amount required to fund the financing herein authorized), to finance the Senior Living Facilities on behalf of Mainsail Healthcare Group II, LLC, a Florida limited liability company, or one or more of its affiliates, whose principal

place of business is 901 N. Flagler Drive 5, West Palm Beach, Florida 33401 (as applicable, the "Borrower") to fund a program herein described (the "Plan of Finance"); and

WHEREAS, the proposed Senior Living Facilities are appropriate to the needs and circumstances of the community in which they are located and will serve a public purpose by (i) providing gainful employment and making a significant contribution to the economic growth of the local community, (ii) promoting commerce within the State of Florida, (iii) providing safe, decent and accessible living facilities for the senior living community, and (iv) advancing the economic prosperity and the general welfare of the State of Florida and its people; and

WHEREAS, in order to improve health care, it is necessary and in the public interest to facilitate the financing of the Senior Living Facilities and to facilitate and encourage the planning and development of such Senior Living Facilities without regard to the boundaries between counties, municipalities, special districts, and other local governmental bodies or agencies in order to more effectively and efficiently serve the interests of the greatest number of people in the widest area practicable; and

WHEREAS, the public purposes to be achieved by such Senior Living Facilities and the financing or refinancing thereof in compliance with the criteria and requirements of Chapter 159, Part II, Florida Statutes, as amended, implement the governmental purposes under the Florida Constitution of providing for the health, safety, and welfare of the people of the State of Florida; and

WHEREAS, Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), requires public approval of certain revenue bonds by an applicable elected representative or governmental unit on behalf of which such bonds are to be issued, following a public hearing; and

WHEREAS, (i) notice of such public hearing was given in the form required by the Code by publication at least fourteen (14) days prior to such public hearing in the *Pensacola News Journal* on November 18, 2013 and (ii) the Bonds and the Plan of Finance have been submitted to such public hearing held on behalf of the City Council on December 2, 2013; and

WHEREAS, the City Manager has conducted the public hearing on behalf of the City Council and provided reasonable opportunity for all interested persons to express their views, both orally and in writing, and diligently and conscientiously considered all comments and concerns expressed by such individuals, if any; and

WHEREAS, the City Council desires to approve the Bonds and the issuance and sale thereof pursuant to the Plan of Finance and to grant all approvals required or contemplated by Section 147(f) of the Code, to express its approval of the action taken by the Agency and its officials pursuant to the Agency Resolution, and to grant all other approvals required by the Enabling Agreement, as amended, and the Original Resolution in connection with the issuance and sale of the Bonds.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GULF BREEZE, FLORIDA:

SECTION 1. PUBLIC HEARING NOTICE AND REPORT APPROVED.

The City Council hereby approves the form of and the manner of publication of the Notice of Public Hearing (the "Notice") published on November 18, 2013 in the *Pensacola News Journal*, a newspaper of general circulation in the jurisdiction of the City. The City Council hereby approves the report of the public hearing conducted by the City Manager, a copy of which is attached as Exhibit "A" hereto. Such Notice and other means and methods utilized by the City to give notice of purpose, time and date of the public hearing provided reasonable notice sufficient to inform residents of the City of the proposed Bonds.

SECTION 2. BONDS AND PLAN OF FINANCE APPROVED.

For purposes of the Act, the City hereby approves the Plan of Finance described herein, and the issuance of the Bonds described in the Notice. The Agency and its officers, employees, agents and attorneys are hereby authorized from time to time to take all action, to execute and deliver such authorizations, approvals, certificates and documents, and to enter into, on behalf of the Agency, all interlocal agreements, repurchase agreements, bond credit or insurance agreements, reimbursement agreements, and other agreements, approvals or instruments deemed necessary or convenient to effect, implement, maintain and continue the Plan of Finance, the financing or refinancing of the Senior Living Facilities through the issuance from time to time of the Bonds and the purposes for which the Bonds are to be issued. No obligation of the Agency under any such agreement shall constitute an obligation of the City except to the extent the same may be expressly approved by the City. The Bonds shall be limited and special obligations of the Agency, and shall not constitute a pledge of the faith and credit or taxing power of or constitute an obligation of the City.

SECTION 3. AMENDMENT NO. 52 TO THE ENABLING AGREEMENT RATIFIED.

Pursuant to the Enabling Agreement, there is hereby approved the execution and delivery of an amendment to the Enabling Agreement (the "Amendment") to effect the approvals set forth in Section 1 and Section 2 hereof. Such Amendment shall be in substantially the form attached hereto as Exhibit "B," and the Mayor is authorized to execute and deliver the same on behalf of the City Council, with such changes not inconsistent herewith as the Mayor shall approve, her execution thereof to conclusively establish such approval.

SECTION 4. TEFRA APPROVAL.

After diligent and conscientious consideration of the views expressed by the persons appearing at the public hearing, the City Council hereby approves the Agency's Plan of Finance, and the issuance by the Agency of approximately \$169,000,000 aggregate principal amount of

revenue bonds for all purposes under Section 147(f) of the Code, for all purposes of the Enabling Agreement, as amended, and for all purposes of the Original Resolution.

SECTION 5. REPEALING CLAUSE.

All resolutions or parts thereof of the City in conflict with the provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.

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SECTION 6. EFFECTIVE DATE.

This resolution shall take effect immediately upon its adoption this 2nd day of December, 2013.

**GULF BREEZE, FLORIDA
CITY COUNCIL**

(SEAL)

By: _____
Beverly H. Zimmern, Mayor

ATTEST:

By: _____
Leslie Guyer, City Clerk

EXHIBIT “A”
REPORT OF CITY MANAGER

[Follows]

EXHIBIT "B"

**FORM OF AMENDMENT NO. 52
OF THE ENABLING AGREEMENT**

AMENDMENT NO. 52 TO INTERLOCAL AGREEMENT

This **AMENDMENT NO. 52 TO INTERLOCAL AGREEMENT** (this "Amendment No. 52") is made and entered into as of the 2nd day of December, 2013, by and among the **CITY OF GULF BREEZE, FLORIDA**, a municipal corporation of the State of Florida ("Gulf Breeze") and the **TOWN OF CENTURY, FLORIDA**, a municipal corporation of the State of Florida ("Century"). Gulf Breeze and Century may collectively be referred to herein as the "Parties."

WITNESSETH:

WHEREAS, the Parties hereto have by Interlocal Agreement, dated as of August 2, 1999, as amended by Amendments No. 1 through No. 51 (collectively, the "Enabling Agreement"), heretofore provided for the creation of the Capital Trust Agency (the "Agency"), to enable public, private and not-for-profit organizations to obtain public assistance in financing certain projects or programs that benefit, enhance and/or serve a public purpose; and

WHEREAS, Mainsail Healthcare Group II, LLC, a Florida limited liability company, or one or more of its affiliates (as applicable, the "Borrower"), has represented to the Agency that, acting for itself or through its affiliates, it plans to acquire, develop, own, and operate six (6) senior living facilities in Town of Viera, Melbourne, Florida, West Palm Beach, Florida, Wildwood, Florida, Spring Hill, Florida and St. Petersburg, Florida; and

WHEREAS, on October 30, 2013, the Agency approved a request by the Borrower that the Agency issue its revenue bonds in a principal amount of approximately \$169,000,000 (the exact amount to be determined by the appropriate official of the Agency, as being the amount required to fund the financing herein authorized), in one or more series from time to time (collectively, the "Bonds") and loan the net proceeds thereof to the Borrower, for the purpose, among other things, of (i) refinancing the acquisition, renovation, installation and equipping of an existing senior living facility located in Town of Viera, Melbourne, Florida, West Palm Beach, Florida, and (ii) financing the acquisition, construction, development, installation and equipping of five (5) senior living facilities to be known as "Viera Assisted Living Residence," "Viera Alzheimer's/Memory Care Residence," "Palm Beach Alzheimer's/Memory Care Residence," "The Villages Alzheimer's/Memory Care Residence," "Spring Hill Alzheimer's/Memory Care Residence," and "Tampa Bay Alzheimer's/Memory Care Residence" (collectively, the "Senior Living Facilities"), as described in the attached Schedule "F"; and

WHEREAS, the Agency will issue its Bonds on a case-by-case basis after review by the Agency, to provide financing and refinancing from time to time for individual projects or groups of projects, or eligible financing programs, based upon the credit pledged therefor from one or

more of the projects, the Borrower, a sponsor, a credit enhancement facility, if any, or from the revenues of any such programs; and

WHEREAS, Section 7 of the Enabling Agreement requires that as a condition precedent to the Agency issuing the Bonds, the Agency must obtain the prior written approval, evidenced by resolution, from the governing bodies of Century and Gulf Breeze approving such issuance and approving an amendment to the Enabling Agreement specifically authorizing such issuance. Such approval evidenced by appropriate resolutions has been obtained, authorizing the execution and delivery of this Amendment No. 52 to the Enabling Agreement with respect to the financing herein described; and

WHEREAS, the Parties desire to amend the Enabling Agreement to permit and authorize the Agency to issue the Bonds herein described and loan the proceeds to the Borrower in order to provide financing for the Senior Living Facilities;

NOW, THEREFORE, the Parties hereby agree as follows:

SECTION 1. ENABLING AGREEMENT AMENDED FOR PROJECT.

This Amendment No. 52 is entered into pursuant to Section 7 of the Enabling Agreement for the purpose of authorizing the Agency to issue the Bonds and to finance projects of the type and character of the Senior Living Facilities.

SECTION 2. BONDS, PROGRAM, PLAN OF FINANCE APPROVED.

The Parties do hereby approve and authorize the Bonds, and the issuance of such Bonds from time to time, in one or more series, in an aggregate principal amount of approximately \$169,000,000 (the exact amount to be determined by an appropriate official of the Agency to be sufficient to enable the financing or refinancing of the Senior Living Facilities). Each installment or issue of such Bonds shall be designated by series, in such manner as the Agency shall determine, so as to separately identify each such installment or issue. The Agency and its officers, employees, agents and attorneys are hereby authorized to enter into, on behalf of the Agency, from time to time, interlocal agreements, cash management agreements, interest rate swap or hedge transactions, investment agreements, repurchase agreements, bond credit or insurance agreements, escrow agreements, reimbursement agreements, security documents and other agreements, approvals or instruments deemed necessary or convenient to effect or implement the financing or refinancing of the Senior Living Facilities through the issuance of the Bonds, and the purposes and programs for which the Bonds are to be issued and to conform to the purposes stated in the Articles of Incorporation of the Agency to the authorizations herein contained. No obligation of the Agency under any such agreement or instrument shall constitute an obligation of Century or Gulf Breeze. The Bonds shall be limited and special obligations of the Agency, payable from the revenues or receipts of such programs or projects, payments made by the Borrower, a sponsor, or other sources relating to the purpose for which they are issued, all in the indentures for the Bonds. The Bonds shall not constitute a pledge of the faith and credit or taxing power of or constitute an obligation of Century or Gulf Breeze.

SECTION 3. ADMINISTRATIVE FEES AND EXPENSES FOR THE TOWN OF CENTURY.

Upon the issuance of each series or installment of Bonds, Century shall be paid by either the Agency or Gulf Breeze, solely from amounts received from the Borrower, the sum specified on Schedule "II" attached hereto.

SECTION 4. ENABLING AGREEMENT CONTINUED.

The Enabling Agreement, as amended hereby, is hereby ratified, confirmed and approved and shall otherwise continue in full force and effect. Nothing in this Amendment No. 52 shall be deemed to adversely affect the authorizations in the Enabling Agreement as it existed prior to the effective date of this Amendment No. 52, or to adversely affect the interests of the holders of any Bonds issued or to be issued pursuant to such authorizations. Except as and only to the extent specifically amended hereby, such Enabling Agreement is hereby incorporated by reference.

SECTION 5. INDEMNITY.

To the extent permitted by law, the Agency and Gulf Breeze shall indemnify, defend and hold harmless Century against any and all claims, losses, liabilities or damages to property or any injury or death of any person or persons occurring in connection with the issuance of the Bonds pursuant hereto, or in connection with the acquisition or operation of any project, or for any liability any way growing out of or resulting from the Enabling Agreement, as amended, this Amendment No. 52, the financing agreements and/or bond indentures executed in connection with the Bonds, including, without limitation, all costs and expenses of Century, including reasonable attorney's fees, incurred in the performance of any activities of Century in connection with the foregoing or the enforcement of any agreement of the Agency herein contained. Any such obligation of Gulf Breeze or the Agency shall be payable solely from the amounts available to them for such purposes under the Bond financing or any other plan of finance heretofore or hereafter undertaken by the Agency, and shall not constitute a general obligation or a pledge of the faith and credit of Gulf Breeze or the Agency, or an obligation to pay the same from any sources other than such amounts available to them for such purposes under the Bond financing.

SECTION 6. SEVERABILITY OF INVALID PROVISIONS.

If any one or more of the covenants, agreements or provisions herein contained shall be held contrary to any express provisions of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed severable from the remaining covenants, agreements or provisions and shall in no way affect the validity of any of the other provisions hereto.

SECTION 7. COUNTERPARTS.

This Amendment may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 8. EFFECTIVE DATE; AMENDMENTS.

This Amendment shall take effect when duly executed by the Parties and filed in accordance with the law. This Amendment may be amended only by written instrument signed by authorized representatives of Century and Gulf Breeze; provided, however, that no such amendment which would adversely affect the rights of the holders or owners of any then outstanding Bonds of the Agency or of any other member shall take effect until such time as all necessary consents or approvals with respect to such Bonds shall have been obtained, in the case of the rights of bondholders, or the consents and approvals of the affected members, in the case of the rights of members.

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IN WITNESS WHEREOF, the Parties have caused this Amendment No. 52 to the Enabling Agreement to be executed by their duly authorized officers as of the date first above written.

CITY OF GULF BREEZE, FLORIDA

[SEAL]

By: _____
Beverly H. Zimmern, Mayor

ATTEST:

By: _____
Leslie Guyer
City Clerk

TOWN OF CENTURY, FLORIDA

[SEAL]

By: _____
Freddie W. McCall, Sr., Mayor

ATTEST:

By: _____
Leslie Gonzalez, Town Clerk

SCHEDULE "I" TO EXHIBIT B

The Senior Living Facilities consist of:

1. The acquisition, renovation, installation, furnishing, and equipping of an existing approximately 82-unit senior living facility comprised of assisted living units for the elderly to be known as the "Viera Assisted Living Residence," located at 3325 Breslay Drive, Town of Viera, Melbourne, Brevard County, Florida 32940, and expected to be owned by the Borrower and managed initially by MJM Associates LLC, a Delaware limited liability company.
2. The acquisition, construction, development, installation and equipping of an approximately 96-unit senior living facility comprised of assisted living units for the elderly to be known as the "Viera Alzheimer's/Memory Care Residence," to be located at 3325 Breslay Drive, Town of Viera, Melbourne, Brevard County, Florida 32940, and expected to be owned by the Borrower and managed initially by MJM Associates LLC, a Delaware limited liability company.
3. The acquisition, construction, development, installation and equipping of an approximately 96-unit senior living facility comprised of assisted living units for the elderly to be known as "Palm Beach Alzheimer's/Memory Care Residence," to be located at the southeast corner of Kentucky Street and Congress Avenue, West Palm Beach, Palm Beach County, Florida 33406, and expected to be owned by the Borrower, and managed initially by MJM Associates LLC, a Delaware limited liability company.
4. The acquisition, construction, development, installation and equipping of an approximately 96-unit senior living facility comprised of assisted living units for the elderly to be known as "The Villages Alzheimer's/Memory Care Residence," to be located at 7046 Powell Road, Wildwood, Sumter County, Florida 34785, and expected to be owned by the Borrower and managed initially by MJM Associates LLC, a Delaware limited liability company.
5. The acquisition, construction, development, installation and equipping of an approximately 96-unit senior living facility comprised of assisted living units for the elderly to be known as "Spring Hill Alzheimer's/Memory Care Residence," to be located at the southeast corner of Parade Road and County Line Road, Spring Hill, Hernando County, Florida 34606, and expected to be owned by the Borrower and managed initially by MJM Associates LLC, a Delaware limited liability company.
6. The acquisition, construction, development, installation and equipping of an approximately 96-unit senior living facility comprised of assisted living units for the elderly to be known as Tampa Bay Alzheimer's/Memory Care Residence, to be located at 571 Martin Luther King, Jr. Street North, St. Petersburg, Pinellas County, Florida 33705, expected to be owned by the Borrower, and to be managed initially by MJM Associates LLC, a Florida limited liability company.

**SCHEDULE "II" TO EXHIBIT B
PAYMENT TO TOWN OF CENTURY**

\$350.00 per million principal amount of each issue, upon issuance thereof, but not less than \$2,500.00.

SCHEDULE "I"

The Senior Living Facilities consist of:

7. The acquisition, renovation, installation, furnishing, and equipping of an existing approximately 82-unit senior living facility comprised of assisted living units for the elderly to be known as the "Viera Assisted Living Residence," located at 3325 Breslay Drive, Town of Viera, Melbourne, Brevard County, Florida 32940, and expected to be owned by the Borrower and managed initially by MJM Associates LLC, a Delaware limited liability company.
8. The acquisition, construction, development, installation and equipping of an approximately 96-unit senior living facility comprised of assisted living units for the elderly to be known as the "Viera Alzheimer's/Memory Care Residence," to be located at 3325 Breslay Drive, Town of Viera, Melbourne, Brevard County, Florida 32940, and expected to be owned by the Borrower and managed initially by MJM Associates LLC, a Delaware limited liability company.
9. The acquisition, construction, development, installation and equipping of an approximately 96-unit senior living facility comprised of assisted living units for the elderly to be known as "Palm Beach Alzheimer's/Memory Care Residence," to be located at the southeast corner of Kentucky Street and Congress Avenue, West Palm Beach, Palm Beach County, Florida 33406, and expected to be owned by the Borrower, and managed initially by MJM Associates LLC, a Delaware limited liability company.
10. The acquisition, construction, development, installation and equipping of an approximately 96-unit senior living facility comprised of assisted living units for the elderly to be known as "The Villages Alzheimer's/Memory Care Residence," to be located at 7046 Powell Road, Wildwood, Sumter County, Florida 34785, and expected to be owned by the Borrower and managed initially by MJM Associates LLC, a Delaware limited liability company.
11. The acquisition, construction, development, installation and equipping of an approximately 96-unit senior living facility comprised of assisted living units for the elderly to be known as "Spring Hill Alzheimer's/Memory Care Residence," to be located at the southeast corner of Parade Road and County Line Road, Spring Hill, Hernando County, Florida 34606, and expected to be owned by the Borrower and managed initially by MJM Associates LLC, a Delaware limited liability company.
12. The acquisition, construction, development, installation and equipping of an approximately 96-unit senior living facility comprised of assisted living units for the elderly to be known as Tampa Bay Alzheimer's/Memory Care Residence, to be located at 571 Martin Luther King, Jr. Street North, St. Petersburg, Pinellas County, Florida 33705, expected to be owned by the Borrower, and to be managed initially by MJM Associates LLC, a Florida limited liability company.

SCHEDULE I

RESOLUTION 35-13

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GULF BREEZE, FLORIDA, APPROVING A PLAN OF FINANCE FOR THE COSTS OF THE ACQUISITION, CONSTRUCTION, DEVELOPMENT, IMPROVEMENT, INSTALLATION AND EQUIPPING OF SENIOR LIVING FACILITIES LOCATED IN THE STATE OF FLORIDA; APPROVING THE ISSUANCE OF APPROXIMATELY \$50,000,000 CAPITAL TRUST AGENCY REVENUE BONDS FOR THE PURPOSE OF FINANCING A LOAN PROGRAM TO ASSIST IN FINANCING SUCH FACILITIES; PROVIDING FOR REPEAL OF CONFLICTING PROVISIONS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Council (the "City Council") of Gulf Breeze, Florida (the "City"), a municipal corporation of the State of Florida, has heretofore adopted Resolution No. 14-99 dated as of July 19, 1999 (the "Original Resolution"), and entered into an Interlocal Agreement between the City and the Town of Century, Florida, dated as of August 2, 1999, as amended by Amendments No. 1 through No. 49 (collectively, the "Enabling Agreement"), approving the creation of the Capital Trust Agency (the "Agency"), a legal entity and a public agency of the State of Florida, organized and existing under the provisions of Chapter 163, Part I, and Chapter 159, Part II, Florida Statutes, Ordinance No. 05-97 of the City, as amended, and its Articles of Incorporation, as amended and other applicable provisions of law (collectively, the "Act"), to enable public, private and not-for-profit organizations to obtain public assistance in financing or refinancing certain beneficial projects or programs that benefit, enhance and/or serve a public purpose; and

WHEREAS, pursuant to the Act and in accordance with the provisions of the Original Resolution, the Agency did on October 30, 2013, take official action by adopting its preliminary resolution (the "Agency Resolution") indicating its intent to authorize the financing of the hereinafter described project, and the issuance from time to time of revenue bonds (the "Bonds") by the Agency for a loan program for the purpose, among other things, of acquiring, constructing, developing, improving, installing and equipping of three (3) senior living facilities to be located in Tampa, Florida, Palm Bay, Florida, Cooper City, Florida (collectively, the "Senior Living Facilities"), as described in the attached Schedule "I"; and

WHEREAS, the City has been advised that the Agency desires to issue the Bonds in an aggregate principal amount of approximately \$50,000,000 (the exact amount to be determined by the appropriate official of the Agency, as being the amount required to fund the financing herein authorized), to finance the Senior Living Facilities on behalf of Senior Care Living 1, Inc., a Florida corporation, or one or more of its affiliates, whose principal place of business is 8380 Bay Pines Blvd., 3rd Floor, St. Petersburg, Florida 33709 (as applicable, the "Borrower") to fund a program herein described (the "Plan of Finance"); and

WHEREAS, the proposed Senior Living Facilities are appropriate to the needs and circumstances of the community in which they are located and will serve a public purpose by (i) providing gainful employment and making a significant contribution to the economic growth of the local community, (ii) promoting commerce within the State of Florida, (iii) providing safe, decent and accessible living facilities for the senior living community, and (iv) advancing the economic prosperity and the general welfare of the State of Florida and its people; and

WHEREAS, in order to improve health care, it is necessary and in the public interest to facilitate the financing of the Senior Living Facilities and to facilitate and encourage the planning and development of such Senior Living Facilities without regard to the boundaries between counties, municipalities, special districts, and other local governmental bodies or agencies in order to more effectively and efficiently serve the interests of the greatest number of people in the widest area practicable; and

WHEREAS, the public purposes to be achieved by such Senior Living Facilities and the financing or refinancing thereof in compliance with the criteria and requirements of Chapter 159, Part II, Florida Statutes, as amended, implement the governmental purposes under the Florida Constitution of providing for the health, safety, and welfare of the people of the State of Florida; and

WHEREAS, Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), requires public approval of certain revenue bonds by an applicable elected representative or governmental unit on behalf of which such bonds are to be issued, following a public hearing; and

WHEREAS, (i) notice of such public hearing was given in the form required by the Code by publication at least fourteen (14) days prior to such public hearing in the *Pensacola News Journal* on November 18, 2013 and (ii) the Bonds and the Plan of Finance have been submitted to such public hearing held on behalf of the City Council on December 2, 2013; and

WHEREAS, the City Manager has conducted the public hearing on behalf of the City Council and provided reasonable opportunity for all interested persons to express their views, both orally and in writing, and diligently and conscientiously considered all comments and concerns expressed by such individuals, if any; and

WHEREAS, the City Council desires to approve the Bonds and the issuance and sale thereof pursuant to the Plan of Finance and to grant all approvals required or contemplated by Section 147(f) of the Code, to express its approval of the action taken by the Agency and its officials pursuant to the Agency Resolution, and to grant all other approvals required by the Enabling Agreement, as amended, and the Original Resolution in connection with the issuance and sale of the Bonds.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GULF BREEZE, FLORIDA:

SECTION 1. PUBLIC HEARING NOTICE AND REPORT APPROVED.

The City Council hereby approves the form of and the manner of publication of the Notice of Public Hearing (the "Notice") published on November 18, 2013 in the *Pensacola News Journal*, a newspaper of general circulation in the jurisdiction of the City. The City Council hereby approves the report of the public hearing conducted by the City Manager, a copy of which is attached as Exhibit "A" hereto. Such Notice and other means and methods utilized by the City to give notice of purpose, time and date of the public hearing provided reasonable notice sufficient to inform residents of the City of the proposed Bonds.

SECTION 2. BONDS AND PLAN OF FINANCE APPROVED.

For purposes of the Act, the City hereby approves the Plan of Finance described herein, and the issuance of the Bonds described in the Notice. The Agency and its officers, employees, agents and attorneys are hereby authorized from time to time to take all action, to execute and deliver such authorizations, approvals, certificates and documents, and to enter into, on behalf of the Agency, all interlocal agreements, repurchase agreements, bond credit or insurance agreements, reimbursement agreements, and other agreements, approvals or instruments deemed necessary or convenient to effect, implement, maintain and continue the Plan of Finance, the financing or refinancing of the Senior Living Facilities through the issuance from time to time of the Bonds and the purposes for which the Bonds are to be issued. No obligation of the Agency under any such agreement shall constitute an obligation of the City except to the extent the same may be expressly approved by the City. The Bonds shall be limited and special obligations of the Agency, and shall not constitute a pledge of the faith and credit or taxing power of or constitute an obligation of the City.

SECTION 3. AMENDMENT NO. 50 TO THE ENABLING AGREEMENT RATIFIED.

Pursuant to the Enabling Agreement, there is hereby approved the execution and delivery of Amendment No. 50 to the Enabling Agreement (the "Amendment") to effect the approvals set forth in Section 1 and Section 2 hereof. Such Amendment shall be in substantially the form attached hereto as Exhibit "B," and the Mayor is authorized to execute and deliver the same on behalf of the City Council, with such changes not inconsistent herewith as the Mayor shall approve, her execution thereof to conclusively establish such approval.

SECTION 4. TEFRA APPROVAL.

After diligent and conscientious consideration of the views expressed by the persons appearing at the public hearing, the City Council hereby approves the Agency's Plan of Finance, and the issuance by the Agency of approximately \$50,000,000 aggregate principal amount of revenue bonds for all purposes under Section 147(f) of the Code, for all purposes of the Enabling Agreement, as amended, and for all purposes of the Original Resolution.

SECTION 5. REPEALING CLAUSE.

All resolutions or parts thereof of the City in conflict with the provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.

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SECTION 6. EFFECTIVE DATE.

This resolution shall take effect immediately upon its adoption this 2nd day of December, 2013.

**GULF BREEZE, FLORIDA
CITY COUNCIL**

(SEAL)

By: _____
Beverly H. Zimmern, Mayor

ATTEST:

By: _____
Leslie Guyer, City Clerk

EXHIBIT “A”
REPORT OF CITY MANAGER

[Follows]

EXHIBIT "B"

**FORM OF AMENDMENT NO. 50
OF THE ENABLING AGREEMENT**

AMENDMENT NO. 50 TO INTERLOCAL AGREEMENT

This **AMENDMENT NO. 50 TO INTERLOCAL AGREEMENT** (this "Amendment No. 50") is made and entered into as of the 2nd day of December, 2013, by and among the **CITY OF GULF BREEZE, FLORIDA**, a municipal corporation of the State of Florida ("Gulf Breeze") and the **TOWN OF CENTURY, FLORIDA**, a municipal corporation of the State of Florida ("Century"). Gulf Breeze and Century may collectively be referred to herein as the "Parties."

WITNESSETH:

WHEREAS, the Parties hereto have by Interlocal Agreement, dated as of August 2, 1999, as amended by Amendments No. 1 through No. 49 (collectively, the "Enabling Agreement"), heretofore provided for the creation of the Capital Trust Agency (the "Agency"), to enable public, private and not-for-profit organizations to obtain public assistance in financing certain projects or programs that benefit, enhance and/or serve a public purpose; and

WHEREAS, Senior Care Living 1, Inc., a Florida corporation, or one or more of its affiliates (as applicable, the "Borrower"), has represented to the Agency that, acting for itself or through its affiliates, it plans to develop, own, and operate three (3) senior living facilities in Tampa, Florida, Palm Bay, Florida and Cooper City, Florida; and

WHEREAS, on October 30, 2013, the Agency approved a request by the Borrower that the Agency issue its revenue bonds in a principal amount of approximately \$50,000,000 (the exact amount to be determined by the appropriate official of the Agency, as being the amount required to fund the financing herein authorized), in one or more series from time to time (collectively, the "Bonds") and loan the net proceeds thereof to the Borrower, for the purpose, among other things, of financing the acquisition, construction, installation and equipping of three (3) senior living facilities to be known as "Tampa Bay Memory Care," "Palm Bay Memory Care," and "Cooper City Memory Care" and to be located in Tampa, Florida, Palm Bay, Florida and Cooper City, Florida, respectively, (collectively, the "Senior Living Facilities"), as described in the attached Schedule "I"; and

WHEREAS, the Agency will issue its Bonds on a case-by-case basis after review by the Agency, to provide financing and refinancing from time to time for individual projects or groups of projects, or eligible financing programs, based upon the credit pledged therefor from one or more of the projects, the Borrower, a sponsor, a credit enhancement facility, if any, or from the revenues of any such programs; and

WHEREAS, Section 7 of the Enabling Agreement requires that as a condition precedent to the Agency issuing the Bonds, the Agency must obtain the prior written approval, evidenced by resolution, from the governing bodies of Century and Gulf Breeze approving such issuance and approving an amendment to the Enabling Agreement specifically authorizing such issuance. Such approval evidenced by appropriate resolutions has been obtained, authorizing the execution and delivery of this Amendment No. 50 to the Enabling Agreement with respect to the financing herein described; and

WHEREAS, the Parties desire to amend the Enabling Agreement to permit and authorize the Agency to issue the Bonds herein described and loan the proceeds to the Borrower in order to provide financing for the Senior Living Facilities;

NOW, THEREFORE, the Parties hereby agree as follows:

SECTION 1. ENABLING AGREEMENT AMENDED FOR PROJECT.

This Amendment No. 50 is entered into pursuant to Section 7 of the Enabling Agreement for the purpose of authorizing the Agency to issue the Bonds and to finance projects of the type and character of the Senior Living Facilities.

SECTION 2. BONDS, PROGRAM, PLAN OF FINANCE APPROVED.

The Parties do hereby approve and authorize the Bonds, and the issuance of such Bonds from time to time, in one or more series, in an aggregate principal amount of approximately \$50,000,000 (the exact amount to be determined by an appropriate official of the Agency to be sufficient to enable the financing or refinancing of the Senior Living Facilities). Each installment or issue of such Bonds shall be designated by series, in such manner as the Agency shall determine, so as to separately identify each such installment or issue. The Agency and its officers, employees, agents and attorneys are hereby authorized to enter into, on behalf of the Agency, from time to time, interlocal agreements, cash management agreements, interest rate swap or hedge transactions, investment agreements, repurchase agreements, bond credit or insurance agreements, escrow agreements, reimbursement agreements, security documents and other agreements, approvals or instruments deemed necessary or convenient to effect or implement the financing or refinancing of the Senior Living Facilities through the issuance of the Bonds, and the purposes and programs for which the Bonds are to be issued and to conform to the purposes stated in the Articles of Incorporation of the Agency to the authorizations herein contained. No obligation of the Agency under any such agreement or instrument shall constitute an obligation of Century or Gulf Breeze. The Bonds shall be limited and special obligations of the Agency, payable from the revenues or receipts of such programs or projects, payments made by the Borrower, a sponsor, or other sources relating to the purpose for which they are issued, all in the indentures for the Bonds. The Bonds shall not constitute a pledge of the faith and credit or taxing power of or constitute an obligation of Century or of Gulf Breeze.

SECTION 3. ADMINISTRATIVE FEES AND EXPENSES FOR THE TOWN OF CENTURY.

Upon the issuance of each series or installment of Bonds, Century shall be paid by either the Agency or Gulf Breeze, solely from amounts received from the Borrower, the sum specified on Schedule "II" attached hereto.

SECTION 4. ENABLING AGREEMENT CONTINUED.

The Enabling Agreement, as amended hereby, is hereby ratified, confirmed and approved and shall otherwise continue in full force and effect. Nothing in this Amendment No. 50 shall be deemed to adversely affect the authorizations in the Enabling Agreement as it existed prior to the effective date of this Amendment No. 50, or to adversely affect the interests of the holders of any Bonds issued or to be issued pursuant to such authorizations. Except as and only to the extent specifically amended hereby, such Enabling Agreement is hereby incorporated by reference.

SECTION 5. INDEMNITY.

To the extent permitted by law, the Agency and Gulf Breeze shall indemnify, defend and hold harmless Century against any and all claims, losses, liabilities or damages to property or any injury or death of any person or persons occurring in connection with the issuance of the Bonds pursuant hereto, or in connection with the acquisition or operation of any project, or for any liability any way growing out of or resulting from the Enabling Agreement, as amended, this Amendment No. 50, the financing agreements and/or bond indentures executed in connection with the Bonds, including, without limitation, all costs and expenses of Century, including reasonable attorney's fees, incurred in the performance of any activities of Century in connection with the foregoing or the enforcement of any agreement of the Agency herein contained. Any such obligation of Gulf Breeze or the Agency shall be payable solely from the amounts available to them for such purposes under the Bond financing or any other plan of finance heretofore or hereafter undertaken by the Agency, and shall not constitute a general obligation or a pledge of the faith and credit of Gulf Breeze or the Agency, or an obligation to pay the same from any sources other than such amounts available to them for such purposes under the Bond financing.

SECTION 6. SEVERABILITY OF INVALID PROVISIONS.

If any one or more of the covenants, agreements or provisions herein contained shall be held contrary to any express provisions of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed severable from the remaining covenants, agreements or provisions and shall in no way affect the validity of any of the other provisions hereto.

SECTION 7. COUNTERPARTS.

This Amendment may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 8. EFFECTIVE DATE; AMENDMENTS.

This Amendment shall take effect when duly executed by the Parties and filed in accordance with the law. This Amendment may be amended only by written instrument signed by authorized representatives of Century and Gulf Breeze; provided, however, that no such amendment which would adversely affect the rights of the holders or owners of any then outstanding Bonds of the Agency or of any other member shall take effect until such time as all necessary consents or approvals with respect to such Bonds shall have been obtained, in the case of the rights of bondholders, or the consents and approvals of the affected members, in the case of the rights of members.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the Parties have caused this Amendment No. 50 to the Enabling Agreement to be executed by their duly authorized officers as of the date first above written.

CITY OF GULF BREEZE, FLORIDA

[SEAL]

By: _____
Beverly H. Zimmern, Mayor

ATTEST:

By: _____
Leslie Guyer
City Clerk

TOWN OF CENTURY, FLORIDA

[SEAL]

By: _____
Freddie W. McCall, Sr., Mayor

ATTEST:

By: _____
Leslie Gonzalez, Town Clerk

SCHEDULE "I" TO EXHIBIT B

The Senior Living Facilities consist of:

1. The acquisition, construction, development, furnishing and equipping of a 58 – unit senior living facility comprised of approximately 20 semi-private and 38 private memory care support units for the elderly intended to be known as Tampa Bay Memory Care, to be located at 0, 5616 and 5308 Kelly Road, Tampa, Hillsborough County, Florida 33615, and expected to be owned by the Borrower and managed initially by Validus Senior Living.
2. The acquisition, construction, development, furnishing and equipping of a 58 – unit senior living facility comprised of approximately 20 semi-private and 38 private memory care support units for the elderly intended to be known as Palm Bay Memory Care, to be located at 380 Malabar Road SE, Palm Bay, Brevard County, Florida 32907, and expected to be owned by the Borrower and managed initially by Validus Senior Living.
3. The acquisition, construction, development, furnishing and equipping of a 58 – unit senior living facility comprised of approximately 20 semi-private and 38 private memory care support unit for the elderly intended to be known as Cooper City Memory Care, to be located on Palm Avenue, Cooper City, Broward County, Florida 33024, and expected to be owned by the Borrower and managed initially by Validus Senior Living.

**SCHEDULE "II" TO EXHIBIT B
PAYMENT TO TOWN OF CENTURY**

\$350.00 per million principal amount of each issue, upon issuance thereof, but not less than \$2,500.00.

SCHEDULE "I"

The Senior Living Facilities consist of:

1. The acquisition, construction, development, furnishing and equipping of a 58 – unit senior living facility comprised of approximately 20 semi-private and 38 private memory care support units for the elderly intended to be known as Tampa Bay Memory Care, to be located at 0, 5616 and 5308 Kelly Road, Tampa, Hillsborough County, Florida 33615, and expected to be owned by the Borrower and managed initially by Validus Senior Living.
2. The acquisition, construction, development, furnishing and equipping of a 58 – unit senior living facility comprised of approximately 20 semi-private and 38 private memory care support units for the elderly intended to be known as Palm Bay Memory Care, to be located at 380 Malabar Road SE, Palm Bay, Brevard County, Florida 32907, and expected to be owned by the Borrower and managed initially by Validus Senior Living.
3. The acquisition, construction, development, furnishing and equipping of a 58 – unit senior living facility comprised of approximately 20 semi-private and 38 private memory care support unit for the elderly intended to be known as Cooper City Memory Care, to be located on Palm Avenue, Cooper City, Broward County, Florida 33024, and expected to be owned by the Borrower and managed initially by Validus Senior Living.

SCHEDULE I

RESOLUTION 36-13

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GULF BREEZE, FLORIDA, APPROVING A PLAN OF FINANCE FOR THE COSTS OF THE ACQUISITION, CONSTRUCTION, DEVELOPMENT, IMPROVEMENT, INSTALLATION AND EQUIPPING OF A SENIOR LIVING FACILITY LOCATED IN THE STATE OF FLORIDA; APPROVING THE ISSUANCE OF APPROXIMATELY \$48,000,000 CAPITAL TRUST AGENCY REVENUE BONDS FOR THE PURPOSE OF FINANCING A LOAN PROGRAM TO ASSIST IN FINANCING SUCH FACILITY; PROVIDING FOR REPEAL OF CONFLICTING PROVISIONS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Council (the “City Council”) of Gulf Breeze, Florida (the “City”), a municipal corporation of the State of Florida, has heretofore adopted Resolution No. 14-99 dated as of July 19, 1999 (the “Original Resolution”), and entered into an Interlocal Agreement between the City and the Town of Century, Florida, dated as of August 2, 1999, as amended by Amendments No. 1 through No. 52 (collectively, the “Enabling Agreement”), approving the creation of the Capital Trust Agency (the “Agency”), a legal entity and a public agency of the State of Florida, organized and existing under the provisions of Chapter 163, Part I, and Chapter 159, Part II, Florida Statutes, Ordinance No. 05-97 of the City, as amended, and its Articles of Incorporation, as amended and other applicable provisions of law (collectively, the “Act”), to enable public, private and not-for-profit organizations to obtain public assistance in financing or refinancing certain beneficial projects or programs that benefit, enhance and/or serve a public purpose; and

WHEREAS, pursuant to the Act and in accordance with the provisions of the Original Resolution, the Agency did on November 13, 2013, take official action by adopting its preliminary resolution (the “Agency Resolution”) indicating its intent to authorize the financing of the hereinafter described project, and the issuance from time to time of revenue bonds (the “Bonds”) by the Agency for a loan program for the purpose, among other things, of acquiring, constructing, developing, improving, installing and equipping an approximately 130-unit senior living facility to be known as “Equinox Senior Living Center,” to be located in Jacksonville, Duval County, Florida (the “Senior Living Facility”), as described in the attached Schedule “I”; and

WHEREAS, the City has been advised that the Agency desires to issue the Bonds in an aggregate principal amount of approximately \$48,000,000 (the exact amount to be determined by the appropriate official of the Agency, as being the amount required to fund the financing herein authorized), to finance the Senior Living Facility on behalf of Equinox of Jacksonville, LLC, a Florida limited liability company, or one or more of its affiliates, whose principal place of business is 1732 Margaret Street, Jacksonville, Florida 32204 (as applicable, the “Borrower”) to fund a program herein described (the “Plan of Finance”); and

WHEREAS, the proposed Senior Living Facility is appropriate to the needs and circumstances of the community in which it is located and will serve a public purpose by (i) providing gainful employment and making a significant contribution to the economic growth of the local community, (ii) promoting commerce within the State of Florida, (iii) providing safe, decent and accessible living facilities for the senior living community, and (iv) advancing the economic prosperity and the general welfare of the State of Florida and its people; and

WHEREAS, in order to improve health care, it is necessary and in the public interest to facilitate the financing of the Senior Living Facility and to facilitate and encourage the planning and development of such Senior Living Facility without regard to the boundaries between counties, municipalities, special districts, and other local governmental bodies or agencies in order to more effectively and efficiently serve the interests of the greatest number of people in the widest area practicable; and

WHEREAS, the public purposes to be achieved by such Senior Living Facility and the financing or refinancing thereof in compliance with the criteria and requirements of Chapter 159, Part II, Florida Statutes, as amended, implement the governmental purposes under the Florida Constitution of providing for the health, safety, and welfare of the people of the State of Florida; and

WHEREAS, Section 147(f) of the Internal Revenue Code of 1986, as amended (the “Code”), requires public approval of certain revenue bonds by an applicable elected representative or governmental unit on behalf of which such bonds are to be issued, following a public hearing; and

WHEREAS, (i) notice of such public hearing was given in the form required by the Code by publication at least fourteen (14) days prior to such public hearing in the *Pensacola News Journal* on November 18, 2013 and (ii) the Bonds and the Plan of Finance have been submitted to such public hearing held on behalf of the City Council on December 2, 2013; and

WHEREAS, the City Manager has conducted the public hearing on behalf of the City Council and provided reasonable opportunity for all interested persons to express their views, both orally and in writing, and diligently and conscientiously considered all comments and concerns expressed by such individuals, if any; and

WHEREAS, the City Council desires to approve the Bonds and the issuance and sale thereof pursuant to the Plan of Finance and to grant all approvals required or contemplated by Section 147(f) of the Code, to express its approval of the action taken by the Agency and its officials pursuant to the Agency Resolution, and to grant all other approvals required by the Enabling Agreement, as amended, and the Original Resolution in connection with the issuance and sale of the Bonds.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GULF BREEZE, FLORIDA:

SECTION 1. PUBLIC HEARING NOTICE AND REPORT APPROVED.

The City Council hereby approves the form of and the manner of publication of the Notice of Public Hearing (the "Notice") published on November 18, 2013 in the *Pensacola News Journal*, a newspaper of general circulation in the jurisdiction of the City. The City Council hereby approves the report of the public hearing conducted by the City Manager, a copy of which is attached as Exhibit "A" hereto. Such Notice and other means and methods utilized by the City to give notice of purpose, time and date of the public hearing provided reasonable notice sufficient to inform residents of the City of the proposed Bonds.

SECTION 2. BONDS AND PLAN OF FINANCE APPROVED.

For purposes of the Act, the City hereby approves the Plan of Finance described herein, and the issuance of the Bonds described in the Notice. The Agency and its officers, employees, agents and attorneys are hereby authorized from time to time to take all action, to execute and deliver such authorizations, approvals, certificates and documents, and to enter into, on behalf the Agency, all interlocal agreements, repurchase agreements, bond credit or insurance agreements, reimbursement agreements, and other agreements, approvals or instruments deemed necessary or convenient to effect, implement, maintain and continue the Plan of Finance, the financing or refinancing of the Senior Living Facility through the issuance from time to time of the Bonds and the purposes for which the Bonds are to be issued. No obligation of the Agency under any such agreement shall constitute an obligation of the City except to the extent the same may be expressly approved by the City. The Bonds shall be limited and special obligations of the Agency, and shall not constitute a pledge of the faith and credit or taxing power of or constitute an obligation of the City.

SECTION 3. AMENDMENT NO. 53 TO THE ENABLING AGREEMENT RATIFIED.

Pursuant to the Enabling Agreement, there is hereby approved the execution and delivery of Amendment No. 53 to the Enabling Agreement (the "Amendment") to effect the approvals set forth in Section 1 and Section 2 hereof. Such Amendment shall be in substantially the form attached hereto as Exhibit "B," and the Mayor is authorized to execute and deliver the same on behalf of the City Council, with such changes not inconsistent herewith as the Mayor shall approve, her execution thereof to conclusively establish such approval.

SECTION 4. TEFRA APPROVAL.

After diligent and conscientious consideration of the views expressed by the persons appearing at the public hearing, the City Council hereby approves the Agency's Plan of Finance, and the issuance by the Agency of approximately \$48,000,000 aggregate principal amount of revenue bonds for all purposes under Section 147(f) of the Code, for all purposes of the Enabling Agreement, as amended, and for all purposes of the Original Resolution.

SECTION 5. REPEALING CLAUSE.

All resolutions or parts thereof of the City in conflict with the provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.

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SECTION 6. EFFECTIVE DATE.

This resolution shall take effect immediately upon its adoption this 2nd day of December, 2013.

**GULF BREEZE, FLORIDA
CITY COUNCIL**

(SEAL)

By: _____
Beverly H. Zimmern, Mayor

ATTEST:

By: _____
Leslie Guyer, City Clerk

EXHIBIT "A"
REPORT OF CITY MANAGER

[Follows]

EXHIBIT "B"

**FORM OF AMENDMENT NO. 53
OF THE ENABLING AGREEMENT**

AMENDMENT NO. 53 TO INTERLOCAL AGREEMENT

This **AMENDMENT NO. 53 TO INTERLOCAL AGREEMENT** (this "Amendment No. 53") is made and entered into as of the 2nd day of December, 2013, by and among the **CITY OF GULF BREEZE, FLORIDA**, a municipal corporation of the State of Florida ("Gulf Breeze") and the **TOWN OF CENTURY, FLORIDA**, a municipal corporation of the State of Florida ("Century"). Gulf Breeze and Century may collectively be referred to herein as the "Parties."

WITNESSETH:

WHEREAS, the Parties hereto have by Interlocal Agreement, dated as of August 2, 1999, as amended by Amendments No. 1 through No. 52 (collectively, the "Enabling Agreement"), heretofore provided for the creation of the Capital Trust Agency (the "Agency"), to enable public, private and not-for-profit organizations to obtain public assistance in financing certain projects or programs that benefit, enhance and/or serve a public purpose; and

WHEREAS, Equinox of Jacksonville, LLC, a Florida limited liability company, or one or more of its affiliates (as applicable, the "Borrower"), has represented to the Agency that, acting for itself or through its affiliates, it plans to develop, own, and operate a senior living facility in Jacksonville, Florida; and

WHEREAS, on November 13, 2013, the Agency approved a request by the Borrower that the Agency issue its revenue bonds in a principal amount of approximately \$48,000,000 (the exact amount to be determined by the appropriate official of the Agency, as being the amount required to fund the financing herein authorized), in one or more series from time to time (collectively, the "Bonds") and loan the net proceeds thereof to the Borrower, for the purpose, among other things, of financing the acquisition, construction, installation and equipping of an approximately 130-unit senior living facility to be known as Equinox Senior Living Center and to be located in Jacksonville, Duval County, Florida (the "Senior Living Facility"), as described in the attached Schedule "I"; and

WHEREAS, the Agency will issue its Bonds on a case-by-case basis after review by the Agency, to provide financing and refinancing from time to time for individual projects or groups of projects, or eligible financing programs, based upon the credit pledged therefor from one or more of the projects, the Borrower, a sponsor, a credit enhancement facility, if any, or from the revenues of any such programs; and

WHEREAS, Section 7 of the Enabling Agreement requires that as a condition precedent to the Agency issuing the Bonds, the Agency must obtain the prior written approval, evidenced by resolution, from the governing bodies of Century and Gulf Breeze approving such issuance and approving an amendment to the Enabling Agreement specifically authorizing such issuance. Such approval evidenced by appropriate resolutions has been obtained, authorizing the execution and delivery of this Amendment No. 53 to the Enabling Agreement with respect to the financing herein described; and

WHEREAS, the Parties desire to amend the Enabling Agreement to permit and authorize the Agency to issue the Bonds herein described and loan the proceeds to the Borrower in order to provide financing for the Senior Living Facility;

NOW, THEREFORE, the Parties hereby agree as follows:

SECTION 1. ENABLING AGREEMENT AMENDED FOR PROJECT.

This Amendment No. 53 is entered into pursuant to Section 7 of the Enabling Agreement for the purpose of authorizing the Agency to issue the Bonds and to finance projects of the type and character of the Senior Living Facility.

SECTION 2. BONDS, PROGRAM, PLAN OF FINANCE APPROVED.

The Parties do hereby approve and authorize the Bonds, and the issuance of such Bonds from time to time, in one or more series, in an aggregate principal amount of approximately \$48,000,000 (the exact amount to be determined by an appropriate official of the Agency to be sufficient to enable the financing or refinancing of the Senior Living Facility). Each installment or issue of such Bonds shall be designated by series, in such manner as the Agency shall determine, so as to separately identify each such installment or issue. The Agency and its officers, employees, agents and attorneys are hereby authorized to enter into, on behalf of the Agency, from time to time, interlocal agreements, cash management agreements, interest rate swap or hedge transactions, investment agreements, repurchase agreements, bond credit or insurance agreements, escrow agreements, reimbursement agreements, security documents and other agreements, approvals or instruments deemed necessary or convenient to effect or implement the financing or refinancing of the Senior Living Facility through the issuance of the Bonds, and the purposes and programs for which the Bonds are to be issued and to conform to the purposes stated in the Articles of Incorporation of the Agency to the authorizations herein contained. No obligation of the Agency under any such agreement or instrument shall constitute an obligation of Century or Gulf Breeze. The Bonds shall be limited and special obligations of the Agency, payable from the revenues or receipts of such programs or projects, payments made by the Borrower, a sponsor, or other sources relating to the purpose for which they are issued, all in the indentures for the Bonds. The Bonds shall not constitute a pledge of the faith and credit or taxing power of or constitute an obligation of Century or Gulf Breeze.

SECTION 3. ADMINISTRATIVE FEES AND EXPENSES FOR THE TOWN OF CENTURY.

Upon the issuance of each series or installment of Bonds, Century shall be paid by either the Agency or Gulf Breeze, solely from amounts received from the Borrower, the sum specified on Schedule "II" attached hereto.

SECTION 4. ENABLING AGREEMENT CONTINUED.

The Enabling Agreement, as amended hereby, is hereby ratified, confirmed and approved and shall otherwise continue in full force and effect. Nothing in this Amendment No. 53 shall be deemed to adversely affect the authorizations in the Enabling Agreement as it existed prior to the effective date of this Amendment No. 53, or to adversely affect the interests of the holders of any Bonds issued or to be issued pursuant to such authorizations. Except as and only to the extent specifically amended hereby, such Enabling Agreement is hereby incorporated by reference.

SECTION 5. INDEMNITY.

To the extent permitted by law, the Agency and Gulf Breeze shall indemnify, defend and hold harmless Century against any and all claims, losses, liabilities or damages to property or any injury or death of any person or persons occurring in connection with the issuance of the Bonds pursuant hereto, or in connection with the acquisition or operation of any project, or for any liability any way growing out of or resulting from the Enabling Agreement, as amended, this Amendment No. 53, the financing agreements and/or bond indentures executed in connection with the Bonds, including, without limitation, all costs and expenses of Century, including reasonable attorney's fees, incurred in the performance of any activities of Century in connection with the foregoing or the enforcement of any agreement of the Agency herein contained. Any such obligation of Gulf Breeze or the Agency shall be payable solely from the amounts available to them for such purposes under the Bond financing or any other plan of finance heretofore or hereafter undertaken by the Agency, and shall not constitute a general obligation or a pledge of the faith and credit of Gulf Breeze or the Agency, or an obligation to pay the same from any sources other than such amounts available to them for such purposes under the Bond financing.

SECTION 6. SEVERABILITY OF INVALID PROVISIONS.

If any one or more of the covenants, agreements or provisions herein contained shall be held contrary to any express provisions of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed severable from the remaining covenants, agreements or provisions and shall in no way affect the validity of any of the other provisions hereto.

SECTION 7. COUNTERPARTS.

This Amendment may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 8. EFFECTIVE DATE; AMENDMENTS.

This Amendment shall take effect when duly executed by the Parties and filed in accordance with the law. This Amendment may be amended only by written instrument signed by authorized representatives of Century and Gulf Breeze; provided, however, that no such amendment which would adversely affect the rights of the holders or owners of any then outstanding Bonds of the Agency or of any other member shall take effect until such time as all necessary consents or approvals with respect to such Bonds shall have been obtained, in the case of the rights of bondholders, or the consents and approvals of the affected members, in the case of the rights of members.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the Parties have caused this Amendment No. 53 to the Enabling Agreement to be executed by their duly authorized officers as of the date first above written.

CITY OF GULF BREEZE, FLORIDA

[SEAL]

By: _____
Beverly H. Zimmern, Mayor

ATTEST:

By: _____
Leslie Guyer
City Clerk

TOWN OF CENTURY, FLORIDA

[SEAL]

By: _____
Freddie W. McCall, Sr., Mayor

ATTEST:

By: _____
Leslie Gonzalez, Town Clerk

SCHEDULE "I" TO EXHIBIT B

The Senior Living Facility consists of the acquisition, construction, development, furnishing and equipping of an approximately 130 – unit senior living facility comprised of approximately 62 independent living units, 28 assisted living units, and 40 memory care units for the elderly intended to be known as “Equinox Senior Living Center,” to be located at or near the southwest corner of the intersection of Jefferson Street and Bay Street, adjacent to the Jefferson SkyWay Station, Jacksonville, Duval County, Florida, and expected to be owned by the Borrower and managed initially by Finlay Management, Inc., a Florida corporation.

**SCHEDULE "II" TO EXHIBIT B
PAYMENT TO TOWN OF CENTURY**

\$350.00 per million principal amount of each issue, upon issuance thereof, but not less than \$2,500.00.

SCHEDULE "I"

The Senior Living Facility consists of the acquisition, construction, development, furnishing and equipping of an approximately 130 – unit senior living facility comprised of approximately 62 independent living units, 28 assisted living units, and 40 memory care units for the elderly intended to be known as “Equinox Senior Living Center,” to be located at or near the southwest corner of the intersection of Jefferson Street and Bay Street, adjacent to the Jefferson SkyWay Station, Jacksonville, Duval County, Florida, and expected to be owned by the Borrower and managed initially by Finlay Management, Inc., a Florida corporation.

SCHEDULE I



City of Gulf Breeze

MEMORANDUM

To : Mayor and City Council

From :  Edwin A. Eddy, City Manager

Date : November 22, 2013

Subject: **Pensacola Beach Natural Gas Service**

Attached please find a letter from City Attorney Matt Dannheisser transmitting to staff the Mutual Release he prepared relating to the ability of the City of Gulf Breeze to operate a natural gas system on Pensacola Beach. This Mutual Release provides for a release by all parties of all the claims associated with this protracted situation.

Once this document is signed by all parties, the City of Gulf Breeze will pay Pensacola \$470,000.00 for the release of any claims Pensacola had to develop a natural gas utility on Pensacola Beach.

RECOMMENDATION:

THAT THE CITY COUNCIL APPROVE THE MUTUAL RELEASE BETWEEN THE CITY OF GULF BREEZE AND THE CITY OF PENSACOLA RELATIVE TO DEVELOPMENT OF A NATURAL GAS UTILITY ON PENSACOLA BEACH AND THE PAYMENT OF \$470,000.00 TO THE CITY OF PENSACOLA.

November 21, 2013

*Via Electronic Mail and
1st Class U.S. Mail*

Edwin A. Eddy, City Manager
City of Gulf Breeze
Post Office Box 640
Gulf Breeze, Florida 32562-0640

RE: City of Gulf Breeze – Pensacola Beach Natural Gas Service
Our File No. G1001-248

Dear Buz:

Please find enclosed along herewith two duplicate counterparts of the Mutual Release relating to the above matter that have been executed by the City of Pensacola. I do not recall if the Mutual Release has been formally approved by our City Council. If not, please place the matter on the agenda for an upcoming Council meeting for formal approval.

Once the Council has approved the Mutual Release, please arrange for Bev and Stephanie to sign both counterparts in the spaces provided. Please ask Bev to initial each page of both counterparts. Thereupon, please (i) retain one original counterpart of the Mutual Release for the City's permanent records, and (ii) return to me for remittance to Pensacola the other original counterpart of the Mutual Release along with the City's check in the amount of \$470,000.00 made payable to the "City of Pensacola".

Please give me a call if you have any questions.

Sincerely,

Matt E. Dannheisser

Matt E. Dannheisser
For the Firm
(Signed in his absence to avoid delay.)

MED:lg

Enclosures

cc: Vernon Prather *(via email)*
Thomas Lambert *(via email)*

MUTUAL RELEASE

THIS MUTUAL RELEASE is made and entered into on this _____ day of _____, 2013, by and between of the CITY OF PENSACOLA, a Florida municipal corporation, (hereinafter "Pensacola") and the CITY OF GULF BREEZE, a Florida municipal corporation, (hereinafter "Gulf Breeze"), who may herein be collectively referred to as the "Parties" and individually be referred to as a "Party."

WHEREAS, at various times between 1960 and 1995, Escambia County conferred unto Pensacola certain rights and authorizations to provide natural gas utility services to certain portions of the unincorporated areas of Escambia County and to use public rights-of-way and public property for such purposes;

WHEREAS, Pensacola has not provided natural gas utility service to that area of Santa Rosa Island located within the unincorporated areas of Escambia County (hereinafter the "Pensacola Beach Franchise Territory");

WHEREAS, in 2011 Gulf Breeze undertook to construct natural gas utility infrastructure, and in 2012 commenced to provide natural gas utility service, to and within the Pensacola Beach Franchise Territory;

WHEREAS, Pensacola has asserted that it has the exclusive rights to provide natural gas utility service to and within the Pensacola Beach Franchise Territory and that it is improper for Gulf Breeze to do so (and it is also improper for Escambia County to allow Gulf Breeze to do so);

WHEREAS, Gulf Breeze believes that it has properly and lawfully provided, and may in the future continue to properly and lawfully provide, natural gas utility service to and within the Pensacola Beach Franchise Territory pursuant to various provisions of Florida law, proprietary authorizations granted by the Santa Rosa Island Authority, and franchise rights conferred by Escambia County;

WHEREAS, the Parties have conducted extensive negotiations in efforts to resolve their differences which have culminated in the Parties entering into that certain Agreement for Natural Gas Franchise Assignment made and entered into as of the 4th day of February 2013 (the "Agreement");

WHEREAS, Pensacola has threatened legal proceedings seeking, amongst other forms of relief, injunction and damages against Gulf Breeze and Escambia County relating to the above (hereinafter, all claims of Pensacola against Gulf Breeze relating in any manner to (i) Gulf Breeze's efforts to provide natural gas utility services to or within the Pensacola Beach Franchise Territory, and (ii) the subject matter or disputes which gave rise to the Agreement which Pensacola has against Gulf Breeze, are hereinafter collectively referred to as the "Pensacola Claims");

WHEREAS, Gulf Breeze has not asserted any claim, not threatened legal proceedings, against Pensacola relating to the above; and Gulf Breeze is unaware of the existence of any such

claims that it might have against Pensacola; nevertheless, all claims of Gulf Breeze relating in any manner to the subject matter or disputes which gave rise to the Agreement which Gulf Breeze has against Pensacola are hereinafter collectively referred to as the "Gulf Breeze Claims."

WHEREAS, among the terms contemplated in the Agreement are (i) Pensacola assigning unto Gulf Breeze all of Pensacola's rights to provide natural gas utility service to or within the Pensacola Beach Franchise Territory, and Pensacola waiving in favor of and releasing unto Gulf Breeze all rights, claims, and causes of action that Pensacola now has or in the future might have to own, operate, and maintain a natural gas utility on Santa Rosa Island; and (ii) Gulf Breeze paying unto Pensacola the sum of \$470,000.00 for the conveyance, transfer, and assignment of all rights, benefits, authorizations, and privileges to provide natural gas utility service to and within the Pensacola Beach Franchise Territory.

WHEREAS, paragraph 3(e) of the Agreement provides that the Parties obligations under the Agreement are subject to satisfaction or prior written waiver the following condition precedent:

A mutual release of all claims, in a form acceptable to both Parties, relating in any manner to the subject matter or disputes which gave rise to this Agreement . . . which either Party may currently have or which arises as a result of actions that occurred prior to the Effective Date.

WHEREAS, on June 21, 2012, Don Suarez ("Suarez") and/or Pensacola submitted a request to Gulf Breeze requesting copies of all documents, records, and correspondence, "*regarding the Federal Emergency Management Agency, FEMA, the Public Service Commission, PSC, or discussion of the City of Pensacola's franchise agreement with Escambia County for natural gas service, also including discussion of the distribution of natural gas to Pensacola Beach*" sent, received, or communicated by numerous persons more particularly reflected therein (such request is hereinafter referred to as the "Public Records Request");

WHEREAS, Gulf Breeze had undertaken significant efforts to respond to the Public Records Request, however it was asked by Pensacola and/or Suarez to put the matter "on hold" and, therefore, only some but not all of the requested records have been furnished;

WHEREAS, this Mutual Release is given for purposes of satisfying the requirements of Section 3(e) of the Agreement;

NOW, THEREFORE, for and in consideration of the premises, and supported by due and adequate consideration – the receipt and sufficiency of which is hereby acknowledged, know all men by these presents, that:

1. Pensacola (for itself and for any and all other persons, parties, or entities claiming by, through, or under it), for the benefit of Gulf Breeze, forever releases, acquits, and discharges Gulf

Breeze (and its officers, officials, agents, representatives, employees, successors and assigns), of and from any and all claims of any nature whatsoever relating in any manner to (i) the subject matter or disputes which gave rise to the Agreement, and (ii) the Pensacola Claims, including, but not limited to, any and all claims, demands, damages, costs, expenses, losses, liabilities, actions and causes of action on account of any losses or damages of any kind which Pensacola ever had or may now have against Gulf Breeze, specifically including but not limited to those in connection with the following:

(a) Any actions, inactions, omissions, relationships, interference with relationships, contracts or agreements, interference with contracts or agreements, torts, intentional conduct, breaches of contract, etc., relating in any manner to the subjects referenced in or contemplated in this Release;

(b) Any obligation, duty, responsibility, etc., of any nature whatsoever, past, present, or future, to or for the benefit of Pensacola relating in any manner to the subjects referenced in or contemplated in this Agreement;

(c) Any claims for breach of any duty or obligation created, established, or imposed by (i) any contract or agreement, written or oral, expressed, implied, or otherwise arising by operation of law; (ii) any law, statute, ordinance, rule, regulation, or other positive enactment having the force of law; (iii) any instrument, document, or other writing; or (iv) any fiduciary relationship;

(d) Any claims arising from any intentional, willful, reckless, or negligent conduct or omissions or based on strict liability;

(e) The subjects described, referenced, contemplated, or in any manner whatsoever relating to the information in (i) that certain "Committee Memorandum" dated January 9, 2012, from Ashton J. Hayward, III, Mayor, regarding the subject "Resolution Authorizing the Initiation of Conflict Resolution Mediation with the City of Gulf Breeze and Escambia County," and (ii) that certain letter dated January 9, 2012, from James M. Messer, City Attorney, addressed to Matt Dannheisser; and

(f) The Public Records Request (which Pensacola does hereby withdraw and otherwise deems as having been completely satisfied and of no further effect).

2. Gulf Breeze (for itself and for any and all other persons, parties, or entities claiming by, through, or under it), for the benefit of Pensacola, forever releases, acquits, and discharges Pensacola (and its officers, officials, agents, representatives, employees, successors and assigns), of and from any and all claims of any nature whatsoever relating in any manner to (i) the subject matter or disputes which gave rise to the Agreement, and (ii) the Gulf Breeze Claims, including, but not limited to, any and all claims, demands, damages, costs, expenses, losses, liabilities, actions and causes of action on account of any losses or damages of any kind which Gulf Breeze ever had or may

now have against Pensacola, specifically including but not limited to those in connection with the following:

(a) Any actions, inactions, omissions, relationships, interference with relationships, contracts or agreements, interference with contracts or agreements, torts, intentional conduct, breaches of contract, etc., relating in any manner to the subjects referenced in or contemplated in this Release;

(b) Any obligation, duty, responsibility, etc., of any nature whatsoever, past, present, or future, to or for the benefit of Gulf Breeze relating in any manner to the subjects referenced in or contemplated in this Agreement;

(c) Any claims for breach of any duty or obligation created, established, or imposed by (i) any contract or agreement, written or oral, expressed, implied, or otherwise arising by operation of law; (ii) any law, statute, ordinance, rule, regulation, or other positive enactment having the force of law; (iii) any instrument, document, or other writing; or (iv) any fiduciary relationship; and

(d) Any claims arising from any intentional, willful, reckless, or negligent conduct or omissions or based on strict liability.

3. As Suarez may be deemed to have made the Public Records Request in an individual capacity, he joins in making this Release, hereby withdraws the Public Records Request, and otherwise deems it to have been completely satisfied and of no further effect whatsoever. Pensacola and Suarez hereby acknowledge and agree that Gulf Breeze need not undertake any further efforts to comply with, satisfy, or fulfill the Public Records Request and that Gulf Breeze is released and discharged from all responsibilities and liabilities in connection therewith.

4. The Parties hereby agree and acknowledge that upon execution of the Mutual Release after it having been duly approved by the City Councils of both Parties, the conditions precedent to the effectiveness of the Agreement set forth in Paragraph 3 of the Agreement shall be deemed to have been fully satisfied or waived by the Parties.

5. This Mutual Release is intended to be a general, complete, full and final discharge of all claims of every kind and nature which either Party may have against the other Party and each Party hereby expressly releases forever any and all rights which it may have against the other Party and its property. Each Party does hereby represent, warrant, and acknowledge that it has executed and delivered this Release without any duress or wrongful pressure whatsoever imposed by any person or entity, and that this Mutual Release has been executed as its free act and deed. Further, each Party represents, warrants, and acknowledges that it has had ample time and opportunity to review this Mutual Release prior to its execution and delivery, and that it has executed and delivered this Mutual Release following adequate opportunity for full discussion with legal counsel.

6. The terms of this Mutual Release may be pleaded in any action or other proceeding which may be brought, instituted, or taken in connection with the matters addressed herein. This Release shall be binding upon and shall inure to the benefit of each Party. It is understood by Pensacola that, except as set forth in the Agreement and except as may be set forth in subsequent agreements, from and after the date hereof Gulf Breeze shall have no further obligation of any kind whatsoever, without limitation, to Pensacola.

7. This Mutual Release may be executed in one or more counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

8. This Mutual Release has been negotiated at arms length by the Parties who mutually agree that for purposes of construing the terms hereof, neither Party shall be deemed responsible for drafting of this Mutual Release, and the Parties further agree that any ambiguity herein shall not be interpreted more or less favorable for or against either party.

IN WITNESS WHEREOF, the Parties have made, approved, and executed this Mutual Release.

CITY OF PENSACOLA

By: _____
P.C. Wu, President of
City Council

By: _____
Ashton J. Hayward, III, Mayor

ATTEST:

By: _____
Ericka L. Burnett, City Clerk

DON J. SUAREZ, individually, (*who joins
in executing and making this Release for the
limited purposes described herein relating
to the Public Records Request*)

CITY OF GULF BREEZE

By: _____
Beverly Zimmern, Mayor

ATTEST:

By: _____
Stephanie D. Lucas, City Clerk



City of Gulf Breeze

MEMORANDUM

To : Mayor and City Council

From :  Edwin A. Eddy, City Manager

Date : November 22, 2013

Subject: **Appointment to Capital Trust Agency Board**

The Capital Trust Agency Board has seven (7) members which includes Mayor Zimmern. Currently, the Board is meeting more frequently due to increased interest in CTA bond sponsorship/financing. Board member Thomas Bosworth has served on the CTA Board for 12 years. He has expressed interest in resigning from the Board to give others the opportunity to serve and to have the opportunity to travel without impacting Board business. Mr. Bosworth does not want to resign until a new member is appointed and “up to speed.”

Attached is a letter from Gary Michaels which conveys his interest in serving on the CTA Board. Mr. Michaels’ experience and educational background would seem to make him a perfect fit for the CTA Board. He has attended a few CTA meetings and remains interested in appointment to the CTA Board.

RECOMMENDATION:

THAT THE CITY COUNCIL APPOINT GARY MICHAELS, 1201 SOUNDVIEW TRAIL, TO THE CAPITAL TRUST AGENCY BOARD OF DIRECTORS.

GARY MICHAELS
1201 Soundview Trail
Gulf Breeze, FL 32561

Cell: 850.501.1122

Email: GaryMichaels@aol.com

November 21, 2013

Mr. Buz Eddy
City Manager
Gulf Breeze, FL 32561

Dear Mayor Zimmern, Mr. Eddy, Mr. Gray and Members of the Capital Trust Agency,

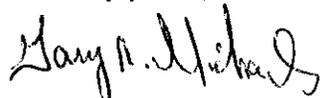
I would consider it a privilege to serve as a member on the Capital Trust Agency Board of Directors. I have lived in Gulf Breeze for the past 10 years and certainly consider it home. It is with true appreciation that I not only have the opportunity to live here, but to be an active contributor to the continued growth and development of our city.

Not only am I excited to work with and learn from such a dedicated group of our community's professionals, I believe that my work experience may be helpful to you. I first used my B.A. degree in Business Administration/Accounting concentration and my MBA to secure nursing home/assisted living administrator positions with Berkshire Health System and Beverly Enterprise from 1985-1995. I followed these positions with relocating to this area when hired by Delta Health Group as Vice-President of Operations. I was responsible for the acquisition of nursing homes and assisted living facilities. Analysis of financial information and the practical application of this knowledge is of great interest to me. I left the health care industry and have now been in real estate for the past 8 years, with over \$250m in sales and I continued to add to my administrative experience from 2007-2010 as Operations Manager of Levin-Rinke Resort Realty.

Through Gulf Breeze United Methodist Church, I have been a Stephen Minister and currently serve as church Treasurer. I have just completed my Chair position at Children's Home Society and am excited to learn of another place to serve within our local community. Through my recent opportunity to work with Mayor Zimmern, Mr. Eddy and the city staff as Co-Chair of the 50th Anniversary Gala for the City, my understanding of our history increased as did my respect for them and the work they have done and continue to do. As a professional and as a citizen, I do believe we have a responsibility to contribute and I have the desire to do so.

Thank you for your consideration of my appointment to The CTA Board of Directors and I assure you that I will serve with the same enthusiasm, interest and integrity as do each of you.

Sincerely yours,



Gary Michaels