LETTER OF UNDERSTANDING ("LOU")

1. PROJECT NAME:

   The Project name shall be known and defined as: "Downtown Coral Springs Phase 1 Development" (the "Project"). The Principal parties shall be:

   City of Coral Springs (the "City")
   a Florida municipal corporation
   9551 West Sample Road
   Coral Springs, Florida 33065

   and

   Amera Urban Developers, Inc. (the "Developer")
   900 University Drive
   2900 Coral Springs, FL 33065

2. PROJECT DESCRIPTION:

   The Project shall be generally defined as a commercial urban redevelopment project, which shall include, office, retail uses consistent with the City's Comprehensive Land Use Plan and as otherwise defined by a Community Redevelopment Plan ("CRA Plan") Preliminary Development Agreement ("PDA") and/or Development of Regional Impact Development Order ("DRI" or "DO") described under Chapters 163 and 380, Florida Statutes, respectively, as amended from time to time. The Conceptual Site Plan for the Project shall be as described on Exhibit "A", attached hereto and made a part hereof.

3. PROJECT SITE:

   3.1 The Project Site (the "Site") is located at the Southeast corner of the Sample Road and University Drive intersection adjacent to the Coral Springs Charter School; as described on Exhibit "B," attached hereto and made a part hereof.

   3.2 In accordance with the provisions of Section 2-311.2(c)(1), (2) and (3) of the City's Code of Ordinances and Section 163.380(3)(a), Florida Statutes, the City shall convey a portion of the Site, described as the "Phase I Land" in Exhibit "D", attached hereto and made a part hereof to the City of Coral Springs Community Redevelopment Agency ("CRA") subject to the approval and execution of a Development Agreement as described in Paragraph 6 hereinafter. The parties hereto have followed and complied with the aforementioned provisions of Florida law and the City's Code of Ordinances.

4. PURCHASE AND SALE/EXCHANGE OF REAL PROPERTY:

   The parties contemplate that the Developer shall purchase the "Phase I Land," as described in Exhibit "D" subject to the execution of a legally enforceable Purchase and Sale Agreement with the CRA, the CRA and/or the City having previously complied with
Section 163.380(3)(a), Florida Statutes which shall further provide for the exchange of certain real property owned by the Developer and adjacent to the Site for and on behalf of the City for municipal, educational and other public purposes, all pursuant to the applicable portions of Section 163.380, F.S. including any exemptions otherwise available.

5. **BINDING LETTER OF UNDERSTANDING:**

This LOU, when approved and executed, shall serve as a basis for future development agreements and related documents incident to the Project. This LOU shall bind the parties hereto and shall be severable from a future Development Agreement to be negotiated by and between the parties.

6. **DEVELOPMENT AGREEMENT/NEGOTIATIONS:**

The parties hereto contemplate the execution of a Development Agreement and related documents in conjunction with the assistance of the City’s Bond Counsel and other consultants on or before September 30, 2003. During the period of time from the execution of this LOU until September 30, 2003, the parties shall diligently and conscientiously review all predevelopment concerns, activities, and governmental contacts necessitated by the scope of the Project, including DRI matters, CRA issues, and other governmental coordination and cooperation required to implement the Project.

7. **APPROVAL OF DEVELOPER PLANS:**

The Development Agreement shall contain all site/development plans, consistent with the City’s Charter and Code of Ordinances, including the City’s Land Development Regulations.

The City shall process, with diligence, any and all necessary special exception uses/permits and related deviations from the City’s Land Development Regulations when applied for by the Developer, including but not limited to building setbacks, parking code requirements, landscaping and other related on-site/off-site obligations. Correspondingly, the Developer shall, with diligence, apply for such special exception uses/permits as described in this paragraph.

8. **DEMONSTRATED ABILITY OF FUNDING:**

It is anticipated that the ground-breaking for the Project shall occur on or before November 30, 2003. The parties shall calculate and create a Timeline/Critical Path Method (“CPM”), which shall dictate all activities directed toward the ground-breaking contemplated in the Development Agreement and related documents associated with the Project. Developer shall demonstrate clearly and unequivocally its funding sources, mechanisms, and activities, to the satisfaction of the CRA within thirty (30) days prior to ground-breaking. The Development Agreement shall provide the CRA with the right and option to terminate the Agreement, and associated documents, in the event that funding sources and mechanisms are not sufficiently in place, in the opinion and option of the City, the CRA and the Developer, to provide for the implementation of the Project. In
that regard, all parties hereto shall exercise due diligence and the commitment of appropriate resources to commence the contemplated activities of the Project consistent with this paragraph.

9. PARKING FACILITIES:

The Developer shall be responsible for the construction of a parking area, a four-story parking garage and parking facilities, which shall be consistent with the City's Code of Ordinances, Land Development Codes, and Florida Building Codes consistent with this LOU. The proportionate cost and expense for the construction of the fourth story to the aforesaid parking garage shall be borne by the City. The parties shall provide a legally acceptable method of ownership of the fourth story in the parking garage, which may include the joint declaration of the parking garage as a condominium, or, providing a perpetual license agreement to the City, or any other form of ownership to be agreed upon by the parties hereto with full and complete recognition, under any circumstance, by the Developer of the City's financial investment in the design and construction of the parking garage and the absolute necessity for exclusive use by the City of the fourth story, as otherwise described herein. Such cost and expense shall be mutually agreed upon by the parties hereto prior to the completion of the final design plan for the parking garage. Further, the parties shall further agree to the proportionate cost of maintenance associated with the fourth story, in the Development Agreement. The use, access and occupancy of the fourth story of the parking garage, shall, at all times, be for the exclusive use of the City, at no cost or expense, in perpetuity, for municipal, educational or related uses. The Developer will provide up to twenty-five (25) parking spaces in the parking garage, other than in the fourth story, exclusively for the Charter School faculty and staff in the event that the City objectively demonstrates the need for such additional parking for the City's Charter School faculty and staff. The allocation and specific use of parking spaces shall be as set forth in Section 27.8 of this LOU. The parties covenant and agree that one hundred thirty seven (137) parking spaces shall be on-site and shall physically accommodate faculty, staff and visitors of the City's Charter School.

All parking described herein at the parking garage shall be by permit, at the request of the City and shall be exclusively for Charter School faculty and staff.

10. SOURCES AND USES OF FUNDS:

The parties shall reasonably agree upon the allocation of the sources and uses of funds in connection with the project and related improvements prior to execution of the Development Agreement.

With regard to said sources and uses of funds, the public record established at the Special Meeting of the Coral Springs City Commission of Thursday, June 12, 2003, is hereby incorporated by reference and made a specific part hereof.

11. ENVIRONMENTAL CLEARANCE OF SITE CONDITIONS, ACCESS AND TESTING:

The Development Agreement shall provide expressly for the City, through its
consultants, and the Developer, to adequately and satisfactorily conclude that the areas to be developed in the Project, in any phase, shall be free of contamination or any other invasive condition, which may preclude the implementation of the Project. The City and the Developer shall collaborate and coordinate with each other for the engagement of such professionals as may be reasonably required, including surveyors, engineers, environmental engineers, soil experts, and any other qualified professional deemed required by the City to confirm the contaminate-free condition of the properties in the Project area.

The City has advised the Developer, and the Developer has acknowledged that a portion of the Site is currently undergoing environmental clean-up in accordance with appropriately issued permits from the State of Florida, Department of Environmental Protection and at the State's full cost and expense. Nothing contained in this LOU or in the construction activities contemplated for the Site or the Phase I Land shall impede the on-going nature of the clean-up activity. However, the City covenants and agrees to pursue a close-out/termination of the clean-up activities to the extent legally possible and without regard to incurring any cost and expense for doing so. Nothing contained in this paragraph shall relieve the Developer of its obligation to provide, at its sole cost and expense, for infrastructure improvements which cannot be constructed due to conflicts with existing environmentally monitoring station on the Site. This obligation shall continue until performed by the Developer.

12. ACCESS, AND UTILITY ISSUES:

The parties hereto contemplate that the cost and expense of access, and utility locations, relocations, and installations shall be borne by the Developer and negotiated between the parties prior to the execution of the Development Agreement, and to the satisfaction of the City and the Developer. The parties hereto acknowledge that there exists a Declaration of Covenants and Restrictions, Non-Exclusive Easement and Exclusive Parking Rights, Access Easement and Party Wall and Maintenance Agreement (the "Declaration") dated November 20, 2001 and recorded in the Broward County Public Records affecting the Site and the Phase I Land. In that regard, such acknowledgement herein shall further require compliance with the Declaration by the Developer consistent with its terms.

13. DEVELOPER AND CRA AGREEMENT ON OVERALL SITE DESIGN GUIDELINES AND APPROVALS; DEVELOPER AND CRA AGREEMENT ON SITE MAINTENANCE STANDARDS AND APPROVALS; AND DEVELOPER AND CRA AGREEMENT ON OVERALL OPERATING COVENANTS:

The parties shall jointly develop design guidelines and maintenance standards to be included within the Development Agreement and related documents, which shall include specific standards of operation for the facilities and the Project, during its term. The design guidelines and maintenance standards shall retain perpetual existence unless otherwise modified by the CRA and Developer. The parties shall also attach to the Development Agreement a set of agreeable standards, which shall dictate the manner and procedure whereby such obligations will not only be implemented but also fulfilled by
the Developer and/or its successor during the life of the Project. Under any circumstance, the design obligations imposed upon the Developer shall not be inconsistent with the City's Code of Ordinances, Land Development Regulations and City-created design guidelines.

14. EASEMENTS:

The parties contemplate that there will be a need to enter into multiple and reasonable reciprocal easements, cross-access/cross-parking easements, and such other interests in real property to facilitate the flow of traffic, pedestrians, commerce, and other activities associated with the Project.

15. PAYMENT OF IMPACT AND OTHER FEES:

The Development Agreement shall contain provisions for the payment of impact fees and other legally imposed obligations by the City’s Charter, Code of Ordinances, and Land Development Regulations associated with development within the City of Coral Springs. To the extent that waivers of such fees and expenses are permitted by law, the City Commission may extend said waivers to the Developer. However, the City shall, where possible, initially pay for such fees and expenses except that the Developer covenants and agrees to reimburse to the City any and all such costs described herein. Such fees may include, but are not limited to, Plat Fees, PDA Costs and related expenses).

The City will recognize improvements to the Phase I Land as an economic development project pursuant to Section 166.021(9), F.S. by waiving up to $150,000 against permit fees, impact fees, plat fees, PDA fees, and related costs.

16. MAINTENANCE AND IMPROVEMENTS:

The parties shall provide for the shared maintenance of public and private facilities within the Project site with due consideration for mobilization of resources and the allocation of financial commitments to best protect the health, safety, and welfare of the citizens and residents of the City. The allocation of shared maintenance shall be included within the Development Agreement. The City and the Developer will define in the Development Agreement the specific areas for the percentage or proportion of shared maintenance and for independent obligations to maintain consistent with the physical design of the improvements and the objective of maintaining such improvements consistent with standards and criteria of the City founded in the City's Code of Ordinances.

17. PARKING OPERATIONS AND SHARED PARKING:

The parties shall provide for exclusive and non-exclusive parking within the Project Site which shall, as a minimum, include a recognition of the availability of parking spaces for the general public and persons doing business with the Developer and/or his tenants, subject, however, to the provisions contained in Paragraph 10 above.
18. **ROADS AND PUBLIC IMPROVEMENTS:**

It is contemplated that the City shall endeavor to design, build, and maintain, subject to the provisions contained within the Development Agreement and related documents, the roads and public improvements within the Project Site. To the extent legally permissible, the CRA may function in that capacity. The City will pay for the design and construction of turn lanes and other related required plat improvements on Sample Road and University Drive, at approximately $400,000. Source of funds for the proposed improvements will come from approximately $185,000 from the City's traffic mitigation fund and approximately $215,000 from the tax increment funds. These improvements will occur not later than the Summer of 2004.

19. **ART IN PUBLIC PLACES:**

Although not a requirement currently in the City Code, the Developer shall review the applicable Broward County Code in connection with “Art in Public Places” and, if applicable, the parties shall address such requirements within the Development Agreement and related documents. The City is in the process of preparing a comprehensive "Art in Public Places Ordinance" (the "Ordinance"), which it intends to submit for public review and consideration in the Fall of 2003 or prior to the end of this calendar year.

The City shall provide, where legally possible, a credit or an off-set for certain extraordinary improvements to the Site and/or the Phase I Land to the extent requested and consistent with the Ordinance. To the extent that the Ordinance so provides, the Developer may also qualify for an exemption upon proper application for same.

20. **GEO-TECHNICAL AND OTHER TESTING:**

The parties contemplate such geo-technical and other testing consistent with the provisions of Section 13, hereinabove.

21. **DCA APPROVALS; DRI STUDY:**

The City through CRA has entered into a Preliminary Development Agreement with Florida Department of Community Affairs (DCA) for the Project pursuant to the applicable provisions of Chapter 380, Florida Statutes. CRA has submitted an Application for Development Approval ("ADA") to the South Florida Regional Planning Council (the "SFRPC") in connection with the approval of a Development of Regional Impact (DRI) for Downtown Coral Springs. The parties shall at all times, however, collaborate and coordinate with all units of government having jurisdiction over such DRI including the State of Florida, Department of Community Affairs, the Florida Department of Transportation, South Florida Water Management District, Broward County, Florida, and any other sub-agency required, pursuant to the applicable provisions of Chapter 380, Florida Statutes, incident to the process. The allocation of responsibility for fees associated with these applications and approvals shall be contained within the Development Agreement. To date, the City and/or the CRA has submitted an ADA to the SFRPC and has received a fully executed PDA. The parties hereto shall be governed
by the terms, conditions and provisions of the PDA and the ADA, and ultimately, the Development Order to be issued by the City in accordance with Chapter 380, F.S.

22. **PERMITTING:**

Developer shall undertake the application and filing of all permits for construction, which shall be processed, consistent with the City’s Code of Ordinance and the Florida Building Code with mutual due diligence, good faith, and timeliness of response. No special benefit is herein conferred upon Developer and the same shall be included within the Development Agreement and related documents. However, the parties shall endeavor to assure promptness and accuracy in all manner of reviews and approvals of permit applications and building activities. The allocation of responsibility for fees associated with these applications and permits shall be contained within the Development Agreement.

23. **TIMELINE:**

The Developer shall provide to the City within fourteen (14) calendar days from the date of execution of this LOU Timeline/Critical Path Method (CPM), as Exhibit “C,” which shall form the basis of the negotiations and activities contemplated by this LOU and the Development Agreement, and related documents.

24. **EXTENSION OF TIME:**

To the extent deemed reasonably necessary by the City and CRA, extensions of time shall be provided for within the Development Agreement based on certain terms and conditions otherwise agreed to by the City and CRA.

25. **COMMUNITY REDEVELOPMENT AGENCY (“CRA”):**

25.1 The City has created a Community Redevelopment Agency and has adopted the following Resolutions:

- 25.1.1 Resolution 2001-128 which created the CRA and the original boundaries;
- 25.1.1 Resolution No. 2002-019 adopting the CRA Plan pursuant to Section 163.358(2), Florida Statutes;
- 25.1.1 Resolution No. 2002-022 which expanded the CRA Area;
- 25.1.1 Resolution No. 2002-100 which established and created the CRA Board;

In addition, the Broward County Board of County Commissioners Resolution 2002-871 which approved the Redevelopment Plan and delegated and conferred upon the City certain powers to implement a Community Redevelopment Plan pursuant to Chapter 163, Part III, Florida Statutes;

The City has also delegated certain community redevelopment powers to CRA in connection with the implementation of the CRA Plan. As described in Paragraph 3 hereinabove, and the respective City Code of Ordinances.
25.2 The City shall transfer ownership of a portion of the Site (the "Phase 1 Land, further described in Exhibit "D") to the CRA pursuant to a mutually acceptable agreement to be negotiated between the City and CRA. The CRA will subsequently negotiate the terms of the Development Agreement and other related documents pursuant to this LOU.

25.3 The CRA shall ratify and confirm the terms, conditions and provisions of this LOU and shall, where applicable, agree to be bound thereby in accordance with previous public actions taken by the CRA Board prior to the approval of this LOU by the City and the Developer. Consequently, the CRA Board has previously authorized execution of such documents, including this LOU, in conformity with the above-referenced Resolutions and the authority vested in the CRA.

26. **CHARTER SCHOOL INFRASTRUCTURE IMPROVEMENTS:**

26.1 As an adjunct to the enhancement and development of the Site, it is necessary to modify the Site to include certain improvements to traffic circulation; relocating the parents and bus pick up and drop off areas; redesignating vehicular parking for school faculty, staff, students, and visitors ("Infrastructure Improvements") in connection with the City's Charter School operations. A copy of the proposed up-grade to the Site is attached hereto as Exhibit "E."

26.2 Further, the proposed Infrastructure Improvements are contemplated for installation by the Developer at the Site in conjunction with the future development of the Phase I Land.

26.3 Given the timing (summer vacation of Charter School students) public safety concerns for the installation and up-grade of pick-up and drop-off points at the Charter School and the inherent necessity for introducing additional infrastructure to the Site, which can be economically installed at the same time as the up-grade to the pick-up/drop-off activity.

26.4 The Developer shall design and construct the proposed Infrastructure Improvements described in Exhibit "E," attached hereto and made a part hereof. Developer shall pay for the these activities and shall complete the work contemplated not later than August 15, 2003, all in accordance with the City's Land Development Regulations and the Florida Building Code as applicable estimated at approximately $450,000.

26.5 The City’s staff has reviewed the design and construction plans, construction costs and scheduling for the completion of the work to be performed and has concluded that the same is also consistent with Section 255.20(1)(a)(6), F.S. (i.e: that the project is undertaking exclusively as part of a public educational program) and the City’s Procurement Code and meets the tenor and policies of the City with regard to competitive pricing given the exigency of the circumstances.
involved to complete the construction in connection with the Infrastructure Improvements by August 15, 2003.

26.6 The Developer agrees to pay for all related costs and expenses associated with the design and construction of the proposed improvements contemplated by this LOU.

26.7 **PROJECT SCHEDULE:**

After approval of this LOU, a conference attended by the Developer, City staff and others as appropriate, will be held to finalize the schedule and procedures to establish a working understanding among the parties. The finalized progress schedule must be acceptable to City and shall provide an orderly progression for the work to be completed within the Contract time. Such acceptance will not relieve the Developer from full responsibility therefore.

The Developer, as that term is defined herein, shall be directly responsible to submit to the City a timeline, which establishes the critical path for the proposed infrastructure improvement, to include verifiable milestones by the City on a weekly basis. Developer shall only proceed with work directly related to the Infrastructure Improvements but with a prioritization for completing the pick-up and drop-off areas during the construction process. It is further understood by the parties hereto that the process described herein will be managed by the City Engineer, or his designee, as to both permitting and inspections and the timeframe for both shall, to the extent legally possible, not impede the intended progress of the Developer.

26.8 **CHARTER SCHOOL PARKING**

Infrastructure improvements to the Charter School will include three parking lots with approximately one hundred eighty seven (187) parking spaces for the exclusive use of the Charter School. One hundred thirty seven (137) parking spaces are allocated for the faculty/staff and visitors, and fifty (50) parking spaces for the students, currently owned by the Developer and which will be made available to the City and its Charter School operations under the terms of the contemplated Development Agreement. The proposed number of parking spaces are in compliance with the Broward County School Board requirements.

In addition, the Developer agrees to make additional parking spaces available for Charter School and Library special events occurring after hours at no cost to the City. All parking spaces referred to hereinabove shall continue so long as the Charter School continues in operation as a public or private educational institution. Should the aforesaid use change or be modified then, in that event, the Developer may request a modification to the parking space requirements imposed pursuant to this paragraph or otherwise set forth in this LOU.
27. INSURANCE

The Developer or its agents or contractors shall procure and maintain at its own expense and keep in effect during the full term of the LOU a policy or policies of insurance which must include the following coverage and minimum limits of liability (in the event the agents for the Developer procure such coverage as defined hereinafter then, in that event, the Developer and the City shall be named as additional insureds):

1. **Worker’s Compensation Insurance** for statutory obligations imposed by Worker’s Compensation or Occupation Disease Laws, including, where applicable, the United States Longshoremen’s and Harbor Worker’s Act, the Federal Employer’s Liability Act and the Homes Act. Employer’s Liability Insurance shall be provided with a minimum of One Hundred thousand and 00/100 dollars ($100,000.00) per accident. Developer shall be responsible for the employment, conduct and control of its employees and for any injury sustained by such employees in the course of their employment.

2. **Comprehensive Automobile Liability Insurance** for all owned, non-owned and hired automobiles and other vehicles used by the Developer in the performance of the work with the following minimum limits of liability:

   \[ \$500,000 \] Combined Single Limit, Bodily Injury and Property Damage Liability per occurrence

3. **Comprehensive General Liability** with the following minimum limits of liability:

   \[ \$2,000,000 \] Combined Single Limit, Bodily Injury with Property Damage Liability per occurrence

Coverage shall specifically include the following with minimum limits not less than those required for Bodily Injury Liability and Property Damage:

   a. Premises and Operations;
   b. Independent Contractors;
   c. Product and Completed Operations Liability;
   d. Broad Form Property Damage;
   e. Personal Injury coverage with employment contractual exclusions removed Deleted.

The required insurance coverage shall be issued by an insurance company authorized and licensed to do business in the State of
Florida, with the following minimum qualifications in accordance with the latest edition of A.M. Best's Insurance Guide:

Financial Stability B+ A+

28. **CHANGE IN PLANS AND APPROVAL PROCESS:**

The Development Agreement and related documents shall provide for changes in plans and the method of approval consistent with the City's Charter, Code of Ordinances, and Land Development Regulations, and the City's Procurement Code, as amended.

29. **PROJECT COMMENCEMENT; PHASING; UNAVOIDABLE DELAYS:**

The Development Agreement and associated documents shall provide for the goal to commence construction by November 30, 2003, including a description of all development contemplated by the Developer and the CRA. Additionally, delays occasioned by acts or activities outside the scope of either the Developer or the CRA shall be provided for in the Development Agreement and related documents.

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30. MUTUAL COOPERATION AND ASSISTANCE:

The parties hereto covenant and agree that they will mutually coordinate and cooperate each with the other incident to the matters contemplated in this LOU and shall further so coordinate within the Development Agreement.

WITNESS:

______________________________
Susan M. Galia

______________________________
Susan M. Bertino

Print Name

CITY

CITY OF CORAL SPRINGS, FLORIDA

By: ____________________________
MICHAEL S. LEVINSON,
CITY MANAGER

13th day of ______, 2003

ATTEST:

______________________________
PETER RICHARDSON, CITY CLERK

APPROVED AS TO FORM:

______________________________
BY: ____________________________
SAMUEL S. GOREN
CITY ATTORNEY
WITNESSES:

M. Rahael

Michael Rahael
Print Name

Susan M. Butter
Susan M. Butter
Print Name

AMERA URBAN DEVELOPERS, INC.

BY: GEORGE RAHAEL, PRESIDENT

(CORPORATE SEAL)

AGREED TO AND ACCEPTED BY:

CORAL SPRINGS COMMUNITY REDEVELOPMENT AGENCY

BY: JOHN RUFFIN, Chair
EXHIBIT "C"

TIME LINE/Critical Path Method