

GULF BREEZE CITY COUNCIL REGULAR MEETING AGENDA

MARCH 16, 2015
MONDAY, 6:30 P.M.
COUNCIL CHAMBERS

1. Roll Call
2. Invocation and Pledge of Allegiance
3. Approval of Minutes for March 2, 2015
4. **ORDINANCE NO. 02-15** AN ORDINANCE AMENDING SECTION 2-126 OF THE CODE OF ORDINANCES REGARDING DISPOSAL OF SURPLUS PROPERTY.
(SECOND READING AND PUBLIC HEARING)
5. **RESOLUTION NO. 08-15** A RESOLUTION APPROVING A PLAN OF FINANCE FOR TAPESTRY TALLAHASSEE ASSISTED LIVING FACILITY AND ISSUANCE OF UP TO \$35,000,000 IN CAPITAL TRUST AGENCY BONDS.
6. **CONSENT AGENDA ITEMS:**
 - A. Discussion and Action Regarding Development Review Board Recommendation:
Gulf Breeze Treatment Center
350 Pensacola Beach Rd, Gulf Breeze
Request to install a seawall and pier at 350 Pensacola Beach Rd.
 - B. Discussion and Action Regarding Request for Maintenance - Lionsgate Canal and Laguna Lake.
 - C. Discussion and Action Regarding Outdoor Movie Series.
 - D. Discussion and Action Regarding Dracena Way Interim Drainage Project.
 - E. Discussion and Action Regarding City Hall Server Replacement.
 - F. Discussion and Action Regarding Replacement of Dispatch Chairs.
 - G. Discussion and Action Regarding Emergency Repair of Manholes in Victorian Village.
 - H. Discussion and Action Regarding Payment of Invoice from Galloway/Johnson/Tompkins/Burr and Smith (GJTBS).
7. New Items
8. Information Items
9. Public Forum
10. Adjournment

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 insure 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. If you are a person with a disability who needs accommodation in order to participate in a public hearing you are entitled to the provision of certain assistance. Please contact the City Clerk's office at (850) 934-5115 or at 1070 Shoreline Drive, Gulf Breeze at least one (1) week prior to the date of the public hearing.

MINUTES OF THE REGULAR MEETING OF THE
CITY COUNCIL OF THE CITY OF GULF BREEZE, FLORIDA

The 1,267th Regular Meeting of the Gulf Breeze City Council, Gulf Breeze, Florida, was held at Gulf Breeze City Hall on Monday, March 2, 2015, at 6:30 p.m.

Upon call of the roll the following Councilmembers were present: Councilwoman Bookout, Councilwoman Cherry Fitch, Mayor Pro Tem Joseph Henderson, Councilman David G. Landfair, and Mayor Matt Dannheisser.

GULF BREEZE OPTIMIST YOUTH APPRECIATION:

The Gulf Breeze Optimist Youth Appreciation program is an activity which honors students in middle school who exhibit leadership qualities. The students are rewarded by being assigned to an honorary position in the City government and conduct a City Council meeting, with support from the Council.

The following students participated in the Council meeting by representing various official positions: Michaela O'Grady, Mayor; Mallory Proctor, Mayor Pro Tem Henderson; Ben Van Sleen, Councilman Landfair; Ami Patel, Councilwoman Fitch; Maddie Lunday, Councilwoman Bookout; Katie Player, City Attorney, Ana Decesare, City Manager; Drew Marks, Deputy City Manager; Daly Ostrander, City Clerk; Liam Werner, Director of Finance; Eleanor Provosty, Public Service Director; Savannah Haynes, Assistant Public Service Director; Jonathan Uebershaer, Community Service Director; Nick Ramos, Director of Parks and Recreation; Christian Burger, Chief of Police; Quinlyn Bray, Deputy Chief of Police; and Jacob Ferris, Fire Chief. School Representative Karen Gilbreath and Principal Michael Brandon were also present at the meeting.

MAYOR'S WELCOME TO COUNCIL PARTICIPANTS:

Mayor Dannheisser welcomed everyone and explained that each year the City hosts the student leaders from the 8th grade at Gulf Breeze Middle School to run the meeting in the Council's place, with Council's assistance, taking on the various roles in City government. The gavel was then turned over to acting Mayor Michaela O'Grady.

APPROVAL OF MINUTES:

Councilwoman Bookout moved for approval of the minutes for the Regular Meeting held on February 17, 2015. Councilwoman Fitch seconded. The vote for approval was unanimous.

Councilwoman Bookout moved for approval of the minutes for the Community Redevelopment Meeting held on February 17, 2015. Councilwoman Fitch seconded. The vote for approval was unanimous.

MINUTES OF THE REGULAR MEETING OF THE
CITY COUNCIL OF THE CITY OF GULF BREEZE, FLORIDA

PROCLAMATION: **A PROCLAMATION DECLARING MARCH 12, 2015,
GFWC SANTA ROSA WOMAN'S CLUB DAY**

The Proclamation was read and presented by Mayor O'Grady to members of the GFWC Santa Rosa Woman's Club.

ORDINANCE 02-15: **AN ORDINANCE AMENDING SECTION 2-126 OF THE
CODE OF ORDINANCES REGARDING DISPOSAL OF
SURPLUS PROPERTY**
(First Reading)

The City Clerk read the Ordinance by title. Councilwoman Bookout moved for approval of Ordinance No. 02-15. Councilwoman Fitch seconded. The vote for approval was unanimous.

RESOLUTION NO. 06-15 **A RESOLUTION APPROVING A LINE OF CREDIT
FOR FAIRPOINT REGIONAL UTILITY SYSTEM IN
AN AMOUNT NOT TO EXCEED \$1,000,000**

Mayor Pro Tem Henderson moved for approval of Resolution No. 06-15. Councilwoman Fitch seconded. The vote for approval was unanimous.

RESOLUTION NO. 09-15 **A RESOLUTION DESIGNATING THE BAY AREA
RESOURCE COUNCIL (BARC) AS AN ESTUARY
PROGRAM ORGANIZATION**

Mayor Pro Tem Henderson moved for approval of Resolution No. 09-15. Councilwoman Fitch seconded. The vote for approval was unanimous.

RESOLUTION NO. 10-15 **A RESOLUTION APPROVING RUBEN SURVEYING
TO COMPLETE SURVEYING OF THE CITY
UNDER EMERGENCY CONDITIONS AND
WAIVING REQUIREMENTS OF THE
CONSULTANTS COMPETITIVE NEGOTIATIONS
ACT**

Mayor Pro Tem Henderson moved for approval of Resolution No. 10-15. Councilman Landfair seconded. The vote for approval was unanimous.

MINUTES OF THE REGULAR MEETING OF THE
CITY COUNCIL OF THE CITY OF GULF BREEZE, FLORIDA

ACTION AGENDA ITEM(S):

- A. SUBJECT: DISCUSSION AND ACTION REGARDING SPECIAL EVENT APPLICATION FROM GULF BREEZE HIGH SCHOOL QUARTERBACK CLUB FOR SPRING CARNIVAL.

Reference: Deputy Chief of Police memo dated February 9, 2015

RECOMMENDATION:

THAT THE CITY COUNCIL APPROVE THE SPECIAL EVENT APPLICATION.

Councilwoman Bookout made a motion to approve staff's recommendation. The motion was seconded by Councilwoman Fitch. The vote for approval was unanimous.

- B. SUBJECT: DISCUSSION AND ACTION REGARDING SOUTH SANTA ROSA UTILITY SYSTEM BOARD RECOMMENDATION.

Reference: Assistant Director of Public Services memo dated February 19, 2015

RECOMMENDATION:

THAT THE CITY COUNCIL AUTHORIZE BASKERVILLE-DONOVAN, INC., TO COMPLETE THE 2014 CAPACITY ANALYSIS REPORT FOR A FEE OF \$5,000.

Councilwoman Fitch made a motion to approve staff's recommendation. The motion was seconded by Mayor Pro Tem Henderson. The vote for approval was unanimous.

- C. SUBJECT: DISCUSSION AND ACTION REGARDING CITY HALL PARKING LOT SEAL COATING.

Reference: Assistant Director of Public Services memo dated February 20, 2015

MINUTES OF THE REGULAR MEETING OF THE
CITY COUNCIL OF THE CITY OF GULF BREEZE, FLORIDA

RECOMMENDATION:

THAT THE CITY COUNCIL AUTHORIZE GULF COAST TRAFFIC ENGINEERS TO COMPLETE THE CITY HALL PARKING LOT SEALCOATING AND STRIPING FOR A COST OF \$5,957.

Councilwoman Fitch made a motion to approve staff's recommendation. The motion was seconded by Councilwoman Bookout. The vote for approval was unanimous.

D. SUBJECT: DISCUSSION AND ACTION REGARDING RESTORE PROJECT SUBMITTAL.

Reference: Assistant Director of Public Services memo dated February 20, 2015

RECOMMENDATION:

THAT THE CITY COUNCIL AUTHORIZE STAFF AND BASKERVILLE-DONOVAN TO PREPARE THE APPLICATION OF THE 5 PROJECTS LISTED ABOVE FOR SUBMITTAL TO THE RESTORE ACT FUNDING WITH A COMMITMENT FOR THE CITY TO FUND HALF OF THE COST OF THE PROJECTS.

Mayor Pro Tem Henderson made a motion to approve staff's recommendation. The motion was seconded by Councilwoman Fitch. The vote for approval was unanimous.

E. SUBJECT: DISCUSSION AND ACTION REGARDING STREET SIGN SURVEY – SECTION 1.

Reference: Facilities Coordinator memo dated February 16, 2015

RECOMMENDATION:

THAT THE CITY COUNCIL AUTHORIZE STAFF TO PURCHASE SIGNS FOR SECTION #1 FROM VULCAN SIGNS FOR \$1,032.41 INCLUDING FREIGHT.

Councilwoman Fitch made a motion to approve staff's recommendation. The motion was seconded by Mayor Pro Tem Henderson. The vote for approval was unanimous.

MINUTES OF THE REGULAR MEETING OF THE
CITY COUNCIL OF THE CITY OF GULF BREEZE, FLORIDA

F. SUBJECT: DISCUSSION AND ACTION REGARDING DRAINAGE MAINTENANCE.

Reference: Director of Public Services memo dated February 18, 2015

RECOMMENDATION:

THAT THE CITY COUNCIL AUTHORIZE HHH CONSTRUCTION OF NWF TO PERFORM THE GRINDING SERVICE AS DESCRIBED FOR \$5,400.

Councilwoman Bookout made a motion to approve staff's recommendation. The motion was seconded by Councilman Landfair. The vote for approval was unanimous.

G. SUBJECT: DISCUSSION AND ACTION REGARDING PAYMENT FOR SERVICES OF ADJUSTORS INTERNATIONAL.

Reference: Director of Finance memo dated February 19, 2015

RECOMMENDATION:

THAT THE CITY COUNCIL APPROVE AND AUTHORIZE PAYMENT OF THE ATTACHED FISCAL 2015 ADJUSTORS INTERNATIONAL INVOICES FOR SERVICES PROVIDED DURING THE MONTHS OF OCTOBER THROUGH JANUARY TOTALING \$3,529.20.

Councilwoman Fitch made a motion to approve staff's recommendation. The motion was seconded by Mayor Pro Tem Henderson. The vote for approval was unanimous.

H. SUBJECT: DISCUSSION AND ACTION REGARDING APPROVAL FOR REPAIR OF SPEED HUMPS.

Reference: Facilities Coordinator memo dated February 19, 2015

RECOMMENDATION:

THAT THE CITY COUNCIL AUTHORIZE GULF COAST TRAFFIC ENGINEERS TO PROCEED WITH REPAIRS FOR A COST NOT TO EXCEED \$4,119.00.

MINUTES OF THE REGULAR MEETING OF THE
CITY COUNCIL OF THE CITY OF GULF BREEZE, FLORIDA

Councilwoman Bookout made a motion to approve staff's recommendation. The motion was seconded by Councilwoman Fitch. The vote for approval was unanimous.

I. SUBJECT: DISCUSSION AND ACTION REGARDING TIGER POINT OPERATIONAL AUDIT.

Reference: Deputy City Manager memos dated February 19, 2015 and February 25, 2015

RECOMMENDATION:

THAT THE CITY COUNCIL ACCEPT THE PROPOSAL FROM PRIVATE CLUB ASSOCIATES OF ALPHARETTA, GEORGIA, FOR THE TIGER POINT OPERATIONAL AUDIT AND BUSINESS PLAN DEVELOPMENT PROJECT AND AUTHORIZE STAFF TO FINALIZE A CONTRACT FOR SAID SERVICES CONSISTENT WITH THE RFQ DOCUMENTS AND PCA'S RESPONSE TO SAID RFQ.

Councilwoman Bookout made a motion to approve staff's recommendation. The motion was seconded by Mayor Pro Tem Henderson. The vote for approval was unanimous.

J. SUBJECT: DISCUSSION AND ACTION REGARDING REQUEST FROM OAK POINTE HOMEOWNERS ASSOCIATION.

Reference: Assistant Director of Public Services memo dated February 24, 2015

RECOMMENDATION:

THAT THE CITY COUNCIL APPROVE PAYMENT OF \$5,425 TO THE OAK POINTE HOMEOWNERS ASSOCIATION FOR REPLACEMENT OF THE 6" UNDERDRAIN PIPE ADJACENT TO THE CITY'S GOLF COURSE PROPERTY.

Councilwoman Bookout made a motion to approve staff's recommendation. The motion was seconded by Mayor Pro Tem Henderson. The vote for approval was unanimous. .

MINUTES OF THE REGULAR MEETING OF THE
CITY COUNCIL OF THE CITY OF GULF BREEZE, FLORIDA

NEW BUSINESS: None

OPEN FORUM:

Mayor Dannheisser recognized the attendance of Boy Scout Troop 417.

ADJOURNMENT: Mayor Dannheisser adjourned the meeting at 7:07 p.m.

Stephanie D. Lucas, City Clerk

Matt E. Dannheisser, Mayor

The Executive Meeting began at 7:08 p.m. following the City Council Workshop Relative to Amendments to the City’s Zoning and Land Use Code and Land Development Code (LDC).

Councilmembers Present: Councilwoman Renee Bookout, Councilwoman Cherry Fitch, Mayor Pro Tem Joseph Henderson, and Mayor Matt Dannheisser. Councilman David Landfair was not in attendance.

ACTION AGENDA ITEMS:

A. SUBJECT: DISCUSSION AND ACTION REGARDING DEVELOPMENT REVIEW BOARD RECOMMENDATION:

Gulf Breeze Treatment Center
350 Pensacola Beach Rd, Gulf Breeze
Request to install a seawall and pier at 350 Pensacola Beach Rd.
Reference: DRB March 3, 2015 Minutes

RECOMMENDATION:
THAT THE CITY COUNCIL APPROVE THE DEVELOPMENT REVIEW BOARD RECOMMENDATION.

Mayor Pro Tem made a motion to place staff’s recommendations on the March 16, 2015, Regular Council meeting consent agenda. Councilwoman Fitch seconded. The vote for approval was unanimous.

B. SUBJECT: DISCUSSION AND ACTION REGARDING REQUEST FOR MAINTENANCE – LIONSGATE CANAL.

Reference: City Manager memo dated March 4, 2015

RECOMMENDATION:
THAT THE CITY COUNCIL DIRECT STAFF TO APPLY FOR A RESTORE COUNCIL GRANT TO BE USED TO CLEAN OUT THE LIONSGATE CANAL AND THE WATERWAY BEHIND LAGUNA COURT.

Councilwoman Fitch made a motion to place staff’s recommendation on the March 16, 2015, Regular Council meeting consent agenda. The motion was seconded by Mayor Pro Tem Henderson. The vote for approval was unanimous.

C. ITEM COVERED IN PUBLIC WORKSHOP.

D. SUBJECT: DISCUSSION AND ACTION REGARDING OUTDOOR MOVIE SERIES.

Reference: Director of Parks and Recreation memo dated March 4, 2015

RECOMMENDATION:

- 1) **THAT THE CITY COUNCIL DIRECT STAFF TO PROCEED WITH THE DEVELOPMENT OF A SERIES OF FOUR (4) OUTDOOR MOVIES DURING THE SPRING/SUMMER OF 2015 AT A COST NOT TO EXCEED \$5,600, A PORTION OF WHICH MAY BE OFFSET BY COMMUNITY SPONSORSHIPS.**
- 2) **TO ALLOW ALCOHOL AND THE CONSUMPTION OF ALCOHOL ON PARK GROUNDS DURING THE MOVIE EVENTS.**

Councilwoman Bookout made a motion to place staff's recommendation on the March 16, 2015, Regular Council meeting consent agenda. The motion was seconded by Mayor Pro Tem Henderson. The vote for approval was unanimous.

E. SUBJECT: DISCUSSION AND ACTION REGARDING APPROVAL OF ORDINANCE 02-15 PERTAINING TO SURPLUS PROPERTY.

Reference: Deputy City Manager memo dated March 3, 2015

RECOMMENDATION:

THAT THE CITY COUNCIL HOLD A PUBLIC HEARING ON MARCH 16, 2015 AND THAT ORDINANCE NO. 02-15 BE APPROVED ON SECOND AND FINAL READING.

Councilwoman Bookout made a motion to place staff's recommendation on the March 16, 2015, Regular Council meeting agenda. The motion was seconded by Councilwoman Fitch. The vote for approval was unanimous.

F. SUBJECT: DISCUSSION AND ACTION REGARDING RESOLUTION 08-15 APPROVING A PLAN OF FINANCE FOR TAPESTRY TALLAHASSEE ASSISTED LIVING FACILITY AND ISSUANCE OF UP TO \$35,000,000 IN CAPITAL TRUST AGENCY BONDS.

Reference: City Manager memo dated March 5, 2015

RECOMMENDATION:

THE CAPITAL TRUST AGENCY BOARD AND ITS EXECUTIVE DIRECTOR RECOMMEND THE CITY COUNCIL ADOPT RESOLUTION 08-15 APPROVING A PLAN OF FINANCE FOR THE TAPESTRY TALLAHASSEE ASSISTED LIVING AND MEMORY CARE FACILITY AND THE ISSUANCE OF UP TO \$35,000,000 IN CAPITAL TRUST AGENCY RECORDS.

Mayor Pro Tem Henderson made a motion to place staff's recommendation on the March 16, 2015, Regular Council meeting agenda. The motion was seconded by Councilwoman Fitch. The vote for approval was unanimous.

G. SUBJECT: DISCUSSION AND ACTION REGARDING DRACENA WAY INTERIM DRAINAGE PROJECT.

Reference: Assistant Director of Public Services memo dated March 4, 2015

RECOMMENDATION:

THAT THE CITY COUNCIL AWARD THE DRACENA WAY INTERIM DRAINAGE IMPROVEMENT TO UTILITY SERVICE COMPANY UNDER THE EXISTING 2014 GULF BREEZE DRAINAGE IMPROVEMENTS CONTRACT. THE PRICE AND SCHEDULE WILL BE PROVIDED AT THE EXECUTIVE SESSION.

Councilwoman Fitch made a motion to place staff's recommendation on the March 16, 2015, Regular Council meeting consent agenda. The motion was seconded by Mayor Pro Tem Henderson. The vote for approval was unanimous.

H. SUBJECT: DISCUSSION AND ACTION REGARDING CITY HALL SERVER REPLACEMENT.

Reference: Deputy City Manager memo dated March 4, 2015

RECOMMENDATION:

THAT THE CITY COUNCIL AUTHORIZE THE PURCHASE OF ONE (1) HP DL180 GENERATION 9 12LFF SERVER FROM TECHNOLOGY INTEGRATION GROUP FOR A PURCHASE PRICE OF \$7,665.48.

Councilwoman Fitch made a motion to place staff's recommendation on the March 16, 2015, Regular Council meeting consent agenda. The motion was seconded by Councilwoman Bookout. The vote for approval was unanimous.

I. SUBJECT: DISCUSSION AND ACTION REGARDING REPLACEMENT OF DISPATCH CHAIRS.

Reference: Chief of Police memo dated February 26, 2015

RECOMMENDATION:

THAT THE CITY COUNCIL APPROVE THE PURCHASE OF THE DISPATCH CHAIRS FROM THE LOCAL VENDOR FOR THE AMOUNT OF \$1,700.10 AND THE FUNDS COME FROM THE CITY'S E911 FUNDS.

Mayor Pro Tem Henderson made a motion to place staff's recommendation on the March 16, 2015, Regular Council meeting consent agenda. The motion was seconded by Councilwoman Fitch. The vote for approval was unanimous.

J. SUBJECT: DISCUSSION AND ACTION REGARDING EMERGENCY REPAIR OF MANHOLES IN VICTORIAN VILLAGE.

Reference: Director of Public Services memo dated March 5, 2015

RECOMMENDATION:

THAT THE CITY COUNCIL APPROVE STAFF'S RECOMMENDATION AND AUTHORIZE BROWN CONSTRUCTION OF NORTHWEST FLORIDA INC., TO REPAIR THE TWO (2) SINKING MAN-HOLES ON STERLING POINT PLACE FOR THE TOTAL SUM OF \$76,659.25 RETROACTIVELY.

Councilwoman Fitch made a motion to place staff's recommendation on the March 16, 2015, Regular Council meeting consent agenda. The motion was seconded by Mayor Pro Tem Henderson. The vote for approval was unanimous.

K. SUBJECT: DISCUSSION AND ACTION REGARDING PAYMENT OF INVOICE FROM GALLOWAY/JOHNSON/TOMPKINS/BURR AND SMITH (GJTBS).

Reference: City Clerk's memo dated March 3, 2015

RECOMMENDATION:

THAT THE CITY COUNCIL APPROVE PAYMENT OF INVOICE NO. 305732 IN THE AMOUNT OF \$5,294.00 TO GJTBS.

Mayor Pro Tem Henderson made a motion to place staff's recommendation on the March 16, 2015, Regular Council meeting agenda. The motion was seconded by Councilwoman Fitch. The vote for approval was unanimous.

L. SUBJECT: DISCUSSION AND ACTION REGARDING MASTER PLANNING INVOICE FROM VANASE HANGEN BRUSTLIN (VHB).

Reference: City Clerk's memo dated March 3, 2015

RECOMMENDATION:

THAT THE CITY COUNCIL MEET AS THE BOARD OF DIRECTORS OF THE COMMUNITY REDEVELOPMENT AGENCY ON MONDAY, MARCH 16, 2015 AND APPROVE PAYMENT OF INVOICE NO. 195560 IN THE AMOUNT OF \$931.08 TO VHB.

Mayor Pro Tem Henderson made a motion to place staff's recommendation on the March 16, 2015, Regular Council meeting consent agenda. The motion was seconded by Councilwoman Bookout. The vote for approval was unanimous.

INFORMATION ITEMS: None**PUBLIC FORUM:**

Bruce DeMotts, 827 Baycliffs Rd, *Scott Wheatly*, 3 Futura Dr, and *John Mays*, 408 Kenilworth, spoke in favor of allowing alcohol to be brought and consumed during the outside movie events. (Item D)

Doug Wood, 171 Russ Drive, spoke regarding the Dracena Way Interim Drainage Project.

COUNCIL COMMENTS:

- Mayor Dannheisser requested updated financials before the March 21st workshop.
- Mayor Pro Tem Henderson urged citizens to review the City's entire Master Plan.
- Councilwoman Bookout will not be in attendance at the Monday, March 16th meeting.

ADJOURNMENT: Mayor Dannheisser adjourned the meeting at 7:41 P.M.

LDC comments continued after the Regular Council meeting and adjourned at 8:08 p.m.

City of Gulf Breeze

Memorandum

To: Edwin A. Eddy, City Manager

From: Curt Carver, Deputy City Manager

Date: 3/12/2015

Subject: Surplus Property

On March 2nd, the City Council approved the enclosed ordinance on a first reading. They also scheduled a public hearing and a second reading for March 16th. Notice of the public hearing was published in the Gulf Breeze News on March 5, 2015. As you know, this ordinance amends Sections 2-126 through 2-129 of the City Code, which outlines how the City disposes of surplus property. The proposed ordinance will promote efficiency, cost effectiveness and flexibility in disposing of surplus property. It provides for the following:

1. The City Council is authorized to declare real and personal property as surplus upon a recommendation from the City Manager.
2. The City Manager has the authority to dispose of surplus personal property with an estimated value of less than \$10,000 in the most cost-effective and efficient manner. Surplus personal property over \$10,000 requires a more formal bidding or public auction process, which requires published notice.
3. Surplus personal property may be used as a trade-in for new, like property. This would primarily apply to vehicles and equipment.
4. The City can dispose of surplus personal property without bid to other governmental units or private non-profits.
5. The City Council is granted discretion in the disposal process pertaining to surplus real property. This could include sealed bids, auctions, a negotiated sale or a real estate listing.

This draft has been reviewed by the City Attorney and reflects his comments. Should you have any questions, please do not hesitate to contact me.

Recommendation: That the City Council hold a public hearing on March 16, 2015 regarding Ordinance 02-15, which amends Sections 2-126 through 2-129 of the City Code relating to the disposal of surplus property and approve it on a Second Reading on that date.

Enclosure

ORDINANCE 02-15

AN ORDINANCE AMENDING ARTICLE V. SURPLUS PROPERTY OF CHAPTER 2 OF THE CODE OF ORDINANCES PROVIDING FOR THE DISPOSAL OF SURPLUS PROPERTY OWNED BY THE CITY; PROVIDING FOR SEVERABILITY; PROVIDING FOR CONFLICT AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, Section 2(b), Article VIII of the State Constitution provides that municipalities shall have the governmental, corporate, and proprietary powers to enable them to conduct municipal government, perform municipal functions, and render municipal services, and may exercise any power for municipal purposes, except when expressly prohibited by law; and

WHEREAS, the Florida Attorney General in AGO 96-16 stated that the method of disposing of surplus municipal real property is left to the discretion of the municipality's governing body, which is required only to act in good faith and in the best interest of the municipality; and

WHEREAS, the Florida Attorney General in AGO 98-04 stated that the method of disposing of surplus municipal tangible personal property is left to the discretion of the municipality's governing body, which is required only to act in good faith and in the best interest of the municipality; and

WHEREAS, the City Council of the City of Gulf Breeze has determined that it in the best interest of the City of Gulf Breeze to amend its procedures for the disposal of surplus real and property owned by the City in the most efficient and cost-effective manner.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Gulf Breeze, Florida, as follows:

SECTION 1

Sections 2-126 through 2-129 of the Code of Ordinances are hereby deleted in their entirety.

SECTION 2

In place of the deletion provided for in Section 1 of this Ordinance, Article V. Chapter 2 of the Code of Ordinances is hereby amended as follows:

ARTICLE V. DISPOSAL OF SURPLUS REAL PROPERTY

Sec. 2-126. Definitions.

The following words, terms and phrases when used in this Article shall have the meanings ascribed to them in this Section, except where the context clearly indicates a different meaning:

Personal property shall mean any and all tangible personal property owned by the City of Gulf Breeze of a non-consumable nature.

Real property shall mean any and all real estate and any permanent and/or temporary improvements or fixtures located on said real estate owned by the City of Gulf Breeze.

Relative shall mean father, mother, son, daughter, brother, sister, uncle, aunt, first cousin, nephew, niece, husband, wife, father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half brother, half sister, grandparent, great grandparent, grandchild, great grandchild, step grandparent, step great grandparent, step grandchild, or step great grandchild.

Surplus property shall mean personal and/or real property that is no longer of use to the city due to age, condition or absence of current need, obsolete, unrepairable, and unnecessary; the continued ownership of which is uneconomical, inefficient or serves no useful function.

Sec. 2-127. Power to declare surplus property.

Any real or personal property, upon the recommendation of the city manager, may be found and declared by the city council to be surplus property.

Sec. 2-128. Disposal of surplus property.

After the city council finds and declares real or personal property of the city to be surplus property, then it may be disposed of in one of the following ways:

- (a) Surplus personal property with an estimated value of less than \$10,000 may be disposed of in the most efficient, and cost-effective means as determined by the city manager.
- (b) Surplus personal property with an estimated value of \$10,000 or more shall be sold to the highest responsible bidder or by public auction, after publication of notice not less than one (1) week nor more than (2) weeks prior to the sale in a newspaper having a general circulation in Santa Rosa County.

- (c) Surplus property with any value, upon the approval of the city council, may be sold or donated to another governmental entity or private nonprofit agency. Such sale or donation shall be under such terms and conditions as the city council deems appropriate.
- (d) Any surplus real property may be disposed of in a manner determined by the city council, which is in done in good faith and in the best interests of the city, including but not limited to, sealed bids, auction, negotiated sale or real estate listing.
- (e) Notwithstanding any other provision to the contrary, surplus personal property such as vehicles and equipment may be disposed of in trade for replacement vehicles and equipment.
- (f) Surplus personal property, which is without commercial value may be donated, destroyed or abandoned in an environmentally safe manner.

Sec. 2-129. Disposal to city employees prohibited.

No surplus property may be sold or donated to a city employee, an elected official of the city, an independent contractor or agent of the city, a person appointed to any city committee, any stockholder, member, manager, director, officer, employee, independent contract or agent of the Capital Trust Agency, Inc. or the Capital Trust Agency Community Development Entity, LLC; a relative of a city employee, an elected official of the city, an independent contractor or agent of the city, a person appointed to any city committee, any stockholder, member, manager, director, officer, employee, independent contract or agent of the Capital Trust Agency, Inc. or the Capital Trust Agency Community Development Entity, LLC; a person engaged to marry a city employee, an elected official of the city, an independent contractor or agent of the city, a person appointed to any city committee, any stockholder, member, manager, director, officer, employee, independent contract or agent of the Capital Trust Agency, Inc. or the Capital Trust Agency Community Development Entity, LLC; or a person residing with a city employee, an elected official of the city, an independent contractor or agent of the city, a person appointed to any city committee, any stockholder, member, manager, director, officer, employee, independent contract or agent of the Capital Trust Agency, Inc. or the Capital Trust Agency Community Development Entity, LLC.

SECTION 3 – SEVERABILITY

If any section, paragraph, sentence, clause, phrase or word of this ordinance is for any reason held by any court to be unconstitutional, inoperative, invalid or void, such holding shall not in any manner affect the validity of the remaining portions of this ordinance.

SECTION 4 – CODIFICATION

The provisions of this ordinance shall become and be made a part of the Code of Laws and ordinances of the City of Gulf Breeze. The sections of this ordinance may be renumbered or re-lettered to accomplish such, and the word "Ordinances" may be changed to "Section," "Article," or any other appropriate word.

SECTION 5 - CONFLICT

The provisions of this ordinance shall be deemed to control and prevail over any ordinance or portion thereof in conflict with the terms hereof.

SECTION 6 - EFFECTIVE DATE

This ordinance shall become effective upon its adoption by the City Council.

PASSED ON THE FIRST READING ON THE 27th DAY OF FEBRUARY, 2015.

ADVERTISED ON THE 5TH DAY OF MARCH, 2015.

PASSED ON THE SECOND READING ON THE 16TH DAY OF MARCH, 2015.

BY: _____
MATT DANNHEISSER, MAYOR

ATTEST:

LESLIE GUYER CITY CLERK



504 NORTH BAYLEN STREET
PENSACOLA, FLORIDA 32501
850-434-9922
FACSIMILE: 850-432-2028

March 12, 2015

VIA FEDEX
#8670 9153 5829

Mayor Freddie W. McCall
Town of Century
7995 North Century Boulevard
Century, Florida 32535

Ann C. Brooks, President
9302 North Century Boulevard
Century, Florida 32535

Sandra M. Jackson
124 Maple Street
Century, Florida 32535

Benjamin D. Boutwell
Town of Century
P.O. Box 790
Century, Florida 32525

Annie Savage
170 Henry Street
Century, Florida 32535

Gary Riley
7100 Roberts Road
Century, Florida 32535

RE: Town of Century - Approval of Bond Issuance for:

Tallahassee NHHI, LLC/ Tapestry Tallahassee
Assisted Living and Memory Care Facility

Dear Mayor McCall and Members of the Town Council:

I am writing to you in regard to the above bond issuance for which Capital Trust Agency seeks your approval.

Please recall that pursuant to the Interlocal Agreement between the Town of Century and the City of Gulf Breeze, no bonds can be issued by Capital Trust Agency unless it first obtains approval from both the Century Town Council and the Gulf Breeze City Council. The proposed financing is discussed below.

Mayor Freddie W. McCall
Ann Brooks, President
Sandra M. Jackson
Benjamin D. Boutwell
Annie Savage
Gary Riley
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General Matters

As with all bond issues by CTA, it is contemplated that for the financing discussed in this letter neither the Town of Century nor the City of Gulf Breeze will be responsible for repaying the bonds. Each of the bonds will expressly state that neither the Town nor the City will be liable to pay the principal or interest on the bonds, rather CTA's obligations to repay the bonds will be limited to the assets in the respective trust estates for each transaction. The security for the bonds will be a pledge of revenues realized by the borrowers as well as a security interest in the property and improvements for which the loan proceeds would be utilized to acquire, construct, improve, etc.

Because of the Town's participation in the creation of Capital Trust Agency, it was contemplated that the Town of Century would receive a fee upon closing of the financing discussed herein. For this financing, CTA proposes to utilize the same fee schedule that has been approved by the Town of Century in previous financing. Specifically, it is proposed that the Town of Century be paid a fee equal to \$350.00 per \$1,000,000.00 of principal amount of bond issuance, subject to a minimum fee of \$2,500.00.

Tallahassee NHHI, LLC/Tapestry Tallahassee Assisted Living and Memory Care Facility

(Century Resolution No. 07-15; Amendment No. 63 to Interlocal Agreement)

CTA is requesting your approval for a bond issuance to facilitate the acquisition, rehabilitation, construction, development, furnishing and equipping of a senior living facility in Tallahassee, Florida.

The Project. Tallahassee NHHI, LLC, a Florida limited liability company intends to develop a senior living facility comprised of assisted living units and assisted living units providing memory care services for the elderly to be known as Tapestry Tallahassee Assisted Living and Memory Care Facility, located at 2516 West Lakeshore Drive, City of Tallahassee, Leon County, Florida 32312 ("Tapestry Development").

At this juncture, the Tapestry Development will contain a total of approximately 149 senior living units comprised of approximately 105 assisted living units and approximately 44 assisted living units providing memory care services. The standard assisted living units will

Mayor Freddie W. McCall
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average in size from 336 square feet to 495 square feet. The memory care units will average in size from 336 square feet to 360 square feet.

Security for the financing will include a first mortgage on the assisted living facility and a first lien on all revenues of the assisted living facility.

Project Sponsor and Manager. According to its application for financing, the National Handicapped Housing Institute ("NHHI") and Tallahassee NHHI, LLC are the developers for Tapestry Development. NHHI was founded in 1975 and has developed over 2000 units of specialized housing over 31 years. Tallahassee NHHI, LLC is a newly formed limited liability company owned by NHHI. Tallahassee NHHI, LLC will be the owner of the Tapestry Development.

Thomas LaSalle, and his company Tapestry Senior Housing Management LLC, will be managing the Tapestry Project. He and his company have nearly 40 years developing, financing, consulting and managing senior housing and assisted living facilities as well as memory care communities. Tapestry Senior Housing Management LLC has financed 27 non-profit communities with tax exempt bonds; 23 for-profit communities with conventional or HUD financing, and have four projects under development including the Tapestry Project.

Public Purpose. CTA's bond counsel has represented that the issuance of the bonds in the loaning of the proceeds thereof as contemplated herein constitutes a valid public purpose and that the above described projects will serve significant public purposes described in Part II Florida Statutes, Chapter 159. Section 159.26 sets forth findings of the Florida Legislature that in order to improve prosperity and welfare of the State and its inhabitants, and to improve healthcare, it is necessary and in the public's interest to facilitate the financing of certain facilities such as senior care projects discussed in the segment. The statute further provides that the purpose is to be achieved by such projects and their financings implement the government purposes under the Florida Constitution providing for health, safety and welfare of the people of the State of Florida. CTA's bond counsel has also represented that the above described senior living facilities are appropriate to the needs and circumstances the communities in which they will be located and will serve a public purpose by (i) providing gainful employment in making significant contribution to the economic growth the whole 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.

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The Bonds. The financing application reflects an estimated loan amount of \$30,655,000.00. Nevertheless, the developer and CTA request that you approve the authorization of \$35,000,000 of CTA bonds and loaning the proceeds thereof to the developer for the purposes described above.

The bonds would be issued for "private activity" purposes. Further, since the developer is a for-profit entity, this financing is contingent upon the developer receiving private activity bond allocation from the State of Florida.

Approval by the Century Town Council. If you are inclined to approve CTA's request to issue the bonds for Tapestry Tallahassee Assisted Living and Memory Care Facility, it will be necessary that you adopt Resolution No. 07-15, to which a proposed "Amendment No. 63 to Interlocal Agreement" is attached as an exhibit. If approved, your Resolution authorizes Mayor McCall to enter into the Amendment on behalf of the Town of Century. If \$35,000,000.00 of bonds are issued, the fee schedule would suggest that the Town of Century would be paid a fee of \$12,250.00. However, if only \$30,655,000.00 of bonds are issued, as is more likely, the fee schedule contemplates a fee of \$10,850.00.

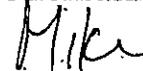
Conclusion

Capital Trust Agency appreciates your consideration of this matter at your meeting on Monday, March 16, 2015. I will be present at your meeting to discuss this matter and answer any questions you may have.

Please call me if you have any questions regarding this matter.

Sincerely,

MICHAEL J. STEBBINS, P.L.



Michael J. Stebbins
For the Firm

MJS
Enclosures

Mayor Freddie W. McCall
Ann Brooks, President
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cc: Leslie Gonzalez, Town Clerk (via email w/ enc.)
Ed M. Gray, III Capital Trust Agency, Executive Director (via email w/o enc.)
Edwin A. Eddy, Gulf Breeze City Manager (via email w/o enc.)
Patrick A. Ray, Esq., Bond Counsel (via email w/o enc.)
Matt E. Dannheisser, Esq., Mayor, City of Gulf Breeze (via email w/o enc.)

RESOLUTION 08-15

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 NOT EXCEEDING \$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 (the "State"), 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 Amendment No. 1 through No. 62 (collectively, the "Enabling Agreement"), approving the creation of the Capital Trust Agency (the "Agency"), a legal entity and public agency of the State, organized and existing under the provisions of Chapter 163, Part I, and Chapter 159, Part II, Florida Statutes, Ordinance No. 05-97 duly enacted by the City Council, 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 and refinancing, including through reimbursement, 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 February 18, 2015, take official action by adopting its preliminary resolution (the "Agency Resolution") indicating its intent to authorize the financing, including through reimbursement, 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 a senior living facility and the acquisition and installation of related facilities, fixtures, furnishings and equipment, as described on Schedule "I" attached hereto (the "Senior Living Facility"); and

WHEREAS, the City has been advised that the Agency desires to issue the Bonds in an aggregate principal amount of not exceeding \$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 Tallahassee NHHI, LLC, a Florida limited liability company, or one or more of its affiliates, as described on the attached Schedule "I", whose principal place of business is 1050 Thorndale Avenue NW, New Brighton, Minnesota 55112 (as applicable, the "Borrower") to fund a program herein described (the "Plan of Finance"), such Senior Living Facility to be managed initially by Tapestry Senior Housing

Management, LLC, a Minnesota limited liability company authorized to do business in the State of Florida, or its affiliate; and

WHEREAS, the proposed Senior Living Facility is appropriate to the needs and circumstances of the community in which it will be 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, (iii) providing safe, decent and accessible housing facilities for the elderly, including providing memory support services, and (iv) advancing the economic prosperity and the general welfare of the State and its people; and

WHEREAS, in order to advance and further the public purposes set forth in the Act, 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, 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 *Gulf Breeze News* on February 26, 2015, 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 of Gulf Breeze, Florida (the "City Council") on March 16, 2015; 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 February 26, 2015, in the *Gulf Breeze News*, 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, such interlocal agreements, interest rate swap or hedge transactions, investment 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, including through reimbursement, 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, including, without limitation, the Amendment (hereinafter defined) and the Agency Resolution. 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. 63 TO THE ENABLING AGREEMENT APPROVED.

Pursuant to the Enabling Agreement, there is hereby approved the execution and delivery of Amendment No. 63 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

which includes (i) the issuance by the Agency of not exceeding \$35,000,000 aggregate principal amount of revenue bonds for all purposes of the Enabling Agreement, as amended, and for all purposes of the Original Resolution and (ii) the issuance by the Agency of tax-exempt bonds in an amount not exceeding \$35,000,000 for all purposes under Section 147(f) of the Code.

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.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

SECTION 6. EFFECTIVE DATE.

This resolution shall take effect immediately upon its adoption this 16th day of March, 2015.

**GULF BREEZE, FLORIDA
CITY COUNCIL**

(SEAL)

By: _____
Matt E. Dannheisser, Mayor

ATTEST:

By: _____
Stephanie D. Lucas, City Clerk

EXHIBIT "A"
REPORT OF HEARING OFFICER

[Follows]

**REPORT OF HEARING OFFICER
(TALLAHASSEE NHHI, LLC)**

This instrument shall constitute the official report of the undersigned designated official of the City of Gulf Breeze, Florida (the "City"), a municipal corporation of the State of Florida, with respect to a public hearing scheduled and held by the City on March 16, 2015, for and on behalf of the Capital Trust Agency (the "Agency"), a legal entity and public agency created and existing under Chapter 163, Part I, and Chapter 617, Florida Statutes, and established and empowered by the provisions of Chapter 159, Part II, Florida Statutes, Chapter 163, Part I, *et seq.*, Chapter 166, Part II, Florida Statutes, Chapter 617, Florida Statutes and other applicable provisions of law, in connection with the proposed issuance of the Agency's approximately \$35,000,000 revenue bonds (the "Bonds") on behalf of Tallahassee NHHI, LLC, a Florida limited liability company, or one or more of its affiliates (as applicable, the "Borrower"), and whose principal place of business is 1050 Thorndale Avenue NW, New Brighton, Minnesota 55112. The proceeds of the Bonds will be loaned to the Borrower for financing or refinancing including through reimbursement, the acquisition, construction, development, installation and equipping of an approximately 149-unit senior living facility comprised of approximately 105 assisted living units and approximately 44 assisted living units providing memory support services for the elderly, including the site therefor and related facilities, fixtures, furnishings and equipment to be known as Tapestry Tallahassee Assisted Living and Memory Care Facility (the "Senior Living Facility"), as more fully described in Exhibit "A" hereto.

The public hearing was duly advertised in the *Gulf Breeze News*, a newspaper of general circulation in the jurisdiction of the City, on February 26, 2015. The proof of publication was presented to me at such hearing, and a copy is attached hereto as Exhibit "B" (the "Notice").

The hearing commenced at the time and location stated in the Notice. At such hearing, interested individuals were afforded reasonable opportunity to express their views, both orally and in writing, on all matters pertaining to the plan of finance and the financing of the Senior Living Facility. Information about the proposed Bonds, the location of the Senior Living Facility, and the proposed use of the proceeds were presented. When the information had been presented, opportunity was given for members of the public in attendance to give their input. It was noted that no written communication was received.

No interested party was in attendance at the public hearing. Minutes of the Council Meeting, including the public hearing, will be kept on file with the City Clerk as referenced in Exhibit "C" hereto. The undersigned then concluded the hearing.

Respectfully submitted,

By: _____
Edwin Eddy, City Manager
City of Gulf Breeze, Florida

**EXHIBIT "A" TO REPORT OF HEARING OFFICER
(TALLAHASSEE NHHI, LLC)**

The Senior Living Facility consists of the acquiring, constructing, developing, furnishing and equipping of an approximately 149-unit senior living facility comprised of approximately 105 assisted living units and approximately 44 assisted living units providing memory care services for the elderly, including related facilities, fixtures, furnishings and equipment, to be known as Tapestry Tallahassee Assisted Living and Memory Care Facility, located at 2516 West Lakeshore Drive, City of Tallahassee, Leon County, Florida 32312.

**EXHIBIT "B" TO REPORT OF HEARING OFFICER
(TALLAHASSEE NHHI, LLC)**

PROOF OF PUBLICATION

[FOLLOWS]



The Gulf Breeze News

Published Weekly
Established in 2001

STATE OF FLORIDA
County of Santa Rosa

NOTICE OF PUBLIC HEARING CITY OF GULF BREEZE, FLORIDA

LEGAL 27119
GULF BREEZE NEWS
FEBRUARY 26, 2015

NOTICE OF PUBLIC HEARING CITY OF GULF BREEZE, FLORIDA

For the purpose of Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), notice is hereby given that the City of Gulf Breeze, Florida (the "City") will hold a public hearing at 10:00 a.m. on Monday, March 16, 2015, in the City Council Chambers located at 1070 Shoreline Drive, Gulf Breeze, Florida 32561. The purpose of the public hearing is to consider a plan of finance for the purpose, among other things, of providing funds to be loaned by the Capital Trust Agency (the "Issuer") to Tallahassee NHH, LLC, a Florida limited liability company, or one or more of its affiliates (as applicable, the "Borrower"), for financing or refinancing, including through reimbursement, the cost of acquiring, constructing, developing, furnishing and equipping of an approximately 149-unit senior living facility comprised of approximately 105 assisted living units and approximately 44 assisted living units providing memory care services for the elderly, including related facilities, fixtures, furnishings and equipment, to be known as Tapestry Tallahassee Assisted Living and Memory Care Facility, located at 2516 West Lakeshore Drive, City of Tallahassee, Leon County, Florida 32312 (the "Senior Living Facility").

The plan of finance contemplates that the issuer will issue, in respect to such Senior Living Facility, not exceeding \$35,000,000 in aggregate principal amount of its revenue bonds (the "Bonds"), in one or more installments or series, and loan the proceeds of such Bonds to the Borrower to provide funds for the Senior Living Facility. The Senior Living Facility will be owned by the Borrower. The initial manager of the Senior Living Facility will be Tapestry Senior Housing Management, LLC, a Delaware limited liability company authorized to do business in the State of Florida, or its affiliate (the "Manager").

The Bonds, when issued, will be special, limited obligations payable solely out of the revenues, income and receipts pledged to the payment thereof and derived from financing agreements with the Borrower, and neither the issuer, the City, the City of Tallahassee, nor Leon County (the "County") will be obligated to pay the principal of, premium, if any, or interest on the Bonds except from the payments of the Borrower. The Bonds and interest thereon shall never pledge the taxing power of the City, the City of Tallahassee, the County, the State of Florida (the "State") or any other political subdivision, public agency or municipality thereof within the meaning of any constitutional or statutory provision, or constitute the debt or indebtedness of the issuer, the City, the City of Tallahassee, the County, the State or any other political subdivision, public agency or municipality thereof within the meaning of any constitutional or statutory prohibition. The issuer has no taxing power.

At the time and place fixed for said public hearing all who appear will be given an opportunity to express their views for or against the proposal to approve said Bonds and the plan of finance. Prior to said public hearing, written comments may be delivered to the City Manager of the City of Gulf Breeze, Florida, at 1070 Shoreline Drive, Gulf Breeze, Florida 32561. All persons are advised that, if they decide to appeal any decision made by the City with respect to any matter considered at this meeting, they will need a record of the proceedings, and for such purpose, they may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based. All interested persons are invited to present their comments at the time and place set forth above.

Following the hearing, a report concerning this public hearing will be submitted to the applicable elected representative responsible for approving the issuance of the Bonds.

In accordance with the Americans with Disabilities Act, persons in need of a special accommodation to participate in the proceedings shall contact the telephone operator at City Hall, 1070 Shoreline Drive, Gulf Breeze, Florida 32561, 850-934-5115, at least 48 hours in advance of the meeting, excluding Saturday and Sunday.

LEGAL 27119

Gulf Breeze News

2/26/15

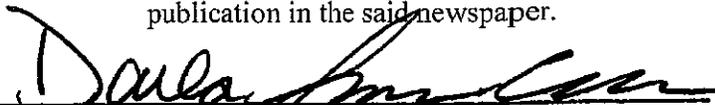
Before the undersigned authority personally appeared Darla Thompson-Casteel who is personally known to me and who on oath says that she is Office Manager of the Gulf Breeze News, a weekly newspaper published at Gulf Breeze in Santa Rosa County, Florida; that the attached copy of advertisement, being a:

NOTICE OF PUBLIC HEARING CITY OF GULF BREEZE, FLORIDA

Received from City of Gulf Breeze and was published in said newspaper in the issue of:

FEBRUARY 26, 2015

Affiant further says that the said Gulf Breeze News published in Gulf Breeze in said Santa Rosa County, Florida, and that said newspaper has heretofore been continuously published in said county each week and has been entered as second class mail matter at the post office in Gulf Breeze, in said Santa Rosa County, Florida, for a period of one year next preceding the first publication of the attached copy of advertisement; and affiant further says that he has neither paid nor promised any person, firm or corporation any discount, rebate, commission or refund for the purpose of securing this advertisement for publication in the said newspaper.


Office Manager Darla Thompson-Casteel

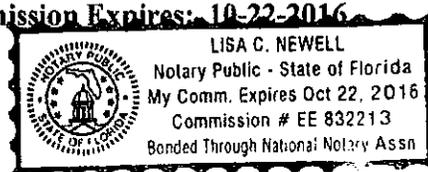
Sworn to and subscribed before me this
26th Day of FEBRUARY, A.D. 2015



Name Lisa C. Newell

Notary Public

My Commission Expires: 10-22-2016



**EXHIBIT "C" TO REPORT OF HEARING OFFICER
(TALLAHASSEE NHHI, LLC)**

**MINUTES OF COUNCIL MEETING INCLUDING
PUBLIC HEARING ON FILE WITH CITY CLERK**

EXHIBIT "B"

**AMENDMENT NO. 63
OF THE ENABLING AGREEMENT**

This **AMENDMENT NO. 63 TO INTERLOCAL AGREEMENT** (this "Amendment No. 63") is made and entered into as of the ___ day of _____, 2015, 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, pursuant to an Interlocal Agreement, dated as of August 2, 1999, as amended by Amendments No. 1 through No. 62 (collectively, the "Enabling Agreement"), the parties hereto have 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, Tallahassee NHHI, 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 is engaged in, among other things, acquiring, constructing, developing, improving, furnishing, equipping and owning senior living facilities; and

WHEREAS, on February 18, 2015, the Agency approved a request by the Borrower that the Agency issue its revenue bonds in a principal amount not to exceed \$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, including through reimbursement, the acquisition, construction, development, installation and equipping of an approximately 149-unit senior living facility comprised of approximately 105 assisted living units and approximately 44 assisted living units providing memory support services for the elderly, including the site therefor and related facilities, fixtures, furnishings and equipment to be known as Tapestry Tallahassee Assisted Living and Memory Care Facility (the "Senior Living Facility") located in the State of Florida and described in Schedule "I" attached hereto, which, by this reference thereto, is incorporated herein; 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. 63 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, including through reimbursement, for the Senior Living Facility;

NOW, THEREFORE, the Parties hereby agree as follows:

SECTION 1. AMENDMENT OF ENABLING AGREEMENT APPROVED.

This Amendment No. 63 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 Bonds from time to time, in one or more series, in an aggregate principal amount of not to exceed \$35,000,000 (the exact amount to be determined by an appropriate official of the Agency to be sufficient to enable the financing, including through reimbursement, 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, including through reimbursement, 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 the purposes stated in the Articles of Incorporation of the Agency to 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 the programs or projects, payments 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 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, which, by this reference thereto, is incorporated herein.

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. 63 shall be deemed to adversely affect the authorizations in the Enabling Agreement as it existed prior to the effective date of this Amendment No. 63, 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 and defend Century and hold Century harmless 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. 63, 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 law. This Amendment may be amended only by written instrument signed by authorized representatives of Century and of 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. 63 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: _____
Matt E. Dannheisser, Mayor

ATTEST:

By: _____
Stephanie D. Lucas
City Clerk

[Signature Page to Amendment No. 63 to Interlocal Agreement]

TOWN OF CENTURY, FLORIDA

[SEAL]

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

ATTEST:

By: _____
Leslie Gonzalez, Town Clerk

[Signature Page to Amendment No. 63 to Interlocal Agreement]

SCHEDULE "T" TO EXHIBIT "B"

The Senior Living Facility consists of the acquiring, constructing, developing, furnishing and equipping of an approximately 149-unit senior living facility comprised of approximately 105 assisted living units and approximately 44 assisted living units providing memory care services for the elderly, including related facilities, fixtures, furnishings and equipment, to be known as Tapestry Tallahassee Assisted Living and Memory Care Facility, located at 2516 West Lakeshore Drive, City of Tallahassee, Leon County, Florida 32312.

SCHEDULE "II" TO EXHIBIT "B"

Payment to 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 acquiring, constructing, developing, furnishing and equipping of an approximately 149-unit senior living facility comprised of approximately 105 assisted living units and approximately 44 assisted living units providing memory care services for the elderly, including related facilities, fixtures, furnishings and equipment, to be known as Tapestry Tallahassee Assisted Living and Memory Care Facility, located at 2516 West Lakeshore Drive, City of Tallahassee, Leon County, Florida 32312.