

REDEVELOPMENT GRANT AGREEMENT

103 Faulkner Street

THIS REDEVELOPMENT GRANT AGREEMENT (Agreement) is made and entered into this 11th day of March, 2014 (the Effective Date), by and between the CITY OF NEW SMYRNA BEACH, a political subdivision of the State of Florida, and the COMMUNITY REDEVELOPMENT AGENCY, CITY OF NEW SMYRNA BEACH, herein collectively referred to as (CRA) and White Challis Redevelopment Co., LLC (Applicant).

WHEREAS, CRA and Applicant desire to enter an agreement for redevelopment of property described in Exhibit A. (Legal Description) and Exhibit B (Project Description) and Exhibit C. (Project Budget) which are attached hereto and incorporated herein by this reference (the Property); and

WHEREAS, the CRA desires to grant and the Applicant desires to construct new improvements on the subject property for the benefit of the Community Redevelopment Agency and City of New Smyrna Beach and Applicant (the Project); and

WHEREAS, the parties desire to make funding of the grant contemplated by this agreement contingent upon completion of a number of conditions to ensure that the property will be used to promote economic development and that the improvements construction is accomplished within a specific timeframe; and

WHEREAS, the parties have agreed that said property shall be developed substantially as provided for in the Project Description attached and incorporated herein as Exhibit B, and which describes the Project.

NOW THEREFORE, for and in consideration of the mutual terms, covenants, conditions, and agreements hereinafter contained and other good and valuable consideration of the sum of One Dollar (\$1.00) paid to CRA by Applicant, the parties hereto agree as follows:

1. **APPLICATION FOR OPPORTUNITY GRANT.** The application package submitted by the applicant for the Opportunity Grant for the Project is incorporated herein by reference. The Opportunity Site Grant shall be awarded to White Challis for this project subject to White Challis providing all of the information listed in the Opportunity Site grant requirements prior to the issuance of the grant. The applicant confirms that all information in the application package is true, correct, and complete. The applicant agrees to comply with all Opportunity Grant program requirements.

2. **OPPORTUNITY GRANT.** Subject to the terms and conditions of this Agreement, CRA hereby agrees to provide a grant to Applicant and Applicant hereby agrees to construct improvements on the following described property (hereinafter collectively called the Property):

(a) **Land.** Those certain parcels of land located in New Smyrna Beach, Volusia County, State of Florida, described more fully in the legal description and sketch attached as Exhibit A.

3. BASIC GRANT TERMS.

(a) Basic Terms:

(1) The Opportunity Site Grant for the property will not exceed \$387,200.00.

(2) If there are additional costs for the project that were not anticipated in the Project budget, Applicant shall be responsible to fund those costs.

4. INSPECTION.

(a) CRA Inspection. CRA and its agents shall have the right to enter and inspect the Property at any time prior to completion for purposes including without limitation title matters, land use, utilities, soil, engineering, planning, environmental, permitting, zoning, economic and feasibility and other studies and investigations as CRA shall deem appropriate. CRA shall also be entitled to make appropriate verifications with respect to utilities, environmental and soil conditions, zoning, land use, title and other inquiries deemed necessary and appropriate by CRA to evaluate the CRA's potential investment in the Property.

(b) Permitting/Zoning. CRA shall cooperate with and assist Applicant upon request in making applications or inquiries to any applicable governmental authorities. Applicant is hereby authorized to make any such applications or requests for governmental approvals, permits or licenses, as may be necessary or appropriate for

the development of the Property as contemplated by Applicant as further provided in the Project Description attached as Exhibit B.

5. CONDITIONS TO FUND GRANT.

(a) Actual funding of the grant contemplated shall only occur upon Applicant's compliance with the following conditions:

(1) Per Program requirements, the property owner is the applicant for CRA funding under the Opportunity Site Program.

(2) The work to be completed is depicted in the architects rendering, the site plan, the floor plan for the Project, and other documents and plans submitted with the application, subject to permit review.

(3) The granting of CRA funds in this Program for this Project is contingent on City Commission approval of this Agreement and related documents.

(4) The Project must comply with all local, state and federal enactments including land use regulations, the City's Land Development Regulations, zoning, building codes and permitting procedures, and any other applicable laws and regulations.

(5) The Applicant must supply approved plans and specifications, a detailed time schedule and schedule of costs, which shall be attached to the grant and

become a condition of the grant to be provided prior to permit approval. The time schedule for this project is included in the Vacant Land Contract for the conveyance of the subject property, Exhibit B, paragraph 2.b. Any extension request shall be due to a cause not contemplated by the parties and shall not be unreasonably withheld. In order to be granted such an extension request it must be approved by both the CRA and the City Commission.

(6) Any transfer of substantial ownership as long as this CRA is in existence shall be subject to approval of the CRA and such approval shall not be unreasonably withheld.

(7) There shall be no refinancing by Applicant without City Commission approval for a period of five years from grant closing.

(8) The Applicant will provide to the CRA a quarterly progress report on the progress of the Project.

(9) The Applicant or any successor or assignee will maintain the redeveloped property to the standard shown in the plans and specifications, normal wear and tear excepted.

(10) The Applicant or any successor or assignee will maintain appropriate insurance coverage on the premises until all grant funds are disbursed and as long as it owns the Property.

(11) The Applicant represents that it is aware of no environmental issues that would obstruct the intended use of the Project.

(12) The Applicant understands that:

i. All CRA grant approvals are contingent on permitting and development approvals.

ii. Any expenses related to the preparation for the grant application or materials in support of the grant application, including conceptual plans, studies, and work performed on site prior to final grant approval, etc. are ineligible expenses.

iii. This Opportunity Site Grant is the only Opportunity Site Grant that will be awarded for this site.

iv. The Applicant shall not be delinquent in the payment of property taxes throughout the term of ownership.

v. Violations of the terms and conditions of the grant shall be deemed a violation for Code Enforcement purposes.

vi. CRA funds shall be provided on a 100% reimbursement basis for those costs identified as eligible costs in Exhibit C. Project Budget.

vii. Processing of requests for reimbursement is contingent on the submission of documentation of cost and payment by the Applicant, inspections by City staff, and acceptance of the work by CRA and City staff.

viii. Documentation of cost and payment shall include invoices from licensed contractors which specifically detail the work that was done and the materials used, canceled checks pursuant to those invoices, a written notice from the contractor that the invoice had been paid in full, a written notice from all contractors that any mechanic's liens for the project have been released, and documentation sufficient to verify that the invoices are pursuant to the approved budget items for the Project. The approved budget items for the project are attached to this Agreement as Exhibit C.

ix. There shall be no reimbursement for any transactions that are not supported with sufficient documentation as noted above. Cash transactions will be not reimbursed.

(13) Disputes shall be decided by the CRA Board of Commissioners and the City Commission.

6. **APPLICANTS REPRESENTATIONS AND WARRANTIES.** As an inducement to the CRA to enter into this Agreement, and in addition to the representations, warranties and agreements contained elsewhere in this Agreement, Applicant makes the following

representations, warranties and agreements as of the date hereof and as of the Closing Date, each of which is material and is relied upon by CRA and shall survive Closing:

(a) Applicant has the right, power and authority to enter into this Agreement and the right, power and authority to obligate the Property in conjunction with the City of New Smyrna Beach, Florida, in accordance with the terms and conditions of this Agreement.

(b) Applicant has received no notice of, nor is the Applicant aware of, any pending, threatened or contemplated action by any governmental authority or agency having the power of eminent domain, which might result in any part of the Property being taken by condemnation or conveyed in lieu thereof. The Applicant shall, promptly upon receiving any such notice or learning of any such contemplated or threatened action, give the CRA written notice thereof.

(c) Applicant has not received notice from any governmental authority of any current, alleged or actual, uncured material breach or material violation of any law, ordinance, rule, regulation, order or decree respecting the Property.

(d) Applicant represents and warrants that no pending or threatened litigation or dispute exists against the Applicant with respect to the Property. Furthermore, Applicant has not received any written notice of, and to Applicant's knowledge there is no existing, pending or threatened, assessment or unpaid charge for public improvements including, without limitation, those for construction of sewer, water and other utility lines, streets, sidewalks and curbs.

(e) The Applicant represents and warrants that this Project is being financed by the Applicant and that there are no other partners to this Project other than the Applicant and the CRA as described herein. The Applicant further represents and warrants that he has the funds available to finance this Project and that he has sufficient funds available to complete the Project.

(f) Applicant has no knowledge of and has received no notice of any present or threatened ban, moratorium or other limitation of any kind on new connections or additional flows to the sewage treatment plan serving or to serve the Property.

(g) There are no existing leases, whether written or oral, agreements of sale, options, tenancies, licenses or any other claims to possession affecting the Property.

(h) No proceedings are pending or threatened by or against Applicant in bankruptcy or insolvency in any state or federal court.

(i) To the best knowledge of Applicant, no violations of Environmental Laws, as hereinafter defined, have occurred on, or with respect to, the Property. To the best of the Applicant's knowledge, there have never been any underground storage tanks on the Property; the Property has never been used as a dump site for refuse and there are no Hazardous Materials, as hereinafter defined, located on the Property. To the best of Applicant's knowledge, there are no historic or archaeological sites that would restrict the use of the Property, nor are there any threatened or endangered species present that would subject the Property to regulation under the Endangered Species Act, as amended, or similar federal, state, or local laws, ordinances, or regulations.

(j) Hazardous Materials means any substance which is or contains (i) any hazardous substances as now or hereafter defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 U.S.C. ' 9601 et seq.) (CERCLA) or any regulations promulgated under or pursuant to CERCLA; (ii) any hazardous waste as now or hereafter defined in the Resource Conservation and Recovery Act (42 U.S.C. ' 6901 et seq.) (RCRA) or regulations promulgated under or pursuant to RCRA; (iii) any substance regulated by the Toxic Substances Control Act (15 U.S.C. ' 2601 et seq.); (iv) gasoline, diesel fuel, or other petroleum hydrocarbons; (v) asbestos and asbestos containing materials, in any form, whether friable or non-friable; (vi) polychlorinated biphenyls; (vii) radon gas; and (viii) any additional substances or materials which are now or hereafter classified or considered to be hazardous or toxic under Environmental Requirements (as hereinafter defined) or the common law, or any other applicable laws relating to the Property. Hazardous Materials includes, without limitation, any substance, the presence of which on the Property, (A) requires reporting, investigation or remediation under Environmental Requirements; (B) causes or threatens to cause a nuisance on the Property or adjacent property or poses or threatens to pose a hazard to the health or safety of persons on the Property or adjacent property or poses or threatens to pose a hazard to the health or safety of persons on the Property or adjacent property; or (C) which, if it emanated or migrated from the Property, could constitute a trespass.

(k) Environmental Laws means all laws, ordinances, statutes, codes, rules, regulations, agreements, judgments, orders, and decrees, now or hereafter enacted, promulgated, or amended, of the United States, the states, the counties, the cities, or any other

political subdivisions in which the Property is located, and any other political subdivision, agency or instrumentality exercising jurisdiction over the owner of the Property, the Property, or the use of the Property, relating to pollution, the protection or regulation of human health, natural resources, or the environment, or the emission discharge, release or threatened release of pollutants, contaminants, chemicals, or industrial, toxic or hazardous substances or waste or Hazardous Materials into the environment (including, without limitation, ambient air, surface water, ground water or land or soil).

(l) No representation or warranty made by Applicant herein or any certificate, document, or other instrument furnished or to be furnished by Applicant pursuant hereto contains or will contain any untrue statement of a material fact, omits or will omit to state any material fact known to Applicant and required to make the statements herein or therein no misleading.

7. **RISK OF LOSS.** All risk of loss of, or damage to, or destruction of, the Property whether by fire, flood, tornado, hurricane or other casualty, or by the exercise of the power of eminent domain, or otherwise, shall belong to and be borne by the Applicant. If, prior to Closing, the Property or any part thereof shall be so damaged, destroyed, condemned, or under threat of condemnation, CRA, at CRA's option, may declare this Agreement null and void, in which case neither party shall have any further obligations hereunder, other than such obligations as survive in accordance with the terms hereof.

8. **BROKER.** The parties represent and warrant to each other that no broker was involved during the court of this transaction. Applicant further agrees to indemnify and hold

the City and CRA harmless regarding any and all claims by any broker as a result of this transaction.

9. **APPROVAL BY CITY OF NEW SMYRNA BEACH.** The Parties understand that grant terms of the Community Redevelopment Agency shall require approval by the City Commission of the City of New Smyrna Beach and shall obtain said approval to insure the Project as provided herein.

10. **TAXES.** Applicant represents that the Property shall not be delinquent in payment of any applicable taxes, including ad valorem, real and personal property taxes.

11. **DEFAULT AND REMEDY.** If CRA has performed its covenants and agreements hereunder but Applicant has breached its covenants and agreements hereunder and has failed, refused or is unable to consummate redevelopment contemplated herein by the date of Closing, CRA shall be entitled to terminate the Agreement and neither party shall have any further obligations hereunder other than such obligations as survive in accordance with the terms hereof. If CRA has breached its covenants and agreements under this Agreement and has failed, refused or is unable to consummate funding the grant contemplated herein, then Applicant shall have the right to terminate this Agreement and neither party shall have any further obligations hereunder other than such obligations as survive in accordance with the terms hereof. If Applicant fails to complete or abandons the Project as contemplated by the Contract, the CRA shall be entitled to recover the grant funds expended to Applicant under this Contract from Applicant, plus interest, costs and attorney's fees.

12. **MISCELLANEOUS.**

(a) Notice. All notices, demands and requests which may be given or which are required to be given by either party to the other under this Agreement, and any exercise of a right of termination provided by this Agreement, shall be in writing and shall be deemed effective when either: (i) personally, delivered to the intended recipient; (ii) three (3) business days after having been sent, by certified or registered mail, return receipt requested, addressed to the intended recipient at the address specified below; (iii) delivered in person to the address set forth below for the party to whom the notice was given; (iv) on the business day next following after having been deposited into the custody of a nationally recognized overnight delivery service, addressed to such party at the address specified below; or (v) immediately if sent by facsimile during regular business hours, or at 8:30 a.m. local time on the next business day next following an after-hours, weekend or holiday notice sent by facsimile provided that receipt for such facsimile is verified by the sender and followed by a notice sent in accordance with one of the other provisions set forth above. Any notice sent as required by this section and refused by recipient shall be deemed delivered as of the date of such refusal. For purposes of this Section, the address and facsimile numbers of the parties for all notices are as follows, unless changed by similar notice in writing given by the particular person whose address is to be changed):

If to the Community Redevelopment Agency:

Anthony G. Otte, Director

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Redevelopment Grant Agreement
103 Faulkner Street

Community Redevelopment Agency
The City of New Smyrna Beach
210 Sams Avenue
New Smyrna Beach, FL 32168

with copies to:

Frank B. Gummey, III
City Attorney
The City of New Smyrna Beach
210 Sams Avenue
New Smyrna Beach, FL 32168

If to the Applicant:

White Challis Development Co., LLC
112 Orange Avenue
Daytona Beach, FL 32114

(b) Entire Agreement. This Agreement embodies the entire agreement between the parties relative to the subject matter hereof, and there are no oral or written agreements between the parties, nor any representations made by either party relative to the subject matter hereof, which are not expressly set forth herein. Any Prior Agreement is superseded and replaced in its entirety by this Agreement.

(c) Amendment. This Agreement may be amended only by a written instrument executed by the party or parties to be bound thereby.

(d) Headings. The captions and headings used in this Agreement are for convenience only and do not in any way limit, amplify, or otherwise modify the provisions of this Agreement.

(e) Survival. All of the terms, conditions, covenants, representations, warranties and agreements of this Agreement shall survive and continue in full force and effect and shall be enforceable after the Closing.

(f) Governing Law. This Agreement shall be governed by the laws of the State of Florida and the laws of the United States pertaining to transactions in Florida.

All of the parties to this Agreement have participated freely in the negotiation and preparation hereof; accordingly, this Agreement shall not be more strictly construed against any one of the parties hereto. The parties agree that presuit mediation shall be required before any lawsuit is filed.

(g) Successors and Assigns; Assignment. This Agreement shall bind and inure to the benefit of CRA and Applicant, their respective heirs, executors, administrators, personal and legal representatives, successors and assigns. Applicant may not assign this Agreement without CRA's consent. Applicant shall have the right to assign this Agreement to an entity owned or controlled

by Applicant or the shareholders of Applicant, but shall not be released from any liability contained in the Agreement.

(h) **Binding Effect.** All covenants, agreements, warranties and provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, personal representatives, successors and assigns.

(i) **Invalid Provision.** If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws, such provision shall be fully severable; this Agreement shall be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part of this Agreement, and the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by such illegal, invalid, or unenforceable provision or by its severance from this Agreement.

(j) **Attorney's Fees.** In the event it becomes necessary for any party hereto to file suit to enforce this Agreement or any provision contained herein, the party prevailing in such suit shall be entitled to recover, in addition to all other remedies or damages, as provided herein, reasonable attorney's fees, paralegal fees and costs incurred in such suit at trial, appellate, bankruptcy and/or administrative proceedings.

(k) **Exhibits.** All exhibits referenced in this Agreement are incorporated into this Agreement and made a part hereof.

(l) Authority. Each party hereto represents and warrants to the other that the execution of this Agreement and any other documents required or necessary to be executed pursuant to the provisions hereof are valid, binding obligations and are enforceable in accordance with their terms.

(m) Multiple Counterparts. This Agreement may be executed in a number of identical counterparts, which taken together shall constitute collectively one (1) agreement; but in making proof of this Agreement it shall not be necessary to produce or account for more than one such counterpart. Additionally, the parties hereto acknowledge and agree that any party may execute facsimile copies and said facsimile copies will have the same binding effect as executed original counterparts.

(n) Date of this Agreement. This Agreement shall not be effective unless signed by Applicant and CRA and City Officials. As used in this Agreement, the terms date of this Agreement or date hereof shall mean and refer to the date when the last one of the Owner and CRA and City Officials have signed this Agreement.

(o) Acceptance. In the event that one party executes and delivers this Agreement to the other parties, if any of the other parties does not execute and deliver a copy to all parties within ten (10) days of the date of execution by the first party, then the offer by the first party shall automatically be deemed terminated and of no further force or effect.

(p) Recording. This Grant Agreement, or memorandum thereof, may be recorded in the Public Records of Volusia County, Florida.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date and year first above written.

CRA:

By: Adam Barringer
Adam Barringer, Chairman
New Smyrna Beach Community Redevelopment Agency

Date: 5-1-2014

APPLICANT:

By: John "Jack" White
as MANAGER of White Challis Development Co., LLC

Date: _____

Approved by the City of New Smyrna Beach, Florida:

By: Adam Barringer
Adam Barringer, Mayor
City of New Smyrna Beach

Date: 5-1-2014

Attest:

Johnny R. Bledsoe

Johnny R. Bledsoe
City Clerk

EXHIBIT A.

LEGAL DESCRIPTION AND SKETCH OF THE PROPERTY

Lots 3 to 20 inc blk E Sams Estate New Smyrna MB 22 PG 114 exc W 3.50 ft of E 25.35 ft of S 5.42 ft & exc W 6 ft of E (from Volusia County Property Appraiser). No title work or survey was provided to the Appraiser.

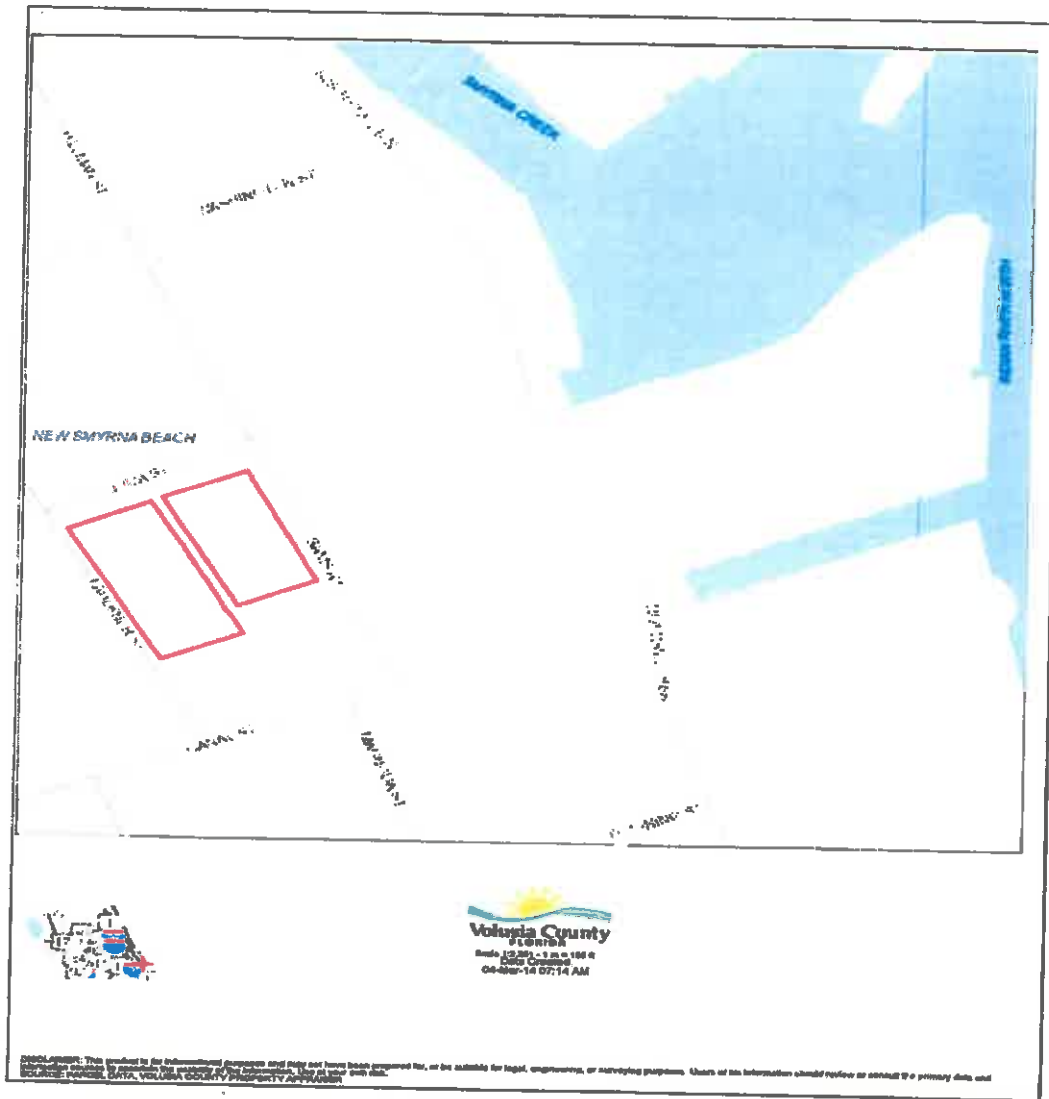


EXHIBIT B. PROJECT DESCRIPTION

1. **Tabby House Redevelopment Program (“Project”).** White Challis shall be obligated to redevelop the Property consistent with the development program depicted in the Tabby House RFP Response materials submitted to the City by White Challis as part of the RFP process and as detailed more fully in this Section 1 (the “Project”).
 - a. **Redevelopment Program Description**
 - i. White Challis shall develop the Property for approximately twenty (20) single-family residential units that shall be similar to historic city home as more particularly detailed in the RFP Response materials. The units shall be required to have rear-entry two-car garages, and shall be permitted to include compatible commercial uses on the ground floor and to have roof-top gardens. The units described in this section, and as more particularly described in the RFP Response materials, shall be referred to herein as the “City Homes.”
 - ii. White Challis shall develop the Property for all infrastructure necessary to construct the approximately twenty (20) City Homes, including all demolition and disposal, utilities, grading, paving and site stabilization, stormwater improvements, and streetscaping (the “Site Work”). The entitlements to the Property shall contemplate an option to recombine two or more lots in the event individual buyers desire larger City Homes. Such recombined lots shall be counted as two lots for purposes this Section. Provided, however, White Challis may, in its sole discretion, elect to retain the existing fire station building on the Property to renovate same for compatible residential, commercial, or mixed uses, in which case the number of City Home lots to be developed will be approximately eighteen (18) lots.
 - iii. The City Home lots shall be developed in a single phase, with all site development, infrastructure, and entitlements necessary for the sale and construction of the City Homes. In the event White Challis shall elect to renovate the existing fire station, White Challis may do so concurrently with development of the Property or subsequent thereto.
 - iv. Upon completion of the infrastructure development and lot subdivision, White Challis shall construct one model City Home on the Property on a lot determined by White Challis.
 - b. The parties acknowledge that the RFP Response represents a conceptual development program that has not been engineered, and that certain adjustments necessary for design, engineering, construction, or market conditions may be necessary for the Project to proceed. The Project shall incorporate sustainable development and construction practices to the extent practical and cost-efficient in White Challis's discretion. White Challis may seek Florida Green Building Coalition certification as well as Brownfield Area designation for the Tabby House redevelopment.
2. **Schedule of Performance**
 - a. The Agreement shall establish an anticipated design, marketing, entitlement, permitting and construction schedule for the Project, consistent with the schedule set forth in Section 2.b. White Challis may, in its discretion, perform its requirements in advance of the anticipated schedule and the City shall reasonably cooperate with same. The Agreement shall also provide a reasonable opportunity for extension of certain tasks for good faith shown as well as delays caused beyond the parties' control (e.g., force majeure).

- b. The schedule of performance obligations to be established in the Agreement shall be as follows:
- i. March 11, 2014: City and CRA approve Agreement
 - ii. Mar. – Dec. 2014: White Challis conducts environmental assessment of Property, focus groups and marketing study, determines project feasibility, and prepares and submits application for planned development rezoning and preliminary plat, TRC review, public hearings for Planning Board, City Commission.
 - iii. Oct. 2014 – CRA shall provide to White Challis a copy of the CRA budget approved by the CRA confirming adequate opportunity grant funds for Fiscal Year 2014-15 to fulfill the CRA's obligations set forth in Section 3.f., below.
 - iv. Dec. 2014 – Apr. 2015: White Challis prepares and submits building permit applications for review and approval by City and stormwater permits (ERPs) to St. John's River Water Management District.
 - v. Apr. 2015: Upon issuance of all necessary permits and governmental authorizations, and demonstration of financing through loan commitment from lender, the City shall convey the Property to White Challis as set forth herein.
 - vi. Apr. 2015 – Sept.: Site work and infrastructure construction.
 - vii. Sept. 2015 – Feb. 2016: Model unit construction.

3. Business Terms

- a. White Challis shall undertake the Project described in Section 1. White Challis shall be solely responsible for the costs of design, permitting and construction of the Project except as otherwise provided herein. White Challis and the City shall perform the actions within the timeframes set forth in Section 2.
- b. In the event an environmental assessment of the Property, as referenced in Section 2.b., identifies any Recognized Environmental Conditions, or if White Challis determines, in its sole discretion, that additional environmental assessment of the Property is warranted, the parties will work together in good faith to identify and obtain any state or federal funding, grants or other assistance in conducting the additional environmental assessment (and remediation, if warranted), and shall also cooperate in modifying the schedule set forth in Section 2 accordingly.
- c. The CRA shall reimburse White Challis for all zoning application, site plan review and preliminary and final plat fees, provided such applications are made prior to September 15, 2015, and the City will provide technical assistance in preparation of the planned development agreement documents. The City shall be the applicant for any development application submitted during the City's ownership of the Property, including, but not limited to, the planned development rezoning, site plan, and preliminary and final plats. The parties will be joint applicants for stormwater permits with outside agencies, brownfield grant or incentive programs, etc. but all costs associated therewith shall be borne solely by White Challis.
- d. The CRA shall also reimburse White Challis for all building permit and review fees associated with the construction of the first City Home unit constructed by White Challis, provided such applications are made prior to September 15, 2015. The CRA shall not be responsible for paying or waiving any fees associated with construction of subsequent City Home units by White Challis or any third parties.

- e. Property Disposition
- i. Conveyance of the Property to White Challis will be conditioned on White Challis satisfying the preceding performance obligations set forth in Section 2.b., and White Challis's providing the City a loan commitment from lender or other proof of funding for construction of the Project.
 - ii. Prior to closing, the CRA shall provide to White Challis and White Challis's lender proof of opportunity grant funds for Fiscal Year 2014-15 to fulfill the CRA's obligation set forth in Section 3.f., below.
 - iii. White Challis shall pay all costs associated with any design, engineering, surveying, architectural, planning or other work associated with the design, permitting and construction of the project, and shall pay all permit or other fees charged by any agency other than the City, excluding fees paid by third parties for construction of the individual City Homes purchased and constructed by third parties. In the event that the Agreement is terminated, White Challis shall deliver to the City all of the design, engineering, surveying, architectural or other work that has been done up to that point, at no cost to the City, and the City shall become the owner of such work.
 - iv. At closing, White Challis shall pay to the City the amount of Three Hundred Eighty-Seven Thousand Two Hundred and No/100 Dollars (\$387,200.00), which is the fair market value price for the Property as established in the *Summary Appraisal Report, 103 Faulkner Street*, prepared by Appraisal Associates of Florida, Inc. and dated August 28, 2013 (the "Purchase Price").
- f. The CRA shall reimburse White Challis for the actual costs of construction of the Site Work for the Project from opportunity grant funds pursuant to the terms of this Section.
- i. The CRA's obligation to reimburse White Challis for the Site Work shall not exceed the Purchase Price and shall not be due to White Challis except upon White Challis's compliance with 3.f.ii., below.
 - ii. At various times during construction, White Challis shall submit to the CRA, in writing, a request for reimbursement from the CRA for actual Site Work costs incurred, which shall include a description of the site improvements completed and Site Work costs incurred associated therewith, copies of the pay applications submitted by the project general contractor for the Site Work, proof of payment of such Site Work costs by White Challis, and lien waivers provided by the project general contractor for the site improvements (the "Reimbursement Request"). White Challis will provide all Reimbursement Requests prior to September 15, 2015.
 - iii. Within thirty (30) days of receipt of a Reimbursement Request, the CRA shall reimburse White Challis for the Site Work costs set forth in the Reimbursement Request. The CRA shall be permitted to inspect the site improvements and confirm the Site Work costs submitted for each Reimbursement Request during such thirty (30) day period. The CRA shall have no obligation to reimburse White Challis for any Reimbursement Request submitted to it after September 15, 2015.
 - iv. Except as set forth in this Section 3.f., the CRA shall have no other obligation with respect to the Site Work costs.

4. **Effect of Agreement:** The parties acknowledge that nothing in this Contract shall be construed as or shall have the effect of the City's contracting away its police powers, including its zoning power.
5. Nothing contained in this Contract shall be construed as creating a joint venture, partnership, or similar business relationship between the City and White Challis Redevelopment Co., LLC.
6. Any financial commitments of the City or CRA included in this agreement are subject to approval by the CRA and City Commission and subject to appropriation of funds.
7. The Vacant Land Contract and the Redevelopment Grant Agreement along with Exhibits "A," "B," and "C" shall be construed together as one document, the "Contract."
8. The determination of the required zoning and land use regulations applicable to the Project shall be made by the City. Any required rezoning or variances for the Project shall be processed by the City according to standard procedures and shall be obtained prior to closing. In the event the required rezoning or variances are not approved by the zoning authority, either party may cancel this Contract without any further rights or obligations on the part of either party.
9. Any structure on the Property, including any building used as a Fire Station, shall be included in this Contract. The vacant land, as well as any structure thereon, are sold in an "as is" condition, and Seller (City) makes no representations as to value, condition, suitability, or usefulness of the Property or any structure thereon for Buyer's purpose.

EXHIBIT C. PROJECT BUDGET

(To be supplied by applicant prior to the issuance of the Opportunity Site Grant)