

# Major League Baseball Spring Training Program

## Annual Reports 2014

Pursuant to section 288.11631(4)(b), Florida Statutes, the Department of Economic Opportunity (DEO) is responsible for publishing the following annual reports of entities certified to receive funding for Major League Baseball spring training facilities.

All information contained in the following annual reports was provided to DEO by the certified entities, and the accuracy and sufficiency of such information is the sole responsibility of the providing entity. DEO can neither attest to the accuracy nor guarantee the completeness or usefulness of the information contained in the following annual reports.

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**Charlotte County (Tampa Bay Rays)**

**City of Bradenton (Pittsburgh Pirates)**

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**City of Sarasota (Baltimore Orioles)**

**Indian River County (Los Angeles Dodgers)**

**Lee County (Minnesota Twins)**

**Osceola County (Houston Astros)**

**St. Lucie County (New York Mets)**

**Charlotte County  
(Tampa Bay Rays)**

1. DETAILED REPORT ON ALL LOCAL AND STATE FUNDS EXPENDED TO DATE ON THE PROJECT BEING FINANCED UNDER SECTION 288.11631, F.S.

REPORT NAMED STADIUM IMPROVEMENT DEBT SERVICE FUND EXPENSES

**CHARLOTTE COUNTY BOARD OF COUNTY COMMISSIONERS**

**FOR YEARS 2007 - 2014**

**SUMMARY OF DEBT SERVICE EXPENSE & STATE GRANT REVENUE**

<b>Local Funds Expended (Principal &amp; Interest)</b>	<b>2007 - 2014</b>	<b>\$ 12,940,277</b>
<b>State Funds Received (Grant Funding)</b>	<b>2007 - 2014</b>	<b>\$ 3,666,696</b>

**CHARLOTTE COUNTY BOARD OF COUNTY COMMISSIONERS**  
**FISCAL YEARS 2006/2007 THROUGH 2013/2014**  
**STADIUM IMPROVEMENT DEBT SERIES FUND**  
**AS OF 8/8/2014**

<u>DATE</u>	<u>TYPE</u>	<u>DESCRIPTION</u>	<u>AMT DR</u>	<u>AMT CR</u>	<u>BALANCE</u>
<b>Principal Pymts</b>					
10/01/2007	GJ	LOAN PMT-COMMERCE BNK-10/01/07	\$645,000.00	-	\$645,000.00
10/01/2008	GJ	LOAN PMT-COMMERCE BNK 10/1/08	\$250,000.00	-	\$250,000.00
10/01/2009	GJ	LOAN PAYMENT-STADIUM-10/1/09	\$755,000.00	-	\$755,000.00
09/30/2010	GJ	STADIUM LOAN PAMT ACCRAUL	\$785,000.00	-	\$785,000.00
09/30/2010	GJ	STADIUM LOAN PAMT ACCRAUL	\$568,227.51	-	\$568,227.51
09/30/2010	GJ	CORR POSTIN 26731 (S/B INT)	-	\$568,227.51	\$(568,227.51)
10/01/2010	GJ	REVERSE OF 26731	-	\$785,000.00	\$(785,000.00)
10/01/2010	GJ	REVERSE OF 26731	-	\$568,227.51	\$(568,227.51)
10/01/2010	GJ	LOCAN PAYMENT-STADIUM-10/1/10	\$785,000.00	-	\$785,000.00
07/05/2011	GJ	CORR JE 26731-R TO CORR ACCT	\$568,227.51	-	\$568,227.51
09/30/2011	GJ	ACCRUE STADIUM DEBT PMT DUE 10/1	\$815,000.00	-	\$815,000.00
09/30/2012	GJ	ACCRUE STADIUM DEBT PMT DUE 10/1	\$850,000.00	-	\$850,000.00
09/30/2013	GJ	ACCRUE STADIUM DEPT DUE 10/1	\$880,000.00	-	\$880,000.00
10/01/2013	GJ	REVERSE STADIUM DEBT ACCRUAL	-	\$880,000.00	\$(880,000.00)
10/01/2013	GJ	RCD STADIUM DEBT PMT - 10/1/13	\$880,000.00	-	\$880,000.00
<b>TOTAL 2006.794506.575.71.0001</b>			<b>\$7,781,455.02</b>	<b>\$2,801,455.02</b>	<b>\$4,980,000.00</b>
<b>Interest Pymts</b>					
09/30/2007	GJ	TO ACCRUE INTEREST ON DEBT - 9/30/07	\$754,874.52	-	\$754,874.52
10/01/2007	GJ	LOAN PMT-COMMERCE BNK-10/01/07	\$754,874.52	-	\$754,874.52
10/01/2007	GJ	REVERSE OF 17148	-	\$754,874.52	\$(754,874.52)
04/01/2008	GJ	COMMERCE BANK INTEREST PMT	\$588,327.51	-	\$588,327.51
09/30/2008	GJ	TO ACCRUE INT ON DEBT 9/30/08	\$588,327.51	-	\$588,327.51
04/01/2009	GJ	INTEREST PMT - STADIUM	\$583,327.51	-	\$583,327.51
09/30/2009	GJ	TO ACCRUE INT ON DEBT 9/30/09	\$583,327.51	-	\$583,327.51
10/01/2009	GJ	REVERSE 23153-DEBT INT ACC	-	\$583,327.51	\$(583,327.51)
10/01/2009	GJ	LOAN PAYMENT-STADIUM-10/1/09	\$583,327.51	-	\$583,327.51
04/01/2010	GJ	INTEREST PMT - STADIUM BOND	\$568,227.51	-	\$568,227.51
09/30/2010	GJ	CORR POSTIN 26731 (S/B INT)	\$568,227.51	-	\$568,227.51
10/01/2010	GJ	LOCAN PAYMENT-STADIUM-10/1/10	\$568,227.51	-	\$568,227.51
04/01/2011	GJ	INTEREST PMT - STADIUM	\$553,312.51	-	\$553,312.51
07/05/2011	GJ	CORR JE 26731-R TO CORR ACCT	-	\$568,227.51	\$(568,227.51)
09/30/2011	GJ	ACCRUE STADIUM DEBT PMT DUE 10/1	\$553,312.51	-	\$553,312.51
03/30/2012	GJ	INTEREST PMT - STADIUM	\$537,012.51	-	\$537,012.51
09/30/2012	GJ	ACCRUE STADIUM DEBT PMT DUE 10/1	\$537,012.51	-	\$537,012.51
04/01/2013	GJ	STADIUM DEBT PMT - 4/1/13	\$520,862.51	-	\$520,862.51
09/30/2013	GJ	ACCRUE STADIUM DEPT DUE 10/1	\$520,862.51	-	\$520,862.51
10/01/2013	GJ	REVERSE STADIUM DEBT ACCRUAL	-	\$520,862.51	\$(520,862.51)
10/01/2013	GJ	RCD STADIUM DEBT PMT - 10/1/13	\$520,862.51	-	\$520,862.51
04/01/2014	GJ	DEBT PMT-STADIUM 4/1/14	\$503,262.51	-	\$503,262.51
<b>TOTAL 2006.794506.575.72.0001</b>			<b>\$10,387,569.20</b>	<b>\$2,427,292.05</b>	<b>\$7,960,277.15</b>
<b>TOTAL DEBT SERVICE</b>			<b>\$18,169,024.22</b>	<b>\$5,228,747.07</b>	<b>\$12,940,277.15</b>

**CHARLOTTE COUNTY BOARD OF COUNTY COMMISSIONERS**  
**FISCAL YEARS 2006/2007 THROUGH 2013/2014**  
**STADIUM IMPROVEMENT CAPITAL FUND**  
**AS OF 8/8/2014**

<u>DATE</u>	<u>TYPE</u>	<u>DESCRIPTION</u>	<u>AMT DR</u>	<u>AMT CR</u>	<u>BALANCE</u>
<b>Grant Funding</b>					
03/31/2007	GJ	CORR TRF OF GRANT MONIES	\$41,667.00	-	\$41,667.00
04/30/2007	GJ	TRF APR GRANT MONIES TO DEBT	\$41,667.00	-	\$41,667.00
05/31/2007	GJ	TRF DEBT REQ-STADIUM-MAY	\$41,667.00	-	\$41,667.00
06/30/2007	GJ	TRF DEBT REQ-STADIUM-JUNE	\$41,667.00	-	\$41,667.00
07/31/2007	GJ	TRF DEBT REQ-STADIUM-JULY	\$41,667.00	-	\$41,667.00
08/31/2007	GJ	TRF DEBT REQ-STADIUM-AUGUST	\$41,667.00	-	\$41,667.00
09/30/2007	GJ	TRF DEBT REQ-STADIUM-SEPT	\$41,667.00	-	\$41,667.00
10/31/2007	GJ	TRF DEBT REQ-STADIUM-OCT	\$41,667.00	-	\$41,667.00
11/30/2007	GJ	TRF DEBT REQ-STADIUM-NOV	\$41,667.00	-	\$41,667.00
12/31/2007	GJ	TRF DEBT REQ-STADIUM-DEC	\$41,667.00	-	\$41,667.00
01/31/2008	GJ	TRF DEBT REQ-STADIUM-JAN	\$41,667.00	-	\$41,667.00
02/29/2008	GJ	TRF DEBT REQ-STADIUM-FEB	\$41,667.00	-	\$41,667.00
04/01/2008	GJ	TRF DEBT REQ-STADIUM-MARCH	\$41,667.00	-	\$41,667.00
04/30/2008	GJ	TRF DEBT REQ-STADIUM-APR	\$41,667.00	-	\$41,667.00
05/31/2008	GJ	TRF DEBT REQ-STADIUM-MAY	\$41,667.00	-	\$41,667.00
06/30/2008	GJ	TRF DEBT REQ-STADIUM-JUNE	\$41,667.00	-	\$41,667.00
08/01/2008	GJ	TRF DEBT REQ-STADIUM-JULY	\$41,667.00	-	\$41,667.00
09/01/2008	GJ	TRF DEBT REQA-STADIUM-AUG	\$41,667.00	-	\$41,667.00
09/30/2008	GJ	TRF DEBT REQ-STADIUM-SEPT	\$41,667.00	-	\$41,667.00
12/23/2008	GJ	TRF DEBT REQ-STADIUM-OCT/NOV	\$41,667.00	-	\$41,667.00
12/23/2008	GJ	TRF DEBT REQ-STADIUM-OCT/NOV	\$41,667.00	-	\$41,667.00
01/02/2009	GJ	TRF DEBT REQ-STADIUM-DEC	\$41,667.00	-	\$41,667.00
02/02/2009	GJ	TRF DEBT REQ-STADIUM-JAN 09	\$41,667.00	-	\$41,667.00
03/01/2009	GJ	TRF DEBT REQ-STADIUM-FEB 09	\$41,667.00	-	\$41,667.00
04/13/2009	GJ	TRF DEBT REQ-STADIUM-MARCH	\$41,667.00	-	\$41,667.00
05/01/2009	GJ	TRF DEBT REQ-STADIUM APRIL	\$41,667.00	-	\$41,667.00
05/31/2009	GJ	TRF DEBT REQ-STADIUM-MAY 09	\$41,667.00	-	\$41,667.00
07/01/2009	GJ	TRF DEBT REQ-STADIUM-JUNE	\$41,667.00	-	\$41,667.00
08/01/2009	GJ	TRF DEBT REQ-STADIUM-JULY09	\$41,667.00	-	\$41,667.00
09/01/2009	GJ	TRF DEBT REQ-STADIUM-AUG	\$41,667.00	-	\$41,667.00
09/30/2009	GJ	TRF DEBT REQ-STADIUM-SEPT	\$41,667.00	-	\$41,667.00
11/01/2009	GJ	TRF DEBT REQ-STADIUM-OCT	\$41,667.00	-	\$41,667.00
12/01/2009	GJ	TRF DEBT REQ-STADIUM-NOV	\$41,667.00	-	\$41,667.00
01/04/2010	GJ	TRF DEBT REQ-STADIUM-DEC	\$41,667.00	-	\$41,667.00
02/28/2010	GJ	TRF DEBT REQ-STADIUM-FEB	\$41,667.00	-	\$41,667.00
03/15/2010	GJ	TRF DEBT REQ-STADIUM-FEB	\$41,667.00	-	\$41,667.00
04/12/2010	GJ	TRF DEBT REQ-STADIUM-MARCH	\$41,667.00	-	\$41,667.00
05/01/2010	GJ	TRF DEBT REQ-STADIUM-APR	\$41,667.00	-	\$41,667.00
06/01/2010	GJ	TRF DEBT REQ-STADIUM/MAY	\$41,667.00	-	\$41,667.00
07/01/2010	GJ	TRF DEBT REQ-STADIUM-JUNE	\$41,667.00	-	\$41,667.00
08/01/2010	GJ	TRF DEBT REQ-STADIUM-JULY	\$41,667.00	-	\$41,667.00
09/01/2010	GJ	TRF DEBT REQ-STADUUM-AUGUST	\$41,667.00	-	\$41,667.00
09/30/2010	GJ	TRF DEBT REQ-STADIUM-SEPT	\$41,667.00	-	\$41,667.00
11/01/2010	GJ	TRF DEBT REQ-STADIUM-OCT	\$41,667.00	-	\$41,667.00
12/01/2010	GJ	TRF DEBT REQ-STADIUM-NOV	\$41,667.00	-	\$41,667.00
01/04/2011	GJ	TRF DEBT REQ-STADIUM - DEC	\$41,667.00	-	\$41,667.00
02/01/2011	GJ	TRF DEBT REQ-STADIUM-JAN 11	\$41,667.00	-	\$41,667.00
03/01/2011	GJ	TRF DEBT REQ-STADIUM-FEB 11	\$41,667.00	-	\$41,667.00

04/01/2011	GJ	TRF DECT REQ STADIUM-MARCH	\$41,667.00	-	\$41,667.00
05/01/2011	GJ	TRF DEBT REQ-STADIUM-APRIL	\$41,667.00	-	\$41,667.00
06/01/2011	GJ	TRF DEBT REQ-STADIUM-MAY	\$41,667.00	-	\$41,667.00
07/01/2011	GJ	TRF DEBT REQ - STADIUM - JUNE	\$41,667.00	-	\$41,667.00
08/12/2011	GJ	TRF DEBT REQ-STADIUM-JULY 11	\$41,667.00	-	\$41,667.00
09/01/2011	GJ	TRF DEBT REQ-STADIUM-AUGUST	\$41,667.00	-	\$41,667.00
09/30/2011	GJ	TRF DEBT REQ-STADIUM-SEPT	\$41,667.00	-	\$41,667.00
11/01/2011	GJ	TRF DEBT REQ-STADIUM-OCT	\$41,667.00	-	\$41,667.00
12/01/2011	GJ	TRF DEBT REQ-STADIUM-NOV	\$41,667.00	-	\$41,667.00
01/01/2012	GJ	TRF DEBT REQ-STADIUM-DEC 11	\$41,667.00	-	\$41,667.00
02/01/2012	GJ	TRF DEBT REQ-STADIUM-JAN	\$41,667.00	-	\$41,667.00
03/01/2012	GJ	TRF DEBT REQ STADIUM-FEB 2012	\$41,667.00	-	\$41,667.00
04/01/2012	GJ	TRF DEBT REQ-STADIUM - MARCH 2012	\$41,667.00	-	\$41,667.00
05/01/2012	GJ	TRF DEBT REQ-STADIUM-APRIL	\$41,667.00	-	\$41,667.00
06/01/2012	GJ	TRF DEBT REQ-STADIUM-MAY	\$41,667.00	-	\$41,667.00
07/01/2012	GJ	TRF DEBT REQ-STADIUM-JUNE	\$41,667.00	-	\$41,667.00
08/01/2012	GJ	TRF DEBT REQ-STADIUM-JULY	\$41,667.00	-	\$41,667.00
09/17/2012	GJ	TRF DEBT REQ-STADIUM-AUG	\$41,667.00	-	\$41,667.00
09/30/2012	GJ	TRF DEBT REQ-STADIUM-SEPT 2012	\$41,667.00	-	\$41,667.00
10/31/2012	GJ	TRF DEBT REQ-STADIUM-OCT	\$41,667.00	-	\$41,667.00
11/30/2012	GJ	TRF DEBT REQ-STADIUM-NOV	\$41,667.00	-	\$41,667.00
01/02/2013	GJ	TRF DEBT REQ - STADIUM - DEC	\$41,667.00	-	\$41,667.00
02/15/2013	GJ	TRF DEBT REQ-STADIUM-JAN	\$41,667.00	-	\$41,667.00
03/11/2013	GJ	TRF DEBT REQ-STADIUM-FEB	\$41,667.00	-	\$41,667.00
04/01/2013	GJ	TRF DEBT REQ-STADIUM-MARCH 2013	\$41,667.00	-	\$41,667.00
05/01/2013	GJ	TRF DEBT REQ-STADIUM-APRIL	\$41,667.00	-	\$41,667.00
06/30/2013	GJ	TRF DEBT REQ-STADIUM-MAY 13	\$41,667.00	-	\$41,667.00
07/01/2013	GJ	TRF DEBT REQ-STADIUM-JUNE	\$41,667.00	-	\$41,667.00
08/21/2013	GJ	TRF DEBT REQ-STADIUM-JULY 13	\$41,667.00	-	\$41,667.00
09/01/2013	GJ	TRF DEBT REQ-STADIUM-AUG 13	\$41,667.00	-	\$41,667.00
09/30/2013	GJ	TRF DEBT REQ- STADIUM-SEPT 13	\$41,667.00	-	\$41,667.00
11/01/2013	GJ	TRF DEBT REQ-STADIUM-OCT	\$41,667.00	-	\$41,667.00
12/01/2013	GJ	TRF DEBT REQ-STADIUM-NOV	\$41,667.00	-	\$41,667.00
01/01/2014	GJ	TRF DEBT REQ-SATDIUM-DEC	\$41,667.00	-	\$41,667.00
02/01/2014	GJ	TRF DEBT REQ-STADIUM-JAN 14	\$41,667.00	-	\$41,667.00
03/01/2014	GJ	TRF DEBT REQ-STADIUM-FEB	\$41,667.00	-	\$41,667.00
04/01/2014	GJ	TRF DEBT REQ-STADIUM-MARCH	\$41,667.00	-	\$41,667.00
04/30/2014	GJ	TRF DEBT REQ-STADIUM-APR 14	\$41,667.00	-	\$41,667.00
06/01/2014	GJ	TRF DEBT REQ-STADIUM-MAY 14	\$41,667.00	-	\$41,667.00
07/01/2014	GJ	TRF DEBT REQ-STADIUM-JUNE 14	\$41,667.00	-	\$41,667.00
<b>TOTAL GRANT FUNDING:</b>			<b>\$3,666,696.00</b>	<b>-</b>	<b>\$3,666,696.00</b>



2) COPY OF THE CONTRACT BETWEEN THE TAMPA BAY  
RAYS AND CHARLOTTE COUNTY

CONTRACT NAMES CHARLOTTE SPORTS PARK  
AGREEMENT

AGR 2006-053

### Charlotte Sports Park Agreement

THIS AGREEMENT is made and entered into this 12<sup>th</sup> day of September 2006, by and between CHARLOTTE COUNTY, a political division of the state of Florida, 18500 Murdock Circle, Port Charlotte, Florida 33948-1094, hereinafter referred to as the "County", and the TAMPA BAY DEVIL RAYS, LTD., One Tropicana Drive, St. Petersburg, Florida 33705, hereinafter referred to as the "Rays".

WHEREAS the County and the Rays desire to enter into an agreement for the rehabilitation and use of the Charlotte Sports Park for the purpose for providing a public recreation amenity and hosting the Rays' spring training program.

NOW, THEREFORE, in consideration of the mutual covenants and obligations herein contained, it is mutually covenanted and agreed by and between the parties as follows:

#### 1. Terms of Use

The Rays will engage in exclusive spring training in Charlotte County, Florida for a period of twenty (20) years, commencing with the 2009 major league spring training season. For the purpose of this agreement, the term "spring training" shall be deemed to include that period of time each year during the term of this Agreement which involves major and minor league spring training, exhibition games and extended spring training activities, rehabilitation and instructional league.

The County does hereby permit unto the Rays, its successors and assigns, the use of those certain premises located in Charlotte County, Florida, commonly known as the Charlotte Sports Park and related spring training and administrative facilities to be utilized pursuant hereto.

The Rays shall schedule and make a good faith effort to play a minimum of twelve (12) home major league spring training exhibition games during each and every year during the term of this agreement. The Rays shall also make a reasonable effort to ensure that a minimum of three (3) of these games will be held at night.

#### 2. Project Description

The County shall selectively demolish, construct, and/or renovate current stadium, clubhouse, office space, and related practice facilities and build and/or restore on such site for a cost of not more than \$27,188,920 (hereinafter described below as "the Project"):

- (a) An open-air, natural grass stadium meeting first-class Major League Baseball ("MLB") spring standards, with approximately 6,000 fixed seats (including premium seating) and outfield berm and other general admission areas accommodating up to 1,500 fans;

IMAGED  
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AP

EXHIBIT "A"

- (b) An approximately 40,000 sf major and minor league clubhouse facility (including administrative office space dedicated to the Rays' use), team store, and other elements of such stadium;
  - (c) One (1) full-size, grass major league practice field;
  - (d) One (1) grass half-field;
  - (e) Four (4) full-size minor league practice fields;
  - (f) On-site parking for approximately 1,500 vehicles plus player/staff/VIP parking for approximately 175 cars;
  - (g) Miscellaneous infrastructure and site improvements related to the creation of a spring training facility.
  - (h) Other elements as mutually agreed upon by the County and the Rays.
- The site and a preliminary concept plan for the Project are generally outlined in Attachment I.

3. **Project Capital Funding**

The "all-in" cost of the Project shall total \$27,188,920 dollars, the funding for which shall come by bonding against the following sources:

- (a) The State of Florida: monies made available to the County under Chapter 288.1162, Florida Statutes providing up to \$500,000 annually for 30 years towards the construction or rehabilitation of a spring training facility, as described in Schedule I;
- (b) Charlotte County: the proceeds from hotel tourist tax funds providing \$900,000 in the year of the execution of this Agreement and growing annually for 22 years (minus \$125,000 that shall be deducted in the year of initial occupancy and each year thereafter and placed in a maintenance and operations fund, as described below) and one-time initial proceeds from hotel tourist tax funds providing \$450,000, as described in Schedule I.
- (c) Tampa Bay Devil Rays: As consideration for its utilization of the facilities, and upon the Rays occupancy of the Project facilities, the Rays agree to pay the County \$595,190 in the year of initial occupancy with payments in successive years, as described in Schedule I.

Based on the financing sources enumerated above, County shall present the Rays a plan of project finance which includes irrevocable commitments and awarding of funds, pursuant to Chapter 288.1162, Florida Statutes, from the State of Florida, all of which, when combined with the obligations and undertakings elsewhere referenced herein, will provide sources of \$27,188,920 (which include architect fees, design fees and construction costs) which are to be irrevocably committed to the renovation of the baseball complex ("the Project Budget").

This financing plan shall be subject to approval of the Rays, which shall not be unreasonably withheld. The County and Rays shall have mutual approval of the design and renovation program for which the financing plan has been irrevocably committed. In the event either the financing plan or

the renovation plan fails to meet the approval of the Rays, the Rays may terminate this agreement upon 30 days' written notice to the County. After a financing plan and renovation plan have been mutually agreed upon, as set forth above, the cost of any change orders that result in a project cost in excess of \$27,188,920, in addition to being mutually agreed upon, shall be the responsibility of the Rays.

The County further agrees that its financing plan shall provide that if the cost of the Project is ultimately less than \$27,188,920 dollars, then the amount by which the cost of construction ("construction" also includes architect and design fees) is less than \$27,188,920 dollars shall be funded and placed in an asset renewal/reserve fund ("Capital Reserve Fund") to be spent on the facility subject to terms and conditions mutually agreed upon by the County and the Rays. Additionally, the County agrees that its financing plan shall provide for accumulated interest earnings on the bond amount during the project construction period ("Accumulated Construction Interest") to be placed in the same Capital Reserve Fund to be spent on the facility subject to the terms and conditions mutually agreed upon by the County and the Rays.

It is further acknowledged by both parties that the final cash proceeds from the financing plan ("Bond Proceeds") may result in an amount available for the renovation plan that is less than \$27,188,920 due to unknown variables such as the actual financing interest rate or impacts of the taxable status of any of the revenue sources as determined by bond council. In the event such Bond Proceeds are less than \$27,188,920, 50% of the "Accumulated Construction Interest" shall be used to fund initial construction of the Project up to a Project Budget of \$27,188,920. If, after 50% of the "Accumulated Construction Interest" is allocated to the Project Budget, the Project Budget is still less than \$27,188,920, the Rays shall have the right to terminate this agreement upon 30 days written notice to the County.

The parties hereto understand that it is the intention of the County to finance the Project by the issuance of its obligations. It is further the intent of the County that the interest on such obligations be excludable from gross income for federal income tax purposes, to the greatest extent possible pursuant to the provisions of the Internal Revenue Code. In furtherance thereof, the Rays agree that it will take all reasonable actions within its control which are necessary in order for the interest on such obligations be excludable from gross income for federal tax purposes.

The County agrees to submit an application to the Florida Sports Foundation for the State of Florida funding described above by October 1<sup>st</sup>, 2006. If the State of Florida, through the Florida Sports Foundation, fails to grant the County \$500,000 annually for the next 30 years to undertake the

construction, or if County does not accept such grant from the State and begin construction by July 1, 2007, either the Rays or the County may terminate this agreement upon written notice to the other party, without penalty or liability to either party.

4. Project Design and Construction

(a) The County and the Rays shall have mutual approval rights of the final design and construction plans, the architect, contractor and all change orders. The design of the stadium shall be in accordance with current MLB standards. The County shall use its diligent, good faith efforts to perform, or cause to be performed, all construction work on the Project according to the approved construction plans on or before February 1, 2009. In the event possession of the Project is not delivered to the Rays on or before February 1, 2009, the County shall pay the Rays liquidated damages of \$2,200 per day for each day after February 1, 2009, until the Project facilities are occupied by the Rays.

County shall not be assessed liquidated damages in the event the Project is delayed due to damage to, or destruction of, the Project due to hurricane, fire, Acts of God or other casualty; however, in the event such an event causes a delay to the Project such that it is not ready for occupancy by August 1, 2010, the Rays shall have the right to terminate this agreement upon thirty (30) days notice to the County.

(b) The Rays shall have access to the construction project during all normal construction hours and shall receive reasonable notice of and have the right to attend and participate in all meetings between the County and its architect and contractors performing the work on the Project. After a financing plan and renovation plan have been mutually agreed upon, as set forth above, the Rays shall have the right to request the County to make changes to the Project, the construction plans and schedule of completion, and will by obligation pay any cost associated with these changes, provided the cost of such changes cause the cost of the stadium renovations to exceed \$27,188,920. County shall not owe the Rays liquidated damages, nor suffer any penalty or liability whatsoever, in the event the Project cannot be delivered to the Rays by February 1, 2009, due to delays caused by changes to the Project requested by the Rays.

(c) The parties agree to observe the requirements of the Consultants Competitive Negotiation Act, and all other applicable federal, state

and local laws, and engage architectural, engineering, and construction services necessary to design and build the Project.

(d) The Rays acknowledge that the County has a three year agreement with the South Coast Independent League (the "League") beginning in 2007 and ending in 2009 for the use of the existing Stadium. The Rays agree that the League is entitled to the use of the Stadium pursuant to its agreement with the County and the parties agree to cooperate in coordinating the construction schedule of the Project to accommodate the League's use of the Stadium so long as it doesn't impede the progress of the Project or the Rays use of the Project or Project site, as described in Item 5 below. County agrees to fully enforce its agreement with the League in regard to its conduct and use of the Project facilities.

(e) For the duration of this agreement, the parties shall have mutual approval rights over any change to the Project site that results in means of pedestrian access to the Project site being created, eliminated, or altered.

5. **Rays Rights-of-Use to Project**

Upon completion of construction, the Rays shall retain the following rights to use the Project facilities:

(a) Each day from February 10<sup>th</sup> through April 3<sup>rd</sup> of each calendar year ("Spring Training"): The Rays shall have primary use of the stadium, new clubhouses, administrative office space dedicated to the Rays' use, team store, practice fields, and other associated training facilities (batting cages, gang mounds, etc.). During this time, these facilities may be made available to parties other than the Rays, but only with the express written consent of the Rays;

(b) Each day from April 4<sup>th</sup> through July 1<sup>st</sup> ("Extended Spring Training"): The Rays shall have primary use of the new clubhouses, team store, administrative office space dedicated to the Rays' use, the one (1) full-size, grass major league practice field, two (2) minor league practice fields, and other associated training facilities (batting cages, gang mounds, etc.). During these times, these facilities may be made available to parties other than the Rays, but only with the express written consent of the Rays;

(c) Before 2pm each day from September 1<sup>st</sup> through October 31<sup>st</sup> of each calendar year ("Instructional League"): The Rays shall have primary use of the new clubhouses, team store, administrative office space dedicated to the Rays' use, the one (1) full-size, grass major league practice field, two (2) minor league practice fields, and other

associated training facilities (batting cages, gang mounds, etc.). During these times, these facilities may be made available to parties other than the Rays, but only with the express written consent of the Rays;

- (d) At all other times, the Rays shall maintain sole use of the major league clubhouse, administrative office space dedicated to the Rays' use, team store, and the one (1) full-size, grass major league practice field. In addition, the Rays shall retain the right to restrict access to associated training facilities (batting cages, gang mounds, etc.), one (1) minor league practice field, and the minor league clubhouse if they are reasonably required for the Rays' use and upon three (3) weeks notice to the County. County and the Rays agree that a change in the timeline for "extended spring training" and/or the need for the Rays to locate a rookie league team at the Project site constitute a reasonable basis for such access restrictions;
- (e) The Rays and the County shall also make the Project facilities available for up to one week each year, the date to be mutually agreed upon by the parties, for a Devil Rays Fantasy Camp;
- (f) The Rays may use the facility for clinics, camps, and promotional or marketing events throughout the year, provided that three (3) weeks notice is provided to County and such use does not interfere with County's rights of use as described in Item 6 below.

If the Rays choose to locate a Florida State League ("FSL") team at the Project site, the Rays and the County agree to enter into an amendment to this Agreement to provide for the duties, rights, terms and responsibilities of the parties that will be occasioned by the location of said FSL team at the Project site. Notwithstanding the rights described in Item 6 below, County may not allow a minor league baseball franchise affiliated with any MLB team other than the Rays to play home games at the Project site without the express written consent of the Rays. Furthermore, the parties agree that they will not enter into any amendment to this Agreement if such amendment shall adversely affect the exclusion of interest on the County's obligations which financed the Project from gross income for federal income tax purposes.

The Rays shall have complete operating authority over those areas under its control during the use periods defined above, including, but not limited to, the right to manage ticket sales, concessions, merchandise sales, game-day parking, and all other stadium activities during spring training. The Rays will, at all times, make reasonable efforts to cooperate with others, including the County, in exercising its operating authority during its use periods.

The Rays shall make best efforts to furnish the County with its spring training exhibition game schedule and extended spring training time frame use requirements no later than December 1<sup>st</sup> of the year prior to the next February opening of spring training activities by the Rays.

During the use periods defined above, the Rays may stage non-baseball related events or activities with the express written consent of the County; such consent not to be unreasonably withheld.

The County and the Rays further agree that the Rays may transfer its right to use of certain Project facilities described above to an affiliated entity or subsidiary of the Rays.

6. **County Rights-of-Use to Project**

Subject to the Rays' rights of use described above, at all other times, the County shall have the right (and is encouraged by the Rays) to use the facility for concerts, plays, sporting events and tournaments or other revenue-producing or civically-oriented events (collectively defined as non-major league baseball-affiliated events) provided that:

- (a) Such events do not damage the playing fields or cause unreasonable wear and tear to the structures;
- (b) Such events are not inconsistent with the image of Major League Baseball and the Rays;
- (c) Such events do not interfere with the Rays operations; and
- (d) Prominent signage is displayed promoting the Rays' affiliation with the Project during these events.

The County shall have responsibility for all costs associated with these events and shall be responsible for all liabilities arising from the County's use of the Project for non-major league baseball-affiliated events.

During the periods of its use of the facility, the County shall also have the right to display marketing signs in the concourse and stadium, provided that such signs are not in conflict with an exclusive Rays marketing partnership and that the cost of displaying such signs is borne by the County.

During the term of this Agreement, the County shall at all times be permitted to continue its present use of County buildings at the Project site for office space and operations.

7. **Rays Rights to Project Revenues**

The Rays and County agree that for the duration of this agreement, the Rays shall retain:



- (a) All revenues derived from spring training operations, including, but not limited to, all revenues from ticket sales, food/beverage concessions, pouring rights for sodas, water, and other beverages, merchandise and souvenirs, program sales, advertising and signage, luxury suites, and game day parking;
- (b) Exclusive rights to set the price for spring training exhibition game tickets, food/beverage concessions, merchandise and souvenirs, programs, game-day and spring training parking and all other stadium goods and services associated with spring training operations;
- (c) Exclusive rights to all scoreboards, outfield, and other stadium signage. Such rights shall include the right to control the design and layout of all advertising;
- (d) Subject to the approval of County, such approval not to be unreasonably withheld, the right to sell stadium naming rights. The County shall retain the first \$75,000 annually of said stadium naming rights and revenues (which shall grow 3% annually for the term of this Agreement) in a stadium maintenance and operations fund, as described in Schedule 2 and Item 9 below, with the balance of naming rights revenues going to the Rays;
- (e) Subject to the approval of County, not to be unreasonably withheld, the right to locate cellular phone towers within the stadium lighting structures and all revenues derived from the sale of this right, provided that such sale is not in conflict with the County's ability to maximize revenues from its existing cellular phone tower on the Project site.

The Rays and County further agree to work towards a mutually cooperative relationship on concessions during Rays non-primary use time (i.e. restaurant).

8. **County Rights to Project Revenues**

The Rays and the County agree that for the duration of this agreement, County shall retain all revenues derived from use of the Project for non-major league baseball-affiliated events staged during those periods of the year when the Rays are not entitled to primary use of the Project facilities, as described in Item 5 above. These include all revenues from facility rental fees, administrative fees, ticket sales, food/beverage concessions, pouring rights for sodas, water, and other beverages, merchandise and souvenirs, program sales, signage and non-spring training day parking.

The Rays and County further agree that these revenues will be dedicated by the County to a maintenance and operations fund, as described in Item 9 below and Schedule 2.

9. Maintenance and Capital Repair

(a) The County shall maintain, repair, and restore all properties at the facility at no cost to the Rays, except the Rays shall provide for housekeeping and cleaning services to the clubhouse and office space it uses at no cost to the County. The County shall maintain all grounds and turf to Major League Baseball standards, said standards to be provided to the County by the Rays; however, the Rays may, at its option, elect to maintain the playing fields during the periods of its primary use. It is further understood that the County will not be responsible for any maintenance, repairs, or restoration related to damage occurring to property as a result of negligent acts or omissions of the Rays, its officers, agents, or employees.

(b) The County shall keep and maintain the Project at all times in first-class conditions and up to first-class Major League Baseball spring training standards at the time of reference for use as a ballpark by the Rays and visiting clubs, said conditions to be reasonably approved by the Rays. The County acknowledges that the high quality conditions shall be in place prior to the beginning of and shall continue throughout each spring training season at no expense to the Rays, provided that the Rays may at its option elect to maintain the playing fields during the periods of its primary use. The County shall maintain all facilities and undertake all of its other obligations under this agreement in a manner consistent with other spring training facilities.

(c) The Rays shall not be required to make any capital investment or expenditure related to the renovations of the facilities as hereinbefore described, or its amenities, except as set forth in Item 4 above.

(d) If Project facilities are not maintained to the high-quality standards described above, the Rays shall send the County written notice describing what conditions it deems to be sub-standard. Upon receipt of such notice, County shall within 30 days respond in writing to the Rays concerns with a detailed remediation plan. In the event the County's remediation plan is not satisfactory to the Rays, the parties agree to submit any disputes to the resolution procedures described in Item 25.

(e) In order for the County to fulfill its maintenance and operations obligations described above, the County and the Rays agree to

dedicate the following sources of funds to an annual Maintenance and Operations Fund ("M&O Fund"), described below and in Schedule 2:

- (1) The County agrees to dedicate \$387,043 in County funds, representing the net maintenance and operations budget of the existing facility, to the M&O Fund in the year of initial occupancy. Such payment shall grow by 3% annually for the duration of the term of this Agreement;
  - (2) The Rays, as consideration for primary use of the facility, agree to a payment of \$116,550 to the M&O Fund in the year of initial occupancy. Such payment shall grow annually by 3% for the duration of the term of this Agreement;
  - (3) The County and the Rays agree, as described in Item 7 above, that the County shall retain the first \$75,000 of revenues from stadium naming rights for dedication to the M&O Fund in the year of initial occupancy. Such payment to the M&O Fund from naming rights revenues shall grow annually by 3% for the duration of the term of this Agreement;
  - (4) The County shall commit \$125,000 of hotel tax revenue to the M&O Fund in the year of initial occupancy. Such payment will be made annually for the duration of the term of this Agreement; and
  - (5) The County agrees to commit all revenues derived from use of the Project for non-major league baseball-affiliated events to the M&O Fund. Such revenues are estimated to be \$220,000 in the year of initial occupancy and are expected to grow annually by 3% for the duration of the term of this Agreement.
- (f) The County and the Rays agree that if, in any given year, actual maintenance and operations costs are less than the amount dedicated to the M&O Fund (as described above and in Schedule 2), the difference will be transferred into the Capital Reserve Fund. This will be reviewed annually at the end of the County fiscal year.
- (g) It is recognized that during the construction phase of the renovation plan, the County may incur revenue losses and maintenance savings. To the extent that revenue losses exceed maintenance savings ("Construction Period Losses"), any subsequent maintenance savings, as defined above, would first go towards reimbursing the County as compensation for Construction Period Losses rather than into the Capital Reserve, as defined above.
- (h) The use of the Capital Reserve Fund will be reviewed and approved by both parties. Capital repair and improvements will be given highest priority.

10. Community Benefits

The Rays shall also provide the County with the following amenities, marketing tools, and other community benefits:

- (a) For the duration of this agreement, the Rays agree to provide 30 tickets and one luxury suite per spring training exhibition game for use by County for each such game;
- (b) During the first five (5) years of this agreement, the Rays agree to provide each year 5,000 free tickets to Rays regular season home games to Charlotte County youth groups;
- (c) During each annual Major League Baseball season a marketing package as set forth below:
  - (1) A half-page ad in the regular season souvenir program;
  - (2) Visual message board announcement during each regular season home game played at Tropicana Field proclaiming Charlotte Harbor & the Gulf Islands as the "Official Spring Training Home of the Tampa Bay Devil Rays" and displaying a toll free number and website provided by County;
  - (3) Time to air one 30-second feature ad during each home pre-game on the main scoreboard within one hour of the first pitch, said ad provided by County and subject to approval of the Rays;
  - (4) One visible concourse sign at Tropicana Field;
  - (5) At the request of the Charlotte County Visitor's Bureau, the Rays shall purchase one full-page advertisement in the Visitor's Bureau's annual Official Visitor's Guide at a rate of \$1,450 and participate in co-op advertising with the Visitor's Bureau in the annual Official VISIT FLORIDA Vacation Guide and other mutually beneficial marketing initiatives;
  - (6) To the extent permitted by Major League Baseball Advanced Media ("MLBAM") or the applicable MLB entity at no cost to the Rays, the Rays agree to cross-promotional website links on the spring training section of the official Devil Rays website and on the official Charlotte County tourism website;
  - (7) The Rays agree to work with the County in developing marketing tourism packages that include tickets to at least one spring training exhibition game and to forward information about these packages to season ticket holder (regular season) mailing and/or e-mail lists;
  - (8) For the first (5) years of this agreement and to the extent the Rays produce their own over-the-air ("OTA") television broadcasts, the Rays agree to provide the Charlotte County Visitor's Bureau with time to air one 30-second commercial on each such OTA broadcast.

The copy for the ads and announcements shall be prepared by the Charlotte County Visitor's Bureau and supplied directly to the Rays for distribution, with the express understanding that said ads and announcements will be periodically updated during each baseball season and subject to the approval of the Rays. The Charlotte County Visitor's Bureau shall update all printed ad copy annually, which shall be subject to approval of the Rays. The Charlotte County Visitor's Bureau agrees to pay the cost of production of print advertisement, scoreboard features, and concourse sign and to pay the cost of installation, updating, and repair of the concourse sign.

It is acknowledged that said announcements, print ads, signs, and scoreboard features are to be used solely for the purpose of promoting and advertising the tourism attributes and attractions of Charlotte Harbor & the Gulf Islands and shall not be resold by the County;

- (d) During the first five (5) years of this agreement, the Rays agree to participate in a tourism sales mission each year at a home game during the regular season for up to forty (40) people, providing admission and light refreshments and one luxury suite in order to promote Charlotte Harbor & the Gulf Islands. Dates of the sales mission will be mutually agreed upon by both the Rays and the Charlotte County Visitor's Bureau annually. This provision shall be revisited after five (5) years;
- (e) If the Rays sell a score book at spring training exhibition games, the Rays shall provide Charlotte County Visitor's Bureau a free page in such score book. The Charlotte County Visitor's Bureau will provide the material to be printed, which will be subject to the approval of the Rays;
- (f) While the County acknowledges that there are circumstances that might not make this possible at all times, the Rays, in cooperation with the Charlotte County Visitor's Bureau, agree to use reasonable efforts to locate and secure housing for the Rays players and support staff in Charlotte County. The Rays agree to work with the Charlotte County Visitor's Bureau in scheduling accommodations for visiting teams with Charlotte County as well;
- (g) The parties hereto expressly recognize and agree that the County is undertaking a substantial financial responsibility. It is, therefore, understood and agreed that the Rays will cooperate fully with the County in its efforts to promote the development and success of baseball in Charlotte County. The Rays agree that it will make a good

faith effort, subject to Major League Baseball's rules and regulations, to see that personnel and players will be made reasonably available to participate in cooperative activities involving the promotion and development of professional baseball in Charlotte County;

- (h) The Rays agree to assign a dedicated team liaison to work with the County and the Visitor's Bureau on promotional and public relations efforts;
- (i) The Rays agree to establish a scholarship fund that covers the cost of sending a minimum of three (3) underprivileged Charlotte County children to summer camp. The Rays further agree to work with Charlotte County Parks, Recreation and Cultural Resources Department to kick off this scholarship campaign with a media event;
- (j) The Rays agree, in coordination with the County Parks, Recreation and Cultural Resources Department to stage workshops and clinics annually in Charlotte County to educate and benefit the community.

11. Utilities

County shall pay all utility charges, including but not limited to water, sewer, electricity, and trash removal.

12. Public Services

County will provide all appropriate public services, including without limitation, interior and exterior security, paramedical, crowd and traffic control, at appropriate levels of coverage for all events

13. Day of Game Operations

The Rays will provide for all stadium operations and services during the Rays' spring training exhibition games, it being understood by and between the parties that included therein shall be the costs for advance promotion, advertising, sales, and distribution of tickets to all games, stadium cleanup, ushers, parking attendants, concession attendants, and any other personnel necessary to allow a game to take place.

14. Rays Parking

The Rays shall be responsible for access and security within parking areas designated for its players and support staff. County shall not be responsible for the security of any vehicles parked near the clubhouse. It is understood that the Rays shall be responsible for security of the clubhouse and office space being utilized by the Rays. The County shall install a secure, fenced, and lighted parking area near the clubhouse and offices for use of the Rays and shall provide reasonable security in such parking area for the protection of the members and the Rays.

The Rays will be responsible for attaining, coordinating and/or funding off-site parking for games or events requiring more than 1500 spaces and the County agrees to use its best efforts to assist the Rays in this endeavor.

15. Rays Right to Make Interior Improvements

The Rays shall have the right, from time to time and at its expense, to make all such improvements to, and decorate the interior of the property covered hereunder, as shall be reasonably necessary or appropriate, in the Rays' judgment, for the conduct thereon of its business. Prior to the commencement of any such major alteration, improvement, or decoration, the Rays shall submit said plans and specifications to the County Parks Director or designee for review and approval. If within thirty (30) days after such plans and specifications have been submitted and delivered by the Rays to the County Parks Director or designee for such approval, and the County Parks Director or designee shall not have given the Rays notice of disapproval thereof, stating the reason for such disapproval, then the plans and specifications shall be considered approved by the County for the purposes of this agreement. Such approval, however, will not relieve the Rays of the obligation to seek all other public approvals required under the laws of Charlotte County and/or the State of Florida.

16. Zoning and Land Use Approvals

The County will provide or secure all zoning, subdivision, land use, curb cut, construction, and all other necessary governmental or quasi-governmental approvals, licenses, and permits necessary to construct and operate the Project.

17. Environmental Remediation

County will by June 1, 2007, remediate any environmental, geodetic, or other site conditions that would adversely impact the cost or speed with which the Project can be completed. The Rays shall not be liable for any pre-existing environmental conditions of the Project site. Any costs of environmental remediation will be paid out of the Project Budget, provided that if such remediation costs exceed \$1,000,000 then the parties may terminate the Project without penalty.

18. Insurance, Liabilities, and Indemnities

(a) The Rays agree to and will at all times defend, indemnify, save, and hold harmless the County from any and all damages, liabilities, claims, demands, expenses, and costs arising out of, or in connection with, any use of the Project facilities by the Rays, its agents, officers, servants or employees, resulting from or any manner arising out of this Agreement with the County, excepting only liability resulting solely from negligence of the County, its agents, invitees, or employees. Subject to the above exception, the Rays shall, upon

request from the County, defend and satisfy any and all suits arising from its use of the Project facilities or site.

(b) The Rays shall maintain liability insurance in the amounts of \$1,000,000 per occurrence and \$2,000,000 annual aggregate and shall designate the County as an additionally named insured to protect County from any liability arising from the use of the Project facilities or site by the Rays. The parties agree to review these amounts every five years. Certificates of insurance shall be provided to County by the Rays prior to the start of Spring Training reflecting liability insurance in the amounts set forth above as well as workers compensation insurance in the coverage amount of at least \$1,000,000 and automobile insurance in the coverage amount of at least \$1,000,000. The County further agrees to supply the Rays with certificates of insurance reflecting the County's worker's compensation and public liability and property damage insurance coverage currently in place.

(c) The County shall be liable for, and to the extent provided by law, shall indemnify, defend, and hold harmless the Rays and all of its officers, agents, and employees from, any lawsuit, claim, loss, damage, cost, charge, or expense arising out of any act, error, omission, or negligent act by the County, its agents, or employees, including claims arising under worker's compensation or other applicable laws for County employees and maintenance personnel working on the Project site, during the performance of this Agreement; except that neither the County, its agents, or its employees will be liable under this item for any claim, loss, damage, cost, charge, or expense arising out of any act, error, omission, or negligent act by the Rays or any of its officers, agents, or employees during the performance of this Agreement. In the event of any lawsuit, claim, loss, damage, cost, charge, or expense involving the joint or concurrent fault of the Rays and the County, each party agrees to bear their own respective damages, loss, liability and costs (excluding attorneys' fees and costs) incurred by each party in proportion to its contribution to the aforementioned actions. In such cases, neither party shall be required to defend or bear the cost of defense of the other party.

#### 19. Disaster Preparations

The Rays agree that the County may, at the County's reasonable discretion, use the Project as a staging area for disaster preparations, response, or other related emergency uses, provided that such use of the Project will not damage the Project so it is unfit to be used for its customary purpose. In the event County elects to use the Project for such a use, County agrees to restore the Project and Project site to the conditions existing prior to said use at the sole cost of County.



20. Taxes

It is the intent of the County and the Rays that the Project (land and improvements) shall be exempt from ad valorem taxes throughout the term of this Agreement.

21. Rights of Assignment

The rights granted to the Rays pursuant to this agreement shall not be assigned, except with the express written consent of the County, except that the Rays may assign this agreement in connection with a sale, merger, re-organization, or other disposition of the Rays or its Major League Baseball franchise so long as the assignee expressly assumes the Rays' obligations and liabilities hereunder. The County shall not assign this agreement without the prior written consent of the Rays.

22. Subordination to MLB Documents

This Agreement and any rights or exclusivities granted by the Rays hereunder shall in all respects be subordinate to each of the following, as may be amended from time to time (collectively, "MLB documents"):

- (a) Any present or future agreement entered into by, or on behalf of, any of the MLB entities or affiliates, or the member clubs acting collectively; or
- (b) The present and future mandates, rules, regulations, policies, bulletins, or directives issued or adopted by the Commissioner or the MLB entities.

The issuance, entering into, amendment or implementation of any of the MLB Documents shall be at no cost or liability to any MLB entity or affiliate or to any individual or entity related thereto.

No rights, exclusivities or obligations involving the Internet or any interactive or on-line media (as defined by the MLB entities) are conferred by this Agreement, except as specifically approved in writing by MLBAM or the applicable MLB entity.

23. Media Rights

It is expressly acknowledged and agreed by and between the parties that the County has no rights to, and shall receive no revenues from, the Rays' radio or internet broadcast or televising of any games played by the Rays, nor shall the County participate, in any manner, in determining when said games shall be scheduled, televised, or broadcast. The Rays and certain Major League Baseball entities shall have the sole and exclusive rights to record and/or transmit (or to license others to record and/or transmit) any Major League Baseball games played at the stadium via any technology now existing or hereinafter devised (including, without limitation, transmission via over-the-air television, cable television, radio, or on-line

technologies). The Rays shall own all worldwide copyright and all other rights in such games and the recordings and transmissions thereof. All rights to license any transmissions of any portions of the games, including the right to receive and retain all revenues generated from the sale or licensing of such transmission rights, shall belong solely and exclusively to the Rays and certain Major League Baseball entities. The County shall not either (a) record or transmit, or permit others to record or transmit, via any medium all or any part of the games played at the stadium, or (b) otherwise take any other action which is inconsistent with the terms and conditions of this Item 23.

24. Force Majeure

- (a) In the event that the Stadium is damaged or destroyed by hurricane, fire or other Act of God or casualty, the County shall, if practicable, cause the Stadium to be repaired or restored as soon as reasonably possible, and the amounts payable by the Rays hereunder shall be abated for the period from the date of casualty until the completion of the repairs or restoration of such portion or portions of the Stadium as shall have been rendered unusable by such damage.
- (b) If the County, in its sole determination, decides that it is not practicable to repair the Stadium it may elect to terminate this Agreement without penalty. Such election shall be exercised by the County by giving written notice thereof to the Rays within ninety (90) days after such casualty occurs. If the County elects to terminate the Agreement, any payments due from the Rays for future events shall cease to accrue as of the date of such casualty. The Rays shall be required to pay to County any monies owed to County for events that occurred prior to any such casualty.
- (c) If the County elects not to terminate this Agreement, it shall so notify the Rays by written notice within said ninety (90) days specifying the period of time within which the County reasonably estimates that the Stadium may be repaired or restored to its condition prior to the casualty. If such period of time exceeds one (1) year from the start of the repair or restoration to completion, then the Rays may terminate this Agreement without penalty, and shall provide written notice to County of said termination within ninety (90) days of the date of receipt of the notice from the County to the Rays referred to above.

25. Settlement of Disputes Arising Under the Agreement

- (a) Any controversy which shall arise between the Rays and the County regarding the rights, duties, or liabilities hereunder of either party shall be immediately communicated to the other party. In an attempt to settle, the parties agree to non-binding mediation in Charlotte County, Florida, pursuant to the laws of the State of Florida.

(b) This agreement shall be governed by, construed, and enforced in accordance with the laws of the State of Florida. In the event any litigation arises between the parties in connection with this Agreement, venue for said litigation shall lie exclusively in Charlotte County, Florida.

26. Entire Agreement

This agreement contains the entire agreement and understanding between the parties. There are no oral understandings, terms or conditions and neither party has relied on any representation, express or implied, not contained in this agreement or the simultaneous or prior writing heretofore. All prior understandings, terms or conditions are deemed to merge in this agreement and this agreement cannot be changed or supplemented orally, but only by an agreement in writing, and signed by the party against whom enforcement of any waiver, change, modification, or discharge is sought.

27. Severability

If any provision of this Agreement shall be declared invalid or unenforceable, the remainder of this Agreement shall continue in full force and effect.

28. Rights of Renewal

The Rays shall have five (5) options of renewing this agreement for an additional one (1) year period under the same terms and conditions hereof by giving County written notice of its intention to renew same not less than ninety (90) days prior to the expiration of the term hereof.

29. Notice

Any notice required or permitted to be sent hereunder shall be sent by certified mail, return receipt requested, to the parties at the addresses listed below:

If to County:  
County Administrator  
18500 Murdock Circle  
Port Charlotte, FL 33948-1094

with a copy to:  
Director Parks, Recreation  
and Cultural Resources  
2300 El Jobean Road  
Port Charlotte, FL 33948

If to Tampa Bay Devil Rays:  
Mr. John P. Higgins  
Tropicana Field  
One Tropicana Drive  
St. Petersburg, FL 33705

30. **Contact Persons**

The parties agree to designate one or more employees to whom all communications pertaining to the day-to-day conduct of the performance of this Agreement shall be addressed.

31. **Authority to Execute**

County and Rays both warrant to the other that they, and the persons executing this Agreement on behalf of each of them, have the right, power and authority to execute this Agreement.

32. **Effective Date**

This Agreement shall become effective upon the filing thereof in the public records of the Clerk of the Circuit Court of Charlotte County, Florida.

IN WITNESS WHEREOF, the parties have executed this agreement on the date first mentioned above.

TAMPA BAY DEVIL RAYS, LTD.

By: Matthew P. Silverman  
Matthew P. Silverman, President

STATE OF FLORIDA  
COUNTY OF PINKALAS

Sworn to and subscribed before me this 7th day of September, 2006 by Matthew P. Silverman, President of Tampa Bay Devil Rays, Ltd., who is personally known to me or who has produced N/A as identification.

John P. Higgins  
NOTARY PUBLIC

My commission expires John P. Higgins  
Commission # DD367358  
Expires October 30, 2008  
Notary Public - State of Florida, No. 00000000000000000000

BOARD OF COUNTY COMMISSIONERS  
OF CHARLOTTE COUNTY, FLORIDA

By: Thomas G. Moore  
Thomas G. Moore, Chair

ATTEST:  
Barbara T. Scott, Clerk of the Circuit  
Court and Ex-Officio Clerk of the  
Board of County Commissioners

By: Barbara T. Scott  
Deputy Clerk

APPROVED AS TO FORM  
AND LEGAL SUFFICIENCY:

By: Janette S. Knowlton  
Janette S. Knowlton  
County Attorney 04-444 DL

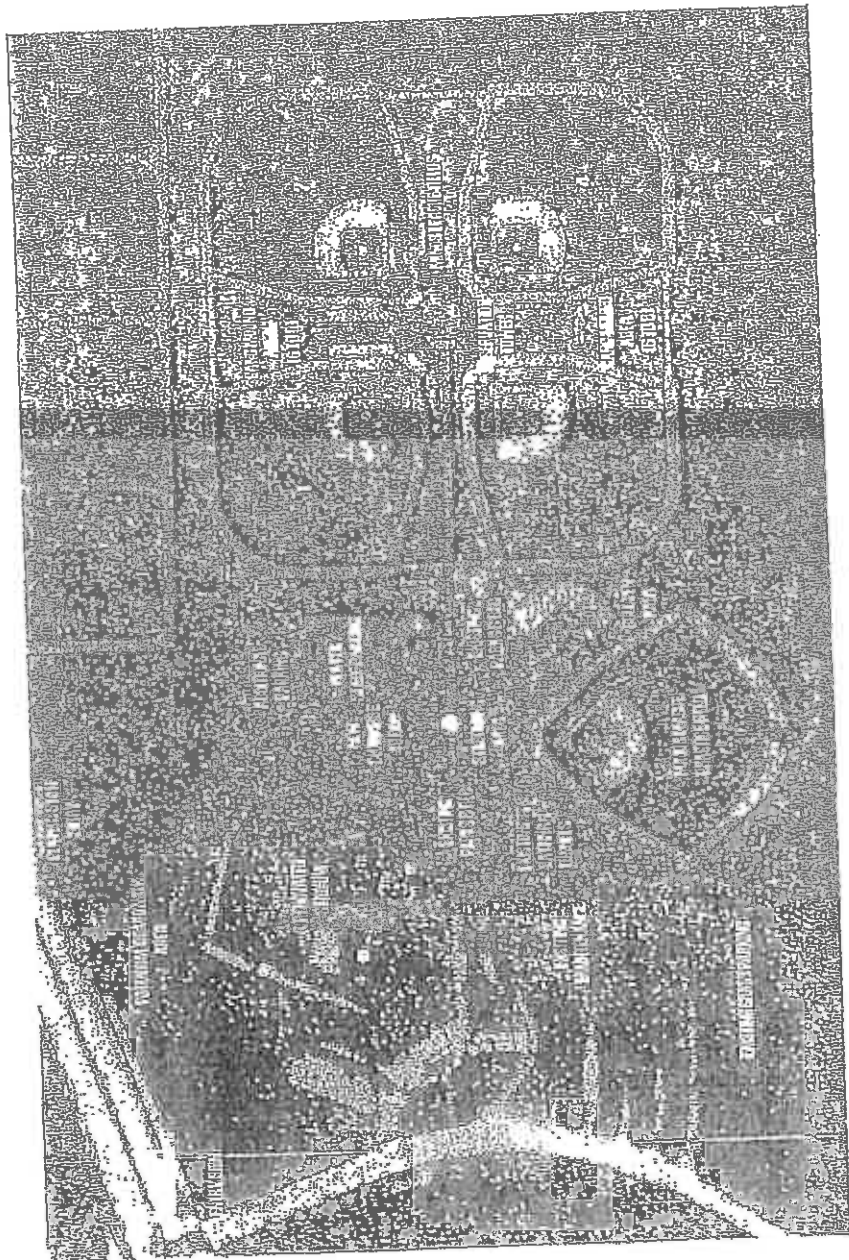
## SCHEDULE I: PROJECT CAPITAL FUNDING SOURCES

	State of Florida	Charlotte County funds (4th cent - one time)	Charlotte County funds (4th cent tourist tax)	Charlotte County funds (5th cent tourist tax)	Tempa Bay Deyl Rays (payment)
2007	\$ 500,000	\$ 450,000	\$ 450,000	\$ 450,000	\$ -
2008	\$ 500,000	\$ -	\$ 463,500	\$ 463,500	\$ -
2009	\$ 500,000	\$ -	\$ 352,405	\$ 477,405	\$ 595,190
2010	\$ 500,000	\$ -	\$ 366,727	\$ 491,727	\$ 566,546
2011	\$ 500,000	\$ -	\$ 381,479	\$ 506,479	\$ 537,042
2012	\$ 500,000	\$ -	\$ 396,673	\$ 521,673	\$ 506,653
2013	\$ 500,000	\$ -	\$ 412,324	\$ 537,324	\$ 475,353
2014	\$ 500,000	\$ -	\$ 428,443	\$ 553,443	\$ 443,114
2015	\$ 500,000	\$ -	\$ 445,047	\$ 570,047	\$ 409,907
2016	\$ 500,000	\$ -	\$ 462,148	\$ 587,148	\$ 375,704
2017	\$ 500,000	\$ -	\$ 479,762	\$ 604,762	\$ 340,475
2018	\$ 500,000	\$ -	\$ 497,905	\$ 622,905	\$ 304,190
2019	\$ 500,000	\$ -	\$ 516,592	\$ 641,592	\$ 266,815
2020	\$ 500,000	\$ -	\$ 535,840	\$ 660,840	\$ 228,320
2021	\$ 500,000	\$ -	\$ 555,665	\$ 680,665	\$ 188,669
2022	\$ 500,000	\$ -	\$ 576,085	\$ 701,085	\$ 147,829
2023	\$ 500,000	\$ -	\$ 597,118	\$ 722,118	\$ 105,764
2024	\$ 500,000	\$ -	\$ 618,781	\$ 743,781	\$ 100,000
2025	\$ 500,000	\$ -	\$ 641,095	\$ 766,095	\$ 100,000
2026	\$ 500,000	\$ -	\$ 664,078	\$ 789,078	\$ 100,000
2027	\$ 500,000	\$ -	\$ 687,750	\$ 812,750	\$ 100,000
2028	\$ 500,000	\$ -	\$ 712,133	\$ 837,133	\$ 100,000
2029	\$ 500,000	\$ -	\$ -	\$ -	\$ -
2030	\$ 500,000	\$ -	\$ -	\$ -	\$ -
2031	\$ 500,000	\$ -	\$ -	\$ -	\$ -
2032	\$ 500,000	\$ -	\$ -	\$ -	\$ -
2033	\$ 500,000	\$ -	\$ -	\$ -	\$ -
2034	\$ 500,000	\$ -	\$ -	\$ -	\$ -
2035	\$ 500,000	\$ -	\$ -	\$ -	\$ -
2036	\$ 500,000	\$ -	\$ -	\$ -	\$ -

## SCHEDULE 2: PROJECT MAINTENANCE AND OPERATIONS FUNDING SOURCES

	Charlotte County funds (Excluding 6220 budget)	Charlotte County funds (1/31 cent south 100)	Naming rights (County share)	Other event revenue	Tammy Boy Devil Boys (payments)	TOTAL
2009	\$ 387,043	\$ 125,000	\$ 75,000	\$ 220,000	\$ 116,550	\$ 923,593
2010	\$ 398,654	\$ 125,000	\$ 77,250	\$ 226,600	\$ 120,047	\$ 947,551
2011	\$ 410,614	\$ 125,000	\$ 79,568	\$ 233,398	\$ 123,648	\$ 972,227
2012	\$ 422,932	\$ 125,000	\$ 81,955	\$ 240,400	\$ 127,357	\$ 997,644
2013	\$ 435,620	\$ 125,000	\$ 84,413	\$ 247,612	\$ 131,178	\$ 1,023,823
2014	\$ 448,689	\$ 125,000	\$ 86,946	\$ 255,040	\$ 135,113	\$ 1,050,788
2015	\$ 462,150	\$ 125,000	\$ 89,554	\$ 262,692	\$ 139,167	\$ 1,078,562
2016	\$ 476,014	\$ 125,000	\$ 92,241	\$ 270,572	\$ 143,342	\$ 1,107,169
2017	\$ 490,294	\$ 125,000	\$ 95,008	\$ 278,689	\$ 147,642	\$ 1,136,634
2018	\$ 505,003	\$ 125,000	\$ 97,858	\$ 287,050	\$ 152,071	\$ 1,166,983
2019	\$ 520,153	\$ 125,000	\$ 100,794	\$ 295,662	\$ 156,633	\$ 1,198,242
2020	\$ 535,758	\$ 125,000	\$ 103,818	\$ 304,531	\$ 161,332	\$ 1,230,439
2021	\$ 551,831	\$ 125,000	\$ 106,932	\$ 313,667	\$ 166,172	\$ 1,263,603
2022	\$ 568,386	\$ 125,000	\$ 110,140	\$ 323,077	\$ 171,158	\$ 1,297,761
2023	\$ 585,437	\$ 125,000	\$ 113,444	\$ 332,770	\$ 176,292	\$ 1,332,944
2024	\$ 603,000	\$ 125,000	\$ 116,848	\$ 342,753	\$ 181,581	\$ 1,369,182
2025	\$ 621,090	\$ 125,000	\$ 120,353	\$ 353,035	\$ 187,029	\$ 1,406,507
2026	\$ 639,723	\$ 125,000	\$ 123,964	\$ 363,626	\$ 192,639	\$ 1,444,953
2027	\$ 658,915	\$ 125,000	\$ 127,682	\$ 374,535	\$ 198,419	\$ 1,484,551
2028	\$ 678,682	\$ 125,000	\$ 131,513	\$ 385,771	\$ 204,371	\$ 1,525,338
2029*	\$ 699,043	\$ 125,000	\$ 135,458	\$ 397,344	\$ 210,502	\$ 1,567,348
2030*	\$ 720,014	\$ 125,000	\$ 139,522	\$ 409,265	\$ 216,817	\$ 1,610,618
2031*	\$ 741,614	\$ 125,000	\$ 143,708	\$ 421,543	\$ 223,322	\$ 1,655,187
2032*	\$ 763,863	\$ 125,000	\$ 148,019	\$ 434,189	\$ 230,022	\$ 1,701,092
2033*	\$ 786,779	\$ 125,000	\$ 152,460	\$ 447,215	\$ 236,922	\$ 1,748,375

\*If applicable (i.e., rights of renewal are exercised)



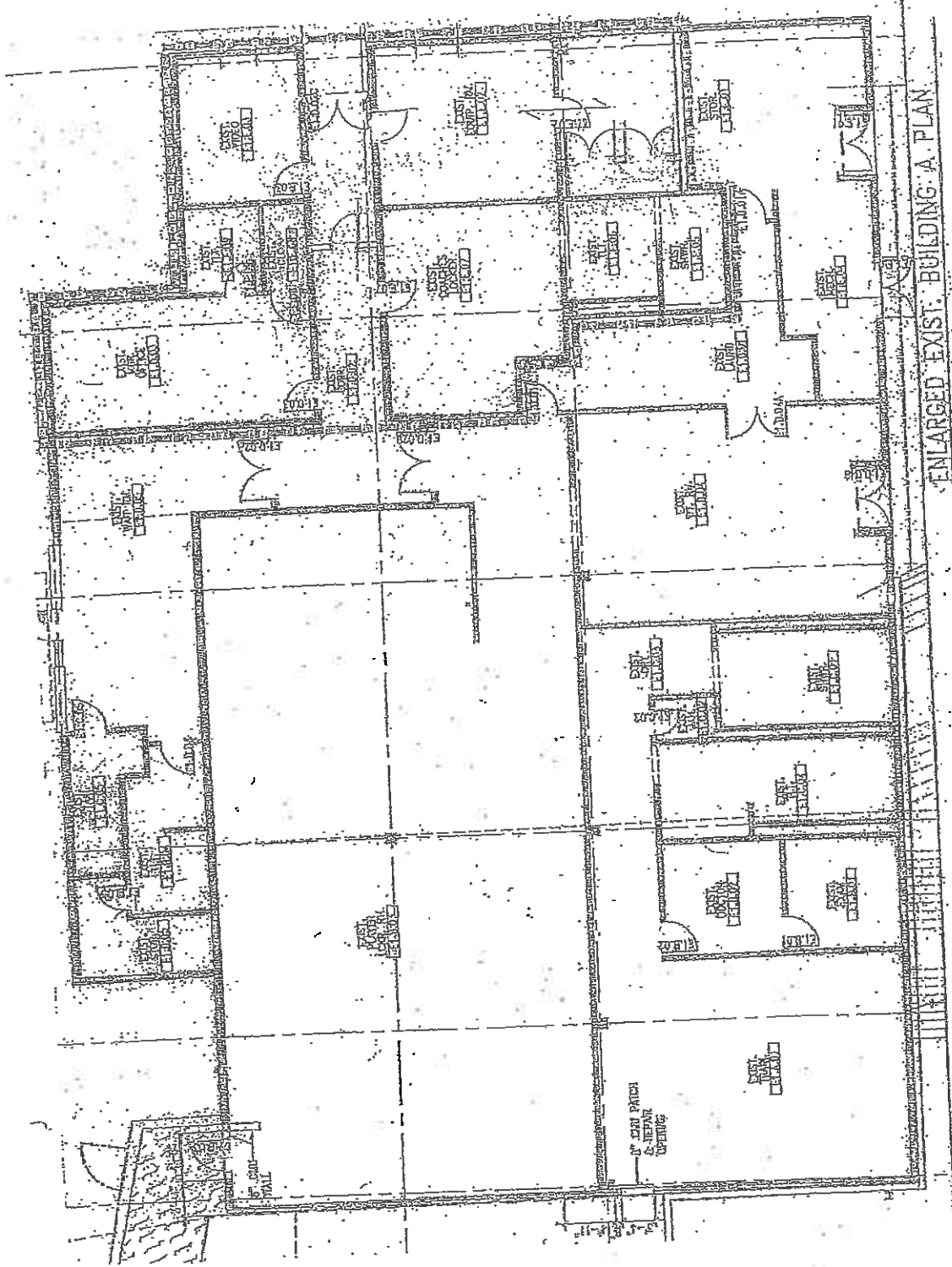
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ENLARGED EXIST. BUILDING - A PLAN

EXHIBIT "B"

**3) A COST-BENEFIT ANALYSIS OF THE TEAM'S IMPACT  
ON THE COMMUNITY**

# RESEARCH DATA SERVICES, INC.

777 SOUTH HARBOUR ISLAND BOULEVARD • SUITE 260

TAMPA, FLORIDA 33602

TEL (813) 254-2975 • FAX (813) 223-2986



**TAMPA BAY RAYS**  
CHARLOTTE COUNTY, FL

## **2014 Tampa Bay Rays Spring Training Visitor and Economic Impact Study**

*Charlotte County, Florida  
February 28, 2014 – March 29, 2014*

**Prepared for:**

*Charlotte Harbor Visitor & Convention Bureau*

**Prepared by:**

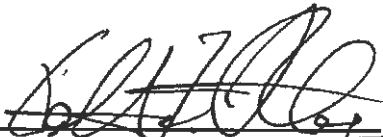
*Research Data Services, Inc.*

April 2014

## **Certification and General Limiting Conditions**

The following report has been prepared for 2014 Tampa Bay Rays Spring Training at the request of Ms. Lorah Steiner. **Research Data Services, Inc.** hereby certifies that, except as otherwise noted in the report:

1. We have no present or contemplated future interest in the project that is the subject of this study.
2. We have no personal interest or bias with respect to the subject matter of this report or the parties involved.
3. This report is based on estimates, assumptions, and other information developed from our research of the market, our knowledge of the industry, and our discussions with you and your representatives during which we were provided with certain information. The sources of information and the bases of estimates and assumptions are stated herein. To the best of our knowledge and belief, the statements of fact contained in this report, upon which analyses, opinions, and conclusions expressed herein are based, are true and correct.
4. This report sets forth all of the limiting conditions (imposed by the terms of our assignment or by the undersigned) affecting the analyses, opinions, and conclusions contained in this report.
5. Because circumstances may change and unanticipated events may occur subsequent to the date of this report, the reader must evaluate the assumptions and rationale of this report in light of the circumstances then prevailing. The terms of this engagement are such that we have no obligation to revise this report or the included projections to reflect events or conditions which occur subsequent to the completion of our fieldwork.

  
\_\_\_\_\_  
Walter J. Klages, Ph.D.  
President

*April 21, 2014*  
\_\_\_\_\_  
Date

## **Preface**

The following research project was undertaken at the request of Ms. Lorah Steiner, Director of Tourism, Charlotte Harbor Visitor & Convention Bureau.

The research objectives, as documented in the survey questionnaire (approved by the contracting parties), reflect the full scope of the project undertaken. The principal purpose of this study was to document the economic impact of the 2014 Tampa Bay Rays Spring Training season. In this context, the study tabulates and profiles both tourist/visitors and day-trippers who came to the area for the event.

The **findings of the study are based on 354 face-to-face interviews** conducted with randomly selected visitors at 2014 Tampa Bay Rays Spring Training games.

**Research Data Services, Inc.** is responsible for the design and analysis of this project. The research was implemented by staff interviewers, trained, and supervised by **RDS** professionals. The study questionnaire, processing softwares, optical scanning programs, and related materials developed and used in and for this project, as well as this report are protected by the copyright laws of the United States of America.

## **Summary of Research Findings**

The study of the Tampa Bay Rays' 2014 Spring Training was implemented to document the economic impact of season. ***The total economic impact of out-of-county visitors to 2014 Tampa Bay Rays Spring Training games is estimated to be \$20,978,500.*** Please note that this economic impact estimate only includes attendee spending. It does not address the spending of the Tampa Bay Rays, visiting teams, or media in the destination. Attendance figures provided by the team indicate some 78,624 people attended the 14 Tampa Bay Rays home spring training games in the Charlotte Sports Park from February 28, 2014 – March 29, 2014.

The following, in short summary, are the salient findings of the research:

### **A. Profile of Visitors Attending 2014 Tampa Bay Rays Spring Training games:**

1. Of the 78,624 people who attended the 2014 Tampa Bay Rays home Spring Training games, some 39.0% were Charlotte County residents or seasonal residents {Q1a}.
2. Non-resident attendees (61.0% of total) distribute as follows {Q1b):

	<u>% of Total</u>
• Day-Trippers	38.4%
• Overnight Visitors	22.6
3. Of the non-Charlotte resident attendees 68.0% came from other Florida counties, 22.7% from other states in the U.S., and 9.3% came from other countries {Q1a, Q2a, and Q2b}.
4. Overall, some 10.2% of game attendees had children under the age of 18 in their parties {Q3c}.

## 2014 Tampa Bay Rays Spring Training Economic Impact Study

5. The typical overnight visitor party attending 2014 Tampa Bay Rays Spring Training games had a median party size of 2.0 people and spent a median of 5.0 nights in the local area {Q3b and Q7}.

6. Day-trippers also traveled with a median party size of 2.0 people {Q3b}.

7. Non-residents traveled to the area using the following transportation modes {Q9} (multiple response):

• Personal Car	79.4%
• Rental Car	16.5
• Fly	15.5

8. In addition to spring training, out-of-town visitors volunteer enjoying the following other activities and interests in Charlotte County {Q11} (multiple response):

• Dining Out	49.6%
• Shopping	33.5
• Beach/Walking on the Beach	20.6
• Relaxing	17.8
• Bars/Nightlife	15.5
• Visiting with Friends/Relatives	15.1
• Swimming	11.3
• Pool	10.3
• Fishing	8.2

Some 2.6% of out-of-county spring training attendees also volunteer going to Snowbird Baseball Classic games while in the destination.

9. The majority of non-resident visitors surveyed (95.9%) plan to return to Charlotte County {Q12}. Specifically:

	<u>Plan to Return</u>
• Day-Trippers	95.6%
• Overnight Visitors	96.6

## 2014 Tampa Bay Rays Spring Training Economic Impact Study

10. Over half (52.5%) of respondents attended regular season Ray's games at Tropicana Field last season. Those respondents who did go to games report attending a median of two games during the 2013 season {Q4b}.
11. Better than four of every five Spring Training game attendees (86.4%) watched Rays games on television during the 2013 season, with a median of 13 televised games watched {Q4c}.
12. The respondent's reported average ages are as follows:

	<u>Respondent Age</u>
• Charlotte Residents	59.0
• Seasonal Residents	67.2
• Day-Trippers	56.7
• Overnight Visitors	55.6

13. The median annual income of non-resident game attendees is \$89,170.

### B. The Economic Impact of 2014 Tampa Bay Rays Spring Training on Charlotte County:

<u>Estimated Attendee Economic Impacts</u>	<u>Direct Expenditures</u>	<u>Economic Impact</u>
Spring Training Attendees	\$13,756,400	\$20,978,500

The total combined expenditures of out-of-county attendees of 2014 Tampa Bay Rays Spring Training games are **\$13,756,400**. The direct and indirect economic impact equals **\$20,978,500**. Additionally, residents and seasonal residents of Charlotte County spend an estimated \$1,749,600 attending spring training games. *Please note these estimates of economic impact exclude the in-destination spending of the Tampa Bay Rays, visiting teams and media.*



## 2014 Tampa Bay Rays Spring Training Economic Impact Study

The following represents a sampling of respondents' reactions to their spring training stadium experience:

- A bus to Tampa for regular season games would be nice.
- A scoreboard in right field would be nice.
- All good.
- Beautiful stadium.
- Best food at all the parks I've been to.
- Best in MLB! Family friendly.
- Better beer during Stone Crabs games. It's different from during Rays games.
- Come to experience the hot dog and get the shirt. Since we don't watch the games on TV, this is the greatest.
- Convenient. Spectator friendly.
- Everything is great. Just wish parking was free.
- Excellent seat. Great way to enjoy baseball.
- Friendly people and staff.
- Great facility.
- Great, convenient, clean, family atmosphere.
- Handicapped accessible and very friendly, helpful staff.
- Happy the way it is.
- Have more Yankees games here.
- It is close to home and has a nice outfield area. Very clean. Expensive beer.
- It's Ash Wednesday. It would be nice to have food other than meat to choose from.

## 2014 Tampa Bay Rays Spring Training Economic Impact Study

- It's good the way it is.
- It's great the way it is.
- Keep the Rays happy so they stay in town.
- Like the facility, but they confiscated my umbrella.
- Like how close you can sit to the players.
- Listen to all games on radio.
- More shade would be nice
- Need a walkway across 776.
- Need more golf carts to take elderly to cars after the game.
- Need more shade.
- Need more shaded areas to eat. Great venue.
- Nice and clean.
- Nice park. We are fans of the Red Sox.
- Nice the way it is.
- Nice.
- Normally 90 year old woman joins us, but she is sick today.
- Not enough handicapped parking.
- One complaint is they are playing heavy metal music.
- Parking is close and we get to be so close to the players.
- Perfect the way it is. Season ticket holder.
- Perfect, beautiful the way it is.
- Personnel are so helpful. Clean and neat. Great parking.
- So friendly and familiar here.
- Speaker system needs updating.

## 2014 Tampa Bay Rays Spring Training Economic Impact Study

- Staff is extremely helpful and friendly.
- The fields are muddy even though it is not raining.
- Traffic is horrible, just designate right lane for game only, and problems will be solved.
- We enjoy game experience, but complain about sound system. Can't hear line up.
- Wish other venues were offered here. Convenient. Clean. Food great. Kid friendly. Same staff faces. They know us.
- Wish there was a better food selection.
- Wish we could see the practice and see the warm up areas. Like boardwalk place.
- Would like a big screen TV by eating areas and more shade.
- Would like more shaded eating areas.
- Would like to have autograph sessions for kids.

4) EVIDENCE THAT THE CERTIFIED GOVERNMENTAL  
ENTITY CONTINUES TO MEET THE CRITERIA IN EFFECT  
WHEN APPLICANT WAS CERTIFIED

Evidence that the certified governmental entity continues to meet the criteria in effect when the applicant was certified

1. A “unit of local government” as defined in s. 218.369 is responsible for the acquisition, construction, management, or operation of the facility for a retained spring training franchise or holds title to the property on which the facility for a retained sprint training franchise is located. **Yes, the facility is County owned and holds the title to the property.**
2. The applicant has a verified copy of a signed agreement with a retained spring training franchise for the use of the facility for a term of at least 15 years. **Yes, the signed agreement is on file.**
3. The applicant has a financial commitment to provide 50 percent or more of the funds required by an agreement for the acquisition, construction, or renovation of the facility for a retained spring training franchise. The agreement can be contingent upon the awarding of funds under this section and other conditions precedent to use by the spring training franchise. **Yes, the financial commitment is on file.**
4. The applicant has projections, verified by the Office of Tourism, Trade, and Economic Development, which demonstrate that the facility for a retained spring training franchise will attract a paid attendance of at least 50,000 annually. **Yes, the County has attendance records:**

2009	103,255
2010	72,448
2011	74,082
2012	87,112
2013	90,935
2014	78,624

**City of Bradenton  
(Pittsburgh Pirates)**

**CITY OF BRADENTON / PITTSBURGH PIRATES - SCHEDULE OF REVENUES AND EXPENDITURES**

FY:	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>COSTS</b>														
Operating & Administrative Costs	\$ 597,678	\$ 553,579	\$ 618,816	\$ 562,694	\$ 549,302	\$ 92,264	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Property Taxes - Pirate City	\$ 82,296	\$ 84,901	\$ 99,801	\$ 99,591	\$ 104,929	\$ 114,117	\$ 80,060	\$ 79,903	\$ 211,941	\$ 201,631	\$ 176,368	\$ 186,812	\$ -	\$ -
Property Taxes - McKechnie Field	\$ 56,250	\$ 55,266	\$ 54,599	\$ 53,647	\$ 51,168	\$ 47,422	\$ 43,895	\$ 43,313	\$ 43,486	\$ 42,854	\$ 41,050	\$ 39,866	\$ -	\$ -
Capital Improvements <sup>(1)</sup> see below														
Debt Service														
1995 Subordinate Lien \$4,575,000	281,059	281,059	281,059	281,059	281,059	281,059	281,059	281,059	281,059	281,059	281,059	281,059	281,059	281,059
1998 Capital Improvement \$3,150,000	413,275	404,742	400,918	389,634	374,616	357,817								
2007 Special Obligation \$18,645,000					315,496	1,113,311	1,109,911	1,112,836	1,110,236	1,112,287	1,109,052	1,109,206	1,112,806	1,110,606
2012 Capital Improvements \$7,500,000										100,742	487,250	504,616	504,480	504,340
Capital Reserve Fund <sup>(2)</sup> Contributions						750,000		137,152	130,625	136,503	136,503	138,972	141,849	144,858
<b>Total Costs</b>	\$ 1,430,558	\$ 1,379,547	\$ 1,449,133	\$ 1,386,625	\$ 1,676,570	\$ 2,755,990	\$ 1,514,865	\$ 1,654,263	\$ 1,735,666	\$ 2,841,224	\$ 1,952,223	\$ 1,979,472	\$ 1,759,135	\$ 1,759,804
<b>REVENUES</b>														
Pirates Lease	40,446	94,783	119,256	138,989	195,884									
Manatee County														
Tourist Development Tax 10.5% of 2¢	203,800	216,065	238,572	253,906	263,510	263,611	255,531	269,361	289,237	366,602	400,000	400,000	400,000	400,000
Tourist Development Tax - 5th Cent														
Property Tax Reimbursement - Pirate City <sup>(3)</sup>														
14th Street CRA Contribution		32,069	34,537	36,294	38,221	36,678	27,328	27,062	69,297	64,336	62,314	58,756	50,000	50,000
State of Fla. Spring Training Facilities Grant								24,477	25,162	24,733	50,000	50,000	50,000	50,000
City of Bradenton								500,004	500,004	500,004	500,004	500,004	500,004	500,004
								833,359	851,966	1,885,549	939,905	970,712	809,131	809,800
<b>Total Revenues</b>	\$ 1,186,312	\$ 1,379,547	\$ 1,449,133	\$ 1,386,625	\$ 1,676,570	\$ 2,755,990	\$ 1,514,865	\$ 1,654,263	\$ 1,735,666	\$ 2,841,224	\$ 1,952,223	\$ 1,979,472	\$ 1,759,135	\$ 1,759,804

<sup>(1)</sup> Capital Improvements:

- 1998 \$3,000,000 Improvements to clubhouse
- 2007 \$18,645,000 Renovations to McKechnie Field and Pirate City
- 2012 \$7,500,000 Renovations to McKechnie Field

<sup>(2)</sup> Capital Reserve Fund - City to make annual contribution of \$125,000 with annual CPI increases up to a maximum of 4.5% Investment income earned on the amounts in the Capital Reserve Fund shall be added to the principal of the Capital Reserve Fund.

<sup>(3)</sup> Reimbursement from Manatee County for county portion of property tax bill

City of Bradenton  
FLEXIBLE PERIOD REPORT

08/11/2014  
17:18:48

FROM 2009 01 TO 2009 13

ACCOUNTS FOR:  
207 SPEC OBLIGATION DEBT-SER 2007

	ORIGINAL APPROP	TRANSFRS/ ADJSTMTS	REVISED BUDGET	ACTUALS	ENCUMBRANCES	AVAILABLE BUDGET	PCT USED
00000 REVENUES							
20704 334700 12301 PRO SPORTS STATE GRANT	500,004	0	0	500,004.00	.00	-500,004.00	.0%
20705 381001 INTERFUND TRANSFER IN-GEN FUN	609,908	0	0	609,907.28	.00	-609,907.28	.0%
51700 DEBT SERVICE PAYMENTS							
20751700 571000 DB207 PRINCIPAL - DEBT SER	345,000	0	0	345,000.00	.00	-345,000.00	.0%
20751700 572000 DB207 INTEREST - DEBT SER	764,536	0	0	764,536.28	.00	-764,536.28	.0%
20751700 595400 DB207 FEES-OTHER NON-OPERA	376	0	0	375.00	.00	-375.00	.0%



City of Bradenton  
FLEXIBLE PERIOD REPORT

08/11/2014  
17:13:05

FROM 2010 01 TO 2010 13

ACCOUNTS FOR:  
207 SPEC OBLIGATION DEBT-SER 2007

	ORIGINAL APPROP	TRANSFRS/ ADJSTMTS	REVISED BUDGET	ACTUALS	ENCUMBRANCES	AVAILABLE BUDGET	PCT USED
00000 REVENUES							
20704 334700 12301 PRO SPORTS STATE GRANT	500,004	0	0	500,004.00	.00	-500,004.00	.0%
20705 381001 INTERFUND TRANSFER IN-GEN FUN	614,458	0	0	614,458.00	.00	-614,458.00	.0%
51700 DEBT SERVICE PAYMENTS							
20751700 571000 DB207 PRINCIPAL - DEBT SER	360,000	0	0	360,000.00	.00	-360,000.00	.0%
20751700 572000 DB207 INTEREST - DEBT SER	752,462	0	0	752,461.28	.00	-752,461.28	.0%
20751700 595400 DB207 FEES-OTHER NON-OPERA	2,000	0	0	375.00	.00	-375.00	.0%

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City of Bradenton  
YEAR-TO-DATE BUDGET REPORT

PG 1  
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FOR 2011 13

	ORIGINAL APPROP	TRANSFRS/ADJUSTMNTS	REVISED BUDGET	YTD ACTUAL	ENC/REQ	AVAILABLE BUDGET	PCT USED
00000 REVENUES							
20704 334700 12301 PRO SPORTS STATE	-500,004	0	-500,004	-500,004.00	.00	.00	100.0%
20705 381001 INTERFUND TRANSFER IN	-610,357	0	-610,357	-610,357.00	.00	.00	100.0%
TOTAL REVENUES	-1,110,361	0	-1,110,361	-1,110,361.00	.00	.00	100.0%
TOTAL REVENUES	-1,110,361	0	-1,110,361	-1,110,361.00	.00	.00	100.0%
51700 DEBT SERVICE PAYMENTS							
20751700 571000 DB207 PRINCIPAL - D	370,000	0	370,000	370,000.00	.00	.00	100.0%*
20751700 572000 DB207 INTEREST - DE	739,861	0	739,861	739,861.28	.00	.28	100.0%*
20751700 595400 DB207 FEES-OTHER NO	500	0	500	375.00	.00	125.00	75.0%*
TOTAL DEBT SERVICE PAYMENTS	1,110,361	0	1,110,361	1,110,236.28	.00	124.72	100.0%
TOTAL EXPENSES	1,110,361	0	1,110,361	1,110,236.28	.00	124.72	100.0%
GRAND TOTAL	0	0	0	-124.72	.00	124.72	100.0%

\*\* END OF REPORT - Generated by Sharon Beauchamp \*\*

City of Bradenton  
YEAR-TO-DATE BUDGET REPORT

08/11/2014 16:21  
5075sbea

FOR 2012 13

	ORIGINAL APPROP	TRANFRS/ADJSTMTS	REVISED BUDGET	YTD ACTUAL	ENC/REQ	AVAILABLE BUDGET	PCT USED
00000 REVENUES							
20704 334700 12301 PRO SPORTS STATE	-500,004	0	-500,004	-500,004.00	.00	.00	100.0%
20705 381001 INTERFUND TRANSFER IN	-612,907	0	-612,907	-612,907.00	.00	.00	100.0%
TOTAL REVENUES	-1,112,911	0	-1,112,911	-1,112,911.00	.00	.00	100.0%
TOTAL REVENUES	-1,112,911	0	-1,112,911	-1,112,911.00	.00	.00	
51700 DEBT SERVICE PAYMENTS							
20751700 571000 DB207 PRINCIPAL - D	385,000	0	385,000	385,000.00	.00	.00	100.0%*
20751700 572000 DB207 INTEREST - DE	726,911	0	726,911	726,911.28	.00	-.28	100.0%*
20751700 595400 DB207 FEES-OTHER NO	1,000	0	1,000	375.00	.00	625.00	37.5%*
TOTAL DEBT SERVICE PAYMENTS	1,112,911	0	1,112,911	1,112,286.28	.00	624.72	99.9%
TOTAL EXPENSES	1,112,911	0	1,112,911	1,112,286.28	.00	624.72	
GRAND TOTAL	0	0	0	-624.72	.00	624.72	100.0%

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FOR 2013 13

City of Bradenton  
YEAR-TO-DATE BUDGET REPORT

	ORIGINAL APPROP	TRANSFRS/ ADJUSTMNTS	REVISED BUDGET	YTD ACTUAL	ENC/REQ	AVAILABLE BUDGET	PCT USED
00000 REVENUES							
20704 334700 12301 PRO SPORTS STATE	-500,000	0	-500,000	-500,004.00	.00	4.00	100.0%
20705 381001 INTERFUND TRANSFER IN	-609,052	0	-609,052	-609,052.00	.00	.00	100.0%
TOTAL REVENUES	-1,109,052	0	-1,109,052	-1,109,056.00	.00	4.00	100.0%
TOTAL REVENUES	-1,109,052	0	-1,109,052	-1,109,056.00	.00	4.00	100.0%
51700 DEBT SERVICE PAYMENTS							
20751700 571000 DB207 PRINCIPAL - D	395,000	0	395,000	395,000.00	.00	.00	100.0%
20751700 572000 DB207 INTEREST - DE	713,052	0	713,052	713,051.28	.00	.72	100.0%
20751700 573000 DB207 FEES & EXP -	1,000	0	1,000	.00	.00	1,000.00	.0%
TOTAL DEBT SERVICE PAYMENTS	1,109,052	0	1,109,052	1,108,051.28	.00	1,000.72	99.9%
TOTAL EXPENSES	1,109,052	0	1,109,052	1,108,051.28	.00	1,000.72	100.0%
GRAND TOTAL	0	0	0	-1,004.72	.00	1,004.72	100.0%

\*\* END OF REPORT - Generated by Sharon Beauchamp \*\*



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City of Bradenton  
YEAR-TO-DATE BUDGET REPORT

PG 1  
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FOR 2014 13

	ORIGINAL APPROP	TRANFRS/ADJSTMTS	REVISED BUDGET	YTD ACTUAL	ENC/REQ	AVAILABLE BUDGET	PCT USED
00000 REVENUES							
20704 334700 12301 PRO SPORTS STATE	-500,000	0	-500,000	-416,670.00	.00	-83,330.00	83.3%*
20705 381001 INTERFUND TRANSFER IN	-609,831	0	-609,831	-406,554.00	.00	-203,277.00	66.7%*
TOTAL REVENUES	-1,109,831	0	-1,109,831	-823,224.00	.00	-286,607.00	74.2%
TOTAL REVENUES	-1,109,831	0	-1,109,831	-823,224.00	.00	-286,607.00	
51700 DEBT SERVICE PAYMENTS							
20751700 571000 DE207 PRINCIPAL - D	410,000	0	410,000	.00	.00	410,000.00	.0%
20751700 572000 DE207 INTEREST - DE	698,831	0	698,831	349,415.64	.00	349,415.36	50.0%
20751700 573000 DE207 FEES & EXP -	1,000	0	1,000	839.67	.00	160.33	84.0%
TOTAL DEBT SERVICE PAYMENTS	1,109,831	0	1,109,831	350,255.31	.00	759,575.69	31.6%
TOTAL EXPENSES	1,109,831	0	1,109,831	350,255.31	.00	759,575.69	
GRAND TOTAL	0	0	0	-472,968.69	.00	472,968.69	100.0%

\*\* END OF REPORT - Generated by Sharon Beauchamp \*\*

## **City of Bradenton**

### **McKechnie Field – Pirate City Debt History**

---

1987 – 1995 maturity date

#### Florida League of Cities Loan

- Allocated up to \$4,000,000 for “municipal purposes”
- Drew down \$3,000,000 for renovations to McKechnie Field in 1992
- Balloon payment \$3,035,100 due December 1995

1995 – 2015 maturity date

#### Subordinate Lien Special Revenue Refunding Bonds - \$4,575,000

- Issued to refund the Golf Course Revenue Bonds - Series 1985 and the McKechnie Field capital improvements financed by the Florida League of Cities loan
- Allocation: 76% McKechnie; 24% Golf Course
- Paid off (final payment made 2012)

1998 – 2008 maturity date

#### Capital Improvement Revenue Bonds Series 1998 - \$3,150,000

- Issued to finance capital improvements to Pirate City
- Final payment of \$87,500 made June 1, 2008

2007 – 2037 maturity date

#### Special Obligation Revenue Bonds Series 2007 - \$18,645,000

- Issued to finance capital improvements to Pirate City and McKechnie Field
- State of Florida Retained Spring Training Facilities grant revenue - \$500,000/annually toward debt service
- Final payment of \$1,065,000 due September 1, 2037

2011 – 2027 maturity date

#### Special Obligation Revenue Bond Series 2012 - \$7,500,000

- Issued to finance capital improvements to McKechnie Field
- Final payment of \$2,750,165 due February 1, 2027

In the opinion of Nabors, Giblin & Nickerson, P.A., Bond Counsel, under existing statutes, regulations, rulings and court decisions and subject to the conditions referred to herein under "TAX EXEMPTION," interest on the Series 2007 Bonds is (a) excludable from gross income for federal income tax purposes and (b) not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations. Such income tax consequences referred to herein under "TAX EXEMPTION."

**\$18,645,000**  
**CITY OF BRADENTON, FLORIDA**  
**SPECIAL OBLIGATION REVENUE BONDS,**  
**SERIES 2007**

**Dated:** Date of Delivery

**Due:** September 1 (as shown below)

The City of Bradenton, Florida Special Obligation Revenue Bonds, Series 2007 (the "Series 2007 Bonds") will be issued only as fully registered bonds and will be initially registered only in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), which will act as securities depository for the Series 2007 Bonds. The Series 2007 Bonds will be available to purchasers in denominations of \$5,000 and any multiple thereof only under the book-entry system maintained by DTC through brokers and dealers who are, or act through, DTC Participants. Purchasers will not receive delivery of the Series 2007 Bonds. So long as any purchaser is the Beneficial Owner (as defined herein) of a Series 2007 Bond, the purchaser must maintain an account with a broker or dealer who is, or acts through, a DTC Participant to receive payment of principal of and interest on such Series 2007 Bond. See "DESCRIPTION OF THE SERIES 2007 BONDS - Book-Entry Only System" herein. Interest on the Series 2007 Bonds will be payable semiannually on March 1 and September 1 of each year, commencing on September 1, 2007.

The Series 2007 Bonds are being issued pursuant to Resolution 07-17, adopted by the City Council of the City of Bradenton, Florida (the "City") on March 14, 2007 (the "Resolution") for the purpose of (i) financing all or a portion of the cost of the acquisition, construction and equipping of improvements to McKechnie Field for Major League Baseball's Pittsburgh Pirates and other spring training facilities related thereto located within the City, (ii) funding the Reserve Fund through the deposit therein of a Reserve Fund Insurance Policy, described herein, and (iii) paying the costs of issuance of the Series 2007 Bonds, including the premium for a municipal bond insurance policy.

**The Series 2007 Bonds are subject to optional and mandatory redemption prior to maturity as described herein.**

The principal and interest on the Series 2007 Bonds are payable from and secured by a pledge of and lien upon (1) the Pledged Revenues (consisting of Retained Spring Training Franchise Sales Tax Revenues as such terms are defined herein), and (2) until applied in accordance with the provisions of the Resolution, all moneys, including investments thereof, in the funds established by the Resolution, other than the Rebate Fund, all in the manner and to the extent described herein and in the Resolution (collectively, the "Pledged Funds"). The City has covenanted to appropriate in its annual budget, by amendment, if necessary, such amounts of Non-Ad Valorem Revenues (as defined herein and in the Resolution) which are not otherwise pledged, restricted or encumbered, as shall be necessary, after taking into consideration the Pledged Funds, to pay the principal of and interest on the Series 2007 Bonds when due and all required rebate payments and to fund the Reserve Fund to the extent of any deficiencies therein. Such covenant to appropriate Non-Ad Valorem Revenues is not a pledge by the City of such Non-Ad Valorem Revenues and is subject in all respects to the payment of obligations secured by a pledge of such Non-Ad Valorem Revenues heretofore or hereafter entered into (including the payment of debt service on bonds or other debt instruments) and also to the payment of services and programs which are for essential public purposes affecting the health, safety and welfare of the inhabitants of the City or which are legally mandated by applicable law. The City currently intends to pay debt service on the Series 2007 Bonds first with Pledged Revenues and thereafter from appropriated Non-Ad Valorem Revenues. See "SECURITY FOR THE SERIES 2007 BONDS" herein.

**THE SERIES 2007 BONDS SHALL NOT BE OR CONSTITUTE GENERAL OBLIGATIONS OR INDEBTEDNESS OF THE CITY AS "BONDS" WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION, BUT SHALL BE SPECIAL OBLIGATIONS OF THE CITY, PAYABLE SOLELY FROM AND SECURED BY THE PLEDGED FUNDS AND BY AMOUNTS BUDGETED AND APPROPRIATED BY THE CITY FROM NON-AD VALOREM REVENUES IN ACCORDANCE WITH THE RESOLUTION. NO HOLDER OF ANY SERIES 2007 BOND SHALL EVER HAVE THE RIGHT TO COMPEL THE EXERCISE OF ANY AD VALOREM TAXING POWER TO PAY SUCH SERIES 2007 BOND, OR BE ENTITLED TO PAYMENT OF SUCH SERIES 2007 BOND FROM ANY MONEYS OF THE CITY, EXCEPT FROM THE PLEDGED FUNDS, IN THE MANNER AND TO THE EXTENT PROVIDED IN THE RESOLUTION.**

The scheduled payment of principal of and interest on the Series 2007 Bonds when due will be guaranteed under an insurance policy to be issued concurrently with the delivery of the Series 2007 Bonds by Financial Security Assurance Inc. See "MUNICIPAL BOND INSURANCE" herein.



**MATURITIES, AMOUNTS, INTEREST RATES, YIELDS  
AND INITIAL CUSIP NOS.**

\$9,790,000 Serial Bonds									
Maturity (September 1)	Amount	Interest Rate	Yield	Initial CUSIP No.	Maturity (September 1)	Amount	Interest Rate	Yield	Initial CUSIP No.
2008	\$335,000	4.000%	3.59%	104178DH8	2018	\$485,000	4.000%	4.020%	104178DT2
2009	345,000	3.500	3.60	104178DJ4	2019	505,000	4.000	4.090	104178DU9
2010	360,000	3.500	3.61	104178DK1	2020	525,000	4.000	4.170	104178DV7
2011	370,000	3.500	3.62	104178DL9	2021	545,000	4.125	4.220	104178DW5
2012	385,000	3.600	3.66	104178DM7	2022	570,000	4.125	4.260	104178DX3
2013	395,000	3.600	3.70	104178DN5	2023	595,000	4.125	4.300	104178DY1
2014	410,000	4.000	3.73	104178DP0	2024	615,000	4.125	4.330	104178DZ3
2015	430,000	4.000	3.78	104178DQ8	2025	640,000	4.250	4.360	104178EA2
2016	445,000	5.000	3.83	104178DR6	2026	670,000	4.250	4.390	104178EB0
2017	465,000	4.000	3.91	104178DS4	2027	700,000	4.250	4.400	104178EC8

\$3,965,000, 4.250% Term Bonds due September 1, 2032 - Yield 4.460% - Initial CUSIP No. 104178ED6  
\$4,890,000, 4.375% Term Bonds due September 1, 2037 - Yield 4.500% - Initial CUSIP No. 104178EE4

This cover page contains certain information for quick reference only. It is not a summary of this issue. Investors must read this entire Official Statement to obtain information essential to the making of an informed investment decision.

The Series 2007 Bonds are offered when, as and if issued and accepted by the Underwriter, subject to the approving legal opinion of Nabors, Giblin & Nickerson, P.A., Tampa, Florida, Bond Counsel, and certain other conditions. Certain legal matters will be passed upon for the City by the City Attorney, William R. Lisch, Esq., Bradenton, Florida. Nabors, Giblin & Nickerson, P.A., Tampa, Florida is serving as Disclosure Counsel to the City. Certain legal matters will be passed upon for the Underwriter by Edwards Angell Palmer & Dodge LLP, West Palm Beach, Florida. REC Daim Rauscher Inc., doing business under the name RBC Capital Markets, has served as financial advisor to the City with respect to the offering of the Series 2007 Bonds. It is expected that settlement for the Series 2007 Bonds will occur through the facilities of DTC in New York, New York, on or about April 5, 2007.

**Banc of America Securities LLC**

**Revenue Status Report**  
 City of Bradenton  
 10/1/2006 through 9/30/2007

revstat.rpt  
 11/20/2007 5:21PM  
 Periods: 0 through 13

Account Number	Adjusted Estimate	Revenues	Year-to-date Revenues	Balance	Prct Rcvd
305 PIRATE CITY SPEC OBLIGATION-CONSTRUCTION					
361100-000 INTEREST EARNINGS	388,600.00	388,683.06	388,683.06	-83.06	100.02
381001-000 NON REV-INTERFUND TRANSFER 001	711,776.00	711,775.40	711,775.40	0.60	100.00
384000-000 PROCEEDS FROM DEBT ISSUANCE	18,145,300.00	18,145,236.37	18,145,236.37	63.63	100.00
Total PIRATE CITY SPEC OBLIGATION-CONSTRUCTION	19,245,676.00	19,245,694.83	19,245,694.83	-18.83	100.00



**Expenditure Status Report**  
 City of Bradenton  
 10/1/2006 through 9/30/2007

expstat.rpt  
 11/20/2007 5:21PM  
 Periods: 0 through 13

305 PIRATE CITY SPEC OBLIGATION-CONSTRUCTION  
 582000 CAPITAL IMPROVEMENTS

Account Number	Adjusted Appropriation	Expenditures	Year-to-date Expenditures	Year-to-date Encumbrances	Balance	Prct Used
582000-021 PIRATE CITY/MCKECHNIE FIELD	11,152,114.00	9,641,010.05	9,641,010.05	1,511,103.58	0.37	100.00
582000-954 FEES AND EXPENSES	135,203.00	135,202.67	135,202.67	0.00	0.33	100.00
Total CAPITAL IMPROVEMENTS	11,287,317.00	9,776,212.72	9,776,212.72	1,511,103.58	0.70	100.00
Total PIRATE CITY SPEC OBLIGATION-CONSTRUCTION	19,245,676.00	9,776,212.72	9,776,212.72	1,511,103.58	7,958,369.70	58.65

**Expenditure Status Report**  
 City of Bradenton  
 10/1/2007 through 9/30/2008

expstat.rpt  
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 Periods: 0 through 13

Account Number	Adjusted Appropriation	Expenditures	Year-to-date Expenditures	Year-to-date Encumbrances	Balance	Prct Used
305	PIRATE CITY SPEC OBLIGATION-CONSTRUCTION					
582000	CAPITAL IMPROVEMENTS					
582000-021	10,169,132.00	10,169,081.38	10,169,081.38	0.00	50.62	100.00
Total	10,169,132.00	10,169,081.38	10,169,081.38	0.00	50.62	100.00

LEASE AND OPERATING AGREEMENT

BY AND BETWEEN

PITTSBURGH ASSOCIATES

AND

THE CITY OF BRADENTON

DATED AS OF DECEMBER 28, 2006

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LEASE AND OPERATING AGREEMENT

THIS LEASE AND OPERATING AGREEMENT (this "Lease") is made and entered into as of the 28th day of December, 2006 (the "Effective Date") by and between THE CITY OF BRADENTON, a municipal corporation of the State of Florida (the "City"), and PITTSBURGH ASSOCIATES, a Pennsylvania general partnership (the "Team").

RECITALS:

- A. The City owns McKechnie Field (as defined below) and Pirate City (as defined below).
- B. The Team owns and operates a major league professional baseball team known as the Pittsburgh Pirates and is affiliated with minor league professional baseball teams in various cities throughout the United States.
- C. The Team has been using McKechnie Field and Pirate City pursuant to the Existing Lease (as defined herein).
- D. The City and the Team desire to terminate the Existing Lease and to enter into this Lease so that the Team can continue to use McKechnie Field and Pirate City as a spring training site and for other purposes on the terms and conditions contained herein.
- E. It is in the City's best interest to enter into this Lease because of the substantial revenues that will be earned by the City's residents and businesses from the sale of goods and services necessary to supply the personnel engaged in the activities of the Team, because of the substantial tourist business such activities will attract and because of the substantial publicity and goodwill that the City will receive in the cities whose baseball teams are training in the City.

NOW, THEREFORE, in consideration of the mutual promises, undertakings and covenants hereinafter set forth, and intending to be legally bound hereby, the City and the Team covenant and agree as follows:

ARTICLE 1  
LEASE

Section 1.1 Defined Terms.

In addition to other terms defined herein, the following terms, as used in this Lease, shall have the meaning set forth below:

"Advertising" shall mean, collectively, all advertising, sponsorship, and promotional activity, signage, designations (including "pouring rights" or similar designations and rights of exclusivity and priority), messages and displays of every kind and nature, whether now existing or developed in the future, including permanent, non-permanent, and transitory signage, or advertising displayed on permanent or non-permanent advertising panels or on structures, fixtures, or equipment (such as scoreboard advertising and canopy advertising); audio or video public address advertising and message board advertising; programs; electronic insertion and

other forms of virtual signage; sponsor-identified projected images; advertising on or in schedules, admission tickets, and yearbooks; all other print and display advertising; promotional events sponsored by advertisers; advertising display items worn or carried by Concessionaire or personnel engaged in the operation of any Event; and logo, slogan or other forms of advertising affixed to or included with cups, hats, T-shirts; advertising of Concessions; advertising through Broadcast Rights; and other Concessions, promotional or premium items.

"Advertising Rights" shall mean the right to display, control, conduct, lease, permit, sell and enter into agreements regarding the display of all Advertising in the Complex.

"Affiliate" of a specified Person shall mean any corporation, partnership, limited liability company, sole proprietorship or other Person that directly or indirectly, through one or more intermediaries controls, is controlled by or is under common control with the Person specified. The term "control" means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person.

"Alterations" shall mean any alteration, addition, modification or improvement to the Complex that does not constitute Capital Repair Work.

"Appurtenant Property Rights" shall mean all air rights and easements necessary for the efficient operation of the Complex in a manner consistent with a first-class MLB spring training facility including any permanent easements for Utilities, parking, ingress, egress, air and light that benefit the Complex identified on Exhibit 1.

"Architect" shall mean Fawley Bryant Architects, Inc. or any other design professional designated by the parties to perform work in connection with this Lease.

"Broadcast Rights" shall mean the rights and other fees and arrangements relating to the production and distribution of the Events for commercial televisions, noncommercial televisions (by over-the-air, cable or otherwise), internet and other interactive media, and any other media hereinafter available whether or not within the current contemplation of the Parties, including direct sales of Advertising by the Team, radio broadcast or any other media fees and revenues, and any income attributable to such broadcasts (whether in or out of the local market).

"Capital Reserve Fund" shall mean the account established, pursuant to the terms of Section 7.3 hereof for the purpose of funding Capital Repair Work.

"Capital Repair Work" shall mean (a) all capital modifications, replacements or additions to the Complex that are reasonably necessary to keep the facilities and amenities of the Complex in good repair and sound condition and the cost of which may properly be capitalized under GAAP as a capital expenditure; (b) repairs and replacements that are reasonably necessary to maintain the roof, foundation and the structural integrity of the Complex, and preserve its usefulness for the purposes for which it is being leased hereunder; and (c) repairs or replacements with an estimated cost in excess of \$100,000 subject to annual CPI increases;

"Capital Repair Plans" shall mean the drawings and specifications and other documents that clearly delineate the work to be performed in completing Capital Repair Work.



"City" shall mean the City of Bradenton, Florida.

"City Event" shall mean an event at the Complex that (a) is sponsored by the City or any entity other than the Team and (b) is scheduled with the approval of the Team in accordance with Section 4.4 hereof.

"City Event Specific Concessions" shall have the meaning set forth in Section 6.10(b) hereof.

"City Indemnified Persons" shall mean the City and its board members, officers, employees and agents.

"Claim" shall mean any claim, demand or dispute between the Parties relating to this Lease.

"Commencement Date" shall mean the date of substantial completion, upon which the work related to the construction of the Complex is essentially and satisfactorily complete in accordance with the Final Design and related documents, such that the Complex is ready for opening to the general public and full occupancy or use by the Team. A minor amount of work, as determined by and at the discretion of the Team, such as installation of minor accessories or items, a minor amount of painting, minor replacement of defective work, minor adjustment of controls or sound systems, or completion or correction of minor exterior work that cannot be completed due to weather conditions, will not delay determination of substantial completion. In no event shall substantial completion be deemed to have occurred unless such certificates required by all Laws for opening of the Complex to the general public have been issued to the Team.

"Communication System" shall mean the internal broadcasting system at the Complex, including public address system, scoreboards, game clocks, televisions, matrix boards, loudspeaker systems, public address systems, timers, clocks, message centers (including electronic message boards), video screens, signs, marquees and any other facilities within the Complex designed to communicate with spectators at Events (and all control rooms and equipment rooms for the same).

"Complex" shall mean McKechnie Field and Pirate City.

"Concessionaire" shall have the meaning set forth in Section 6.10(a) hereof.

"Concession Operations" shall mean the exercise and operation of all Concession Rights at the Complex.

"Concession Rights" shall mean, collectively, the right to sell, display, distribute and store Concessions and to conduct catering and banquet sales and service (including catering service with respect to Suites, private clubs and party areas).

"Concessions" shall mean all food and beverages, novelties and merchandise, or other such products sold by the designated Concessionaire at the Complex.

"Contractor" shall mean NDC Construction Company or any other Contractor designated by the parties to perform services in connection with this Lease.

"County" shall mean the County of Manatee, State of Florida.

"CPI Increases" shall mean increases, calculated from January 1 of the calendar year in which the Commencement Date occurs to such date as may be relevant, in the index known as the United States Department of Labor Bureau of Labor Statistics, Consumer Price Index, All Urban Consumers, United States City Average, All items (1982-84=100) (the "CPI") or the successor index that most closely approximates the CPI as agreed to by the City and the Team.

"Damages" shall mean any loss, liability, claim, damage, cost and expense, including costs of investigation and defense and reasonable attorneys' fees, whether the action is for money damages, or for equitable or declaratory relief.

"Development Agreement" shall mean that certain Development Agreement between the Team and the City of even date herewith.

"Emergency Repairs" shall mean any repairs, maintenance, modifications or improvements, which, if not immediately made, would endanger the health and safety of the people working in or attending an Event in the Complex, would cause imminent damage to any significant component of the Complex, or would render the Complex, or any material portion of its mechanical, electrical or plumbing systems or other significant component thereof, unusable for previously scheduled Events.

"Event" shall mean City Events and Team Events at the Complex.

"Event of Default" shall have the meaning set forth in Article 10 hereof.

"Existing Lease" shall mean that certain Amended and Restated Agreement and Lease, by and between the City and the Team, dated August 14, 1991, together with the amendments dated February 3, 1992, June 23, 1992, and May 14, 1998, and any other amendments or supplements thereto executed by the Parties prior to the Effective Date.

"Expiration Date" shall mean the date that is the last day of the Initial Term.

"Extension Terms" shall mean any extension terms beyond the Initial Term as provided in Section 2.3 hereof.

"Final Design" shall mean the design of the Complex reflected in Construction Drawings and Specifications, as defined in the Development Agreement.

"Force Majeure" shall mean acts of God, accidents, fire or other casualty, earthquake, hurricane, tornadoes, named storms, flood, war, riot, intervention by civil or military authorities of government, insurrection, or other civil commotion, governmental action, material shortages, work stoppages (including any strike, boycott, labor dispute or other work stoppage) or any other similar or like event or occurrence beyond the reasonable control of a Party hereto, that causes

such Party to be delayed or hindered in, or prevented from, the performance of any covenant or obligation hereunder.

"GAAP" shall mean generally accepted accounting principles set forth in the opinions and pronouncements of the Accounting Principles Board and the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or in such other statements by such other entity as may be in general use (such as GASB) by significant segments of the accounting profession, which are applicable to the circumstance as of the date of determination.

"Government Securities" shall mean (a) any bonds or other obligations of the United States of America which, as to principal and interest, constitute direct obligations of or are guaranteed by the United States of America for the full and timely payments thereof; (b) any bonds, debentures, participation certificates, notes or other obligations of any agency or other corporation which had been or may hereafter be created by or pursuant to an act of Congress of the United States as an agency or instrumentality thereof, the bonds, debentures, participation certificates, notes or other obligations of which are unconditionally guaranteed by the United States of America as to full and timely payment of the principal of and interest thereon; and (c) any certificates or other evidences of a direct ownership interest in obligations of the character described in clauses (a) and (b) hereof or in consisting solely of the principal thereof or solely of the interest thereon, which certificates or other evidences are maintained in the records of the Federal Reserve and are held by a custodian, provided that Government Securities shall not include any unit investment trusts, money market mutual funds, or other mutual funds.

"Governmental Authority" shall mean any federal, state, county, city, local or other government or political subdivision or any agency, authority, board, bureau, commission, department or instrumentality thereof.

"Hazardous Materials" shall mean any hazardous substance, pollutant or contaminant as defined in the Comprehensive Environmental Response, Compensation and Liability Act, as amended (42 U.S.C. §§ 9601 et seq.), or the regulations promulgated thereunder; (b) any hazardous waste or hazardous substance as defined or regulated by applicable state or local statutes, laws, ordinances, rules or regulations; (c) any substance containing petroleum, as that term is defined in section 9001(8) of the Resource Conservation and Recovery Act, as amended (42 U.S.C. § 6991(8)) or in 40 C.F.R. § 280.1; or (d) any other substance for which any governmental entity with jurisdiction over the Complex requires special handling in its storage, treatment or disposal.

"Initial Term" shall mean the time period beginning on the Commencement Date and ending on October 31 of the year in which the thirtieth (30th) full Season following the Commencement Date is concluded.

"Laws" any law, statute, code, ordinance, rule, regulation or constitutional or charter provision, duly enacted or adopted by any Governmental Authority.

"Lease" shall mean this Lease and Operating Agreement by and between the City and the Team.

"Lease Term" shall mean the Initial Term and the Extension Terms, if any.

"Lease Year" shall mean each period of twelve (12) months occurring during the Lease Term, beginning on the Commencement Date; provided, that if the Commencement Date is January 1, then the first Lease Year shall be the partial calendar year from the Commencement Date to November 1<sup>st</sup> and all subsequent Lease Years shall commence on the first day of January.

"Legal Requirements" shall mean all present and future Laws (including environmental Laws) applicable to the design, development, construction, equipping, use, occupancy, possession, operation, maintenance and management of the Complex.

"Major League Baseball" or "MLB" shall mean, collectively, the Office of the Commissioner of Baseball, the Commissioner of Baseball, the Major League Baseball clubs, the Ownership Committee of Baseball, and/or any other Person appointed by any of the foregoing, or any successor substitute association or entity of which the Team is a member or joint owner and which engages in professional baseball in a manner comparable to Major League Baseball.

"Manage" or "Management" shall mean manage, coordinate, control, operate and supervise the conduct and operation of the ordinary and usual business and affairs pertaining to or necessary for the proper operation, maintenance and management of the Complex, all in accordance with the terms and provisions of this Lease.

"City's Suite" shall mean that Suite, identified in the Final Design, that shall be licensed to the City for access and use by the City for all Events and City functions and business.

"McKechnie Field" shall mean the baseball complex located at 1601 9th Street West, Bradenton, Florida, commonly known as McKechnie Field, including the land, the stadium and grandstands, press box, Concessions, the baseball playing field, batting cages, the clubhouses and locker room facilities, offices, restroom facilities, parking areas, roads, walkways, all fixtures and nonmoveable equipment affixed thereto or located thereat, all as set forth in the Final Design, and any improvements made to the foregoing from time to time pursuant to this Agreement or otherwise.

"MLB Rules and Regulations" shall mean, collectively, the Major League Agreement, the Major League Constitution, the Major League Rules, and any other rules, guidelines, regulations or requirements of the Office of the Commissioner of Baseball, the Commissioner, Major League Baseball Enterprises, Inc., Major League Baseball Properties, the Ownership Committee of Baseball, and/or any other Person appointed by any of the foregoing that are generally applicable to MLB clubs, as applicable, all as the same now exist or may be amended or adopted in the future.

"Naming Rights" shall mean the sole and exclusive right to grant the privilege to, or to sell to, any third party or parties the right to name and rename all, or separately name and rename any portions, of the Complex (and to retain the proceeds therefrom).

"Operating Expenses" shall mean all necessary expenses incurred by the Team in connection with the Management of the Complex and the performance of its duties hereunder,

including Utility costs, (excluding reclaimed water), insurance costs and, to the extent applicable, Real and Personal Property Taxes and costs of Routine Maintenance.

"Parties" shall mean the City and the Team.

"Permits" shall mean any permit, license or approval to be issued by any Person, including required permits for the operation of the Complex or for the installation, alteration or repair of any improvements related in any manner to the Complex.

"Permitted Encumbrances" shall mean easements and other similar matters of record that are listed in Exhibit 4 hereto.

"Person" shall mean any natural person, sole proprietorship, corporation, partnership, trust, limited liability company, limited liability association, unincorporated association, joint venture, joint-stock company, Governmental Authority, or any other entity.

"Pirate City" shall mean the baseball facilities located at 27th Street East and 18th Street East, Bradenton, Florida, commonly known as the Pirate City Baseball Training Facility, adjacent to and including the dormitory, which facilities include four baseball playing fields with fencing, a half field, a combination field maintenance building and observation tower, a clubhouse and locker room facilities, all-purpose room, related facilities and any improvements made to the foregoing from time to time pursuant to this Agreement or otherwise.

"Prime Rate" shall mean that rate of interest published from time to time in the Money Rates column of The Wall Street Journal as the "Prime Rate" or "Prime Interest Rate."

"Real and Personal Property Taxes" shall mean all real estate taxes, personal property taxes, assessments and other governmental levies and charges, general and special, ordinary and extraordinary, of any kind or nature, lawfully levied or assessed by federal, state, County or municipal government, upon or with respect to the Complex and any and all other improvements hereafter constituting a part of the Complex, any tax on the Team's rights hereunder in the nature of a leasehold tax, or any taxes in lieu thereof.

"Restoration Fund" shall mean such fund as the Team shall establish to hold and disburse insurance proceeds.

"Routine Maintenance" shall mean the provision of all labor and materials that are required to (a) keep the Complex in good order and repair that is of a routine, regular and predictable nature, and (b) keep the Complex clean and free of debris. Routine Maintenance shall not include Capital Repair Work. Routine Maintenance shall include the following:

(1) performing all preventative or routine maintenance that is stipulated in operating manuals for the equipment as regular, periodic maintenance procedures;

(2) regular maintenance procedures for the HVAC system, including periodic cleaning, lubricating and changing of air filters;

- (3) groundskeeping and maintenance of the surface of the field, including mowing, seeding, fertilizing, marking lines, installing and removing bases and the pitcher's mound and minor repatching of sod;
- (4) changing of standard, isolated light bulbs, fuses and circuit-breakers as they burn out;
- (5) cleaning all portions of the Complex immediately after each Event;
- (6) touch-up painting; and
- (7) readying the playing field each Lease Year for the upcoming Season.

"Site Plan" shall mean the site plan attached hereto as Exhibit 2.

"Suite Revenues" shall mean all revenue generated by the subleasing or sublicensing of the Suites.

"Suites" shall mean the private suites at McKechnie Field identified in the Final Design.

"Team Agents" shall mean the Team's subtenants, invitees, licensees, Concessionaire, partners, members, shareholders, directors, governors, officers, employees and agents, and their respective successors and assigns.

"Team Event" shall mean all events at the Complex scheduled by the Team, including MLB exhibition games, public assemblies, the holding of athletic contests and exhibitions, sporting events and tournaments, conventions, musical and dramatic performances and other business, social, cultural, scientific and recreational events, as is an appropriate use of the Complex in the sound judgment of the Team.

"Team Indemnified Persons" shall mean the Team and its partners, members, shareholders, directors, governors, officers, employees and agents.

"Utilities" shall mean heat, water and sewer, gas, electricity, telephone, cable communications and other Utilities serving the Complex.

#### Section 1.2 Construction of Terms.

As the context of this Lease may require, terms in the singular shall include the plural (and vice versa) and the use of feminine, masculine or neuter genders shall include each other. Wherever the word "including" or any variation thereof, is used herein, it shall mean "including, without limitation" and shall be construed as a term of illustration, not a term of limitation. Wherever the word "or" is used herein, it shall mean "and/or".

ARTICLE 2  
TERM

Section 2.1 Grant.

Subject to the terms, conditions and provisions of this Lease, the City hereby leases to the Team, and the Team hereby leases from the City, the entire Complex. The Team shall have sole and exclusive possession of the Complex, subject to the right of the City to enter thereon pursuant to this Lease. The Team is hereby granted full use of all Appurtenant Property Rights, subject to the terms and conditions thereof.

Section 2.2 Lease Term.

The Initial Term shall continue through the Expiration Date, unless extended pursuant to Section 2.3 hereof or otherwise terminated in accordance with the provisions of this Lease. When the Commencement Date is established, the Parties shall execute and deliver an "Acknowledgment of Commencement Date" in the form attached to this Lease as Exhibit 3.

Section 2.3 Extension Terms.

Provided that no Event of Default by the Team shall have occurred and be continuing under this Lease, the Team shall have the right to extend the term of this Lease for up to two (2) additional and consecutive renewal periods of five (5) years each (if exercised, each five year period being referred to as an "Extension Term"). To extend the term of this Lease for an Extension Term, the Team must give written notice to the City not later than twelve (12) months prior to the expiration of the Initial Term or each Extension Term, as the case may be (the "Extension Date(s)"). If the Team fails to properly provide such notice on or before the Extension Date then, at the end of the Initial Term or the applicable Extension Term, as the case may be, this Lease shall expire. The City may, after receipt of notice from the Team of its desire to extend the Term of this Lease, decline to extend the Term if it provides notice to the Team within thirty (30) days after receipt of the Team's request that it is declining the request. Any Renewal Term shall follow the same terms and conditions as set forth herein for the Initial Term.

ARTICLE 3  
FINANCIAL MATTERS

Section 3.1 Rent.

During the Initial Term, the Team shall not pay rent, but shall be responsible for Routine Maintenance and Operating Expenses as set forth in this Lease.

Section 3.2 Real Estate and Personal Property Tax.

The parties acknowledge that the complex is not exempt from real property ad valorem taxes. The City shall be responsible for payment of all real property ad valorem taxes and any personal property ad valorem taxes levied on personal property owned by it. The parties agree that the Team shall assist, when reasonably possible, the City in any efforts that the City may take to reduce or eliminate real property ad valorem taxes on the complex including supporting

the passage of legislation or transfer of title, provided any such legislation or transfer of title does not effect either parties' rights or responsibilities nor shall the Team be required to expend any funds in assisting the City.

#### ARTICLE 4 USE AND OWNERSHIP OF PREMISES

##### Section 4.1 Suitability for Use.

Acceptance by the Team of the Complex shall, for all purposes of this Lease, establish that the Complex is in all respects fit for their intended purpose and suitable for use as of the Commencement Date.

##### Section 4.2 Team's Permitted Uses.

Acceptance by the Team of the Complex shall, for all purposes of this Lease, establish that the Complex is in all respects fit for its intended purpose and suitable for use as of the Commencement Date. Subject to the City's right to engage in and conduct City Events, the Team shall have the exclusive right to use, occupy and operate the Complex for any lawful purpose, including the spring training games, holding of athletic contests and exhibitions, sporting events and tournaments, winter instruction league, summer rookie league, storage of personal property, conventions, musical and dramatic performances and other business, social cultural, scientific and recreational events, as is an appropriate use of the Complex in the sole discretion of the Team.

##### Section 4.3 Ownership of Project.

The City shall own the Complex. All other fixtures, furnishings and equipment that are paid for by the Team shall be owned by the Team.

##### Section 4.4 City Events.

(a) Scheduling. City Events shall only be scheduled on dates approved by the Team in its sole discretion and the City shall provide not less than sixty (60) days' written notice to the Team of dates on which it desires to schedule City Events. Such notice shall include the date, time and length of the event and a general description of the event. The City Event shall have use of such areas within the Complex as are reasonably necessary for the event and on such terms and conditions as apply to other similar uses of the Complex. City Events may not be scheduled on dates previously scheduled by the Team, and City Events shall be moved to another date upon not less than ten (10) days' prior written notice of the Team if the Complex is required for a Team Event or such shorter notice due to re-scheduling an MLB exhibition game due to weather. MLB exhibition games shall have absolute priority for use of the Complex. No City Event shall be permitted that will, in the reasonable judgment of the Team, result in damage to, or unreasonable use of the Complex, including the playing surface of the McKechnie Field. In determining whether to cancel any City Event, the Team shall consider (i) the intensity of the proposed use with respect to its potential adverse impact on the playing surface of the Complex and (ii) the timing of such City Event with respect to the date of the next MLB exhibition game.



(b) Fees. The Team shall not charge the City any rental or other fee for use of the Complex for an City Event, but the City shall reimburse the Team for the costs incurred by the Team to perform (i) Routine Maintenance and (ii) repairs of damage to the Complex not covered by insurance required by this Lease to be maintained by the Team and attributable to the use of the Complex for each City Event. Payments due to the Team for the foregoing expenses shall be made within thirty (30) days after submission of an invoice by the Team to the City stating in detail such expenses. The City shall comply with the rules and regulations developed by Team with respect to the Complex and shall carry, and provide to the Team evidence of, liability insurance naming the Team as an additional insured with respect to any such City Event with coverages and limits as are appropriate for the event in question but in no event less than \$1,000,000 per claim and \$2,000,000 annual aggregate.

(c) Disaster Staging Uses. The City may, in each instance of actual or imminently threatened natural disaster, use the Complex as a staging area for disaster preparations, response or other related uses (“Disaster Staging Uses”), provided that (i) there will not be any cost to the Pirates and (ii) the City will immediately restore any resulting damage to the playing fields or any other element of the leased premises caused as a result of the Disaster Staging Use. The City shall not be responsible to the Pirates for any loss of revenue or consequential damages resulting from the Disaster Staging Uses, except any attributable to its failure to duly effect any such restoration and restore full use of the complex to the Pirates immediately following the end of the disaster.

#### Section 4.5 Assignment of Warranties.

The Team shall have the benefit of all warranties relating to construction and renovation, and to fixtures, machinery and equipment installed in the Complex that are made and delivered by either (a) the Person or Persons constructing and renovating the Complex or (b) any manufacturer of any fixtures, machinery or equipment, and the City hereby assigns and transfers, to the fullest extent assignable and transferable to the Team, during the Lease Term, all of its right, title and interest in and to all such warranties. If not assigned, then the City shall cooperate with the Team in the enforcing of such warranties.

#### Section 4.6 Parking.

The City shall provide, without charge, parking space at the Pirate City for the Team's players, the Team's staff, and other personnel and for all radio, television and press personnel. The City shall provide, without charge, parking space for a minimum of two buses at McKechnie Field. The City shall also provide for such uses parking spaces at McKechnie Field for spring training games, which spaces shall be located directly behind right field of McKechnie Field near the existing retention pond and shall be accessible from 17<sup>th</sup> Avenue West.

#### Section 4.7 Eminent Domain.

In the event of any taking or condemnation in the exercise of the power of eminent domain of all or a material portion of the Complex (materiality being determined by the effect on the Team's operation, use and enjoyment of the Complex), the Team shall have the option to terminate this Lease and shall be entitled to its proportionate share (as lessee hereunder) of any

award or compensation in respect of such taking or condemnation. The Team shall be entitled to assert claims that it might have against the condemning authority for relocation expenses, the value of fixtures and improvements affixed or made by the Team to the Complex and any other payments lawfully due to the Team.

## ARTICLE 5 SURRENDER

### Section 5.1 Surrender of the Complex.

(a) General. Upon the expiration or termination of this Lease (by lapse of time or otherwise), the Team shall peaceably deliver up and surrender the Complex to the City in good order and repair, normal ordinary wear and tear and damage by insured casualty excepted; provided, however, that nothing contained herein shall be construed as an obligation by the Team to repair the Complex prior to such surrender except to the extent that such obligations are specifically imposed upon the Team hereunder. The Team shall surrender to the City all keys for the Complex at the place then fixed for the receipt of notices by the City, and shall notify the City in writing of all combinations of locks, safes and vaults, if any. The Team's obligations to observe and perform the covenants set forth in this Section shall survive the expiration or earlier termination of this Lease (by lapse of time or otherwise).

(b) Team's Trade Fixtures. Upon the expiration or termination of this Lease (by lapse of time or otherwise), the Team may remove all fixtures, equipment and furniture that were paid for by the Team and, in such event, repair any damage caused to the Complex due to the removal of such property at the Team's expense. If the Team fails to remove such property within six (6) months after the expiration or earlier termination of the Lease, such property shall be deemed abandoned. The City may, at its option, (i) cause that property to be removed at no expense to the Team, (ii) sell all or any part of such property at public or private sale, without notice to the Team; or (iii) declare that title to such property shall be deemed to have passed to the City.

## ARTICLE 6 OPERATIONS

### Section 6.1 Team's Covenants.

(a) Operations. The Team shall have sole responsibility for the operation, direction, management and supervision of the Complex and its staff, subject, however, to the terms of this Lease and rights expressly reserved to the City hereunder. The Team shall have the exclusive right and shall be solely responsible for Management of the Complex. The Team shall have such Management rights and responsibilities and shall provide, perform and take, or cause to be provided, performed or taken, all such applicable Management services and actions customarily performed or taken by managers or operators of MLB spring training facilities and as are reasonably necessary or advisable to operate and maintain the Complex as a MLB spring training facility (based on its age and utility) in accordance with the terms and provisions of this Agreement.

(b) MLB Exhibition Games. The Team shall schedule and play no less than 10 MLB exhibition games at McKechnie Field during each Season, unless otherwise required by MLB Rules and Regulations.

(c) Maintenance and Repair. At all times during the Lease Term, the Team shall perform all Routine Maintenance and comply with all other obligations relating to the Management of the Complex as are required by this Lease. If the Team, in its sole discretion, decides to finance the cost of any replacement or renewal of equipment, machinery, furniture or furnishings at the Complex, then the City shall cooperate with the Team in all reasonable respects in the obtaining such financing and shall execute any documents or releases or renewals to have a valid first lien or security interest in such replacement or renewal; provided, however, that the Team shall be solely liable and shall promptly pay all amounts due under any financing arrangement and the City shall have no responsibility with respect thereto.

#### Section 6.2 City Covenants.

(a) Liquor Licenses. The City shall cooperate with the Team to obtain all liquor licenses that are reasonably requested by the Team for the Complex. These licenses are in addition to the number authorized by Law and shall be issued in the name of the Team.

#### Section 6.3 Team's Revenues.

The Team shall have the sole and exclusive right to receive and retain all revenues of every kind and description, except for City Events (less operating expenses incurred by the Team in connection with the Event) whether from means now existing or developed in the future, and whether or not in the current contemplation of the Parties, arising from or relating to the use, occupancy, operation or existence of and from the Complex, including revenue from the sale of admission tickets (net of any applicable taxes or impositions), Broadcast Rights, Advertising Rights, Advertising, Concessions, ticket operations, Communication System, Suite revenues, club seat revenues, seat licensing revenues, memberships, Complex tours, Naming Rights, retail areas, and the Team's revenues under any parking agreements.

#### Section 6.4 Naming Rights.

(a) Team's Rights. The Team shall have the sole and exclusive right to all Naming Rights for the Complex, provided that (i) the term during which any such name shall apply shall expire no later than the expiration of the Lease Term (whether on its scheduled termination date or by earlier exercise of any termination rights in this Lease), (ii) the Team shall not permit any name to be given to the Complex or any portion thereof that would be in violation of any Law, and (iii) before agreeing to any Naming Rights Agreement to McKechnie Field that takes McKechnie Field out of the name, the Team shall give reasonable notice to the City and the City must consent to the change which consent shall not be unreasonably withheld. No name shall be used which is inconsistent with a wholesome public image for the Complex.

(b) City's Responsibilities. The City shall exclusively use the name(s) given to all or any part or parts of the Complex in accordance with the terms of this Section in all correspondence, communications, Advertising and promotion it or they may undertake with

respect to the Complex, including in connection with the promotion of City Events subsequent to receipt of written notice from the Team of the determination of such name.

Section 6.5 Advertising.

(a) Team's Rights to Advertising. The Team shall have the sole and exclusive right to exercise all Advertising Rights within the Complex and on the Communication Systems and to receive all revenues from all Advertising in, on, from or with respect to such areas and facilities for all Events. Notwithstanding the above, the Team agrees that the City will have a sign at McKechnie Field in its current or at an equivalent location as determined by Team. It is further agreed that City shall receive, at no cost, the radio spots and ad space in the Team's On-Deck publication equivalent to the Existing Lease.

(b) "Blocking" and "Insertion" Technology. To the extent that any City Event is broadcast or transmitted by any means of video, television, internet or similar technology, the license agreement shall provide that, during such broadcast or transmission of such City Event, the City shall prevent the use of any so called "blocking" technology (whereby any Advertising located in the Complex may be obscured, altered or replaced) or "insertion" or "virtual advertising" technology (whereby Advertising not actually present at the Complex shall be inserted into and as part of any broadcast or transmission) as part of any broadcast or transmission of a City Event.

Section 6.6 Broadcast Rights.

The Team shall have the sole and exclusive right to, and to authorize and license others to, exercise Broadcast Rights with respect to all Events and to retain all revenues derived therefrom. The City hereby grants to the Team (if and then only to the extent that the City has rights therein or thereto) an exclusive, royalty-free license, to include in any Broadcast Rights (or fixation thereof) exercised, with respect to any Event, any likeness, image, sound or such other item visible or available in the Complex from time to time.

Section 6.7 Communication System.

The Team shall have sole and exclusive control of and over the Communication System at the Complex and the sole and exclusive right to retain all revenues therefrom.

Section 6.8 Royalty Free License.

The City hereby grants to the Team an exclusive (subject to the rights of the City as specifically set forth in this Agreement), royalty free license to make any lawful use of the name, identity and image of all or part or parts of the Complex and immediately adjacent areas to the Complex and to retain all revenues therefrom.

Section 6.9 Suites, Club Seats, Personal Seat Licenses and Tickets.

(a) Team's Rights to Suites. Subject to Section 6.9(b) hereof, the Team shall have the sole and exclusive right to sublease or sublicense any or all of the Suites to third parties for all Events and to retain all revenues therefrom as the Team shall determine in return for the users'

payment of licensing or use fees, upon such written terms and conditions as are determined by the Team (provided that any such sublease or sublicense agreement shall not extend past the expiration of the Lease Term). Any subtenant or sublicensee of a Suite shall be obligated to obtain admission tickets to the Suites for all Events for which it wishes to use the Suite. All Suite Revenues shall be paid to and retained by the Team. As between the City and the Team, the Team shall have the sole and exclusive responsibility for marketing, leasing, operating, maintaining and performing Routine Maintenance on or to the Suites and the Suite equipment, furnishings and fixtures, and paying the costs of all Utilities used or consumed in connection with the use of the Suites; provided, however, that the Team may require its subtenants and sublicensees to pay all or any portion of the foregoing costs.

(b) City's Suite. Notwithstanding anything contained herein to the contrary, the Team shall furnish to the City, for no consideration or rent therefor, the City's Suite. The City shall be responsible to pay, with respect to the City's Suite, food, beverage, and other variable costs typically paid separately by suiteholders, and all maintenance, repair and cleaning costs associated with the City's Suite, and for Team Events (excluding MLB exhibition games), the costs of tickets for said Team Events, and shall hold the Team harmless to the same extent as other suiteholders for such other events or occurrences with respect to the City's Suite and the conduct of invitees to the City's Suite. The City agrees to execute and deliver to the Team a suite license agreement consistent with the foregoing.

(c) Club Seats. The Team shall have the sole and exclusive right to sell licenses for the use of club seats, charter seats or premium seating for all Events. All revenue generated by the licensing or rental of the club seats shall be paid to and retained by the Team.

(d) Tickets. The Team agrees to make available for purchase 4 tickets to the National League Championship Series and 4 tickets to the World Series in any season of this Lease in which Team participates in such post-season games.

#### Section 6.10 Operation of Concessions.

(a) Team's Rights. The Team shall have the sole and exclusive right and responsibility to exercise, and retain all revenues from the exercise of, Concession Rights and the sole and exclusive right and responsibility to manage the Concession Operations, including the right and responsibility to (i) from time to time select and contract with one or more Concessionaires or itself act as such Concessionaire (any such Person or tenant when so acting, being herein referred to as a "Concessionaire") to operate and be responsible for all Concession Operations; (ii) to administer any such Concession agreements, and to retain all associated revenue; (iii) determine the types, brands and marketing of all products sold within the Complex, and the prices to be charged for such items. Team will take into account any concerns expressed by City about local preferences so long as City gives Club reasonable notice of said concerns.; and (iv) determine the location of Concession Operations. Any Concession agreements entered into by the Team and any other Concessionaire shall be for such duration as the Team shall determine (but which, in the aggregate, will ensure Concession Operations during the Lease Term, but shall terminate not later than the termination of this Lease).

(b) City Events. Without limiting the exclusivity of the Team's rights under this Lease, the Concession agreements shall provide that the City shall have the right (using Concessionaire if the Team shall so require) to sell, display and distribute non-perishable hard and soft Concession items that are specifically and exclusively related to the particular City Event, and that are supplied to Concessionaire by or on behalf of the City, and that do not contain any Advertising or sponsor identification not consistent with the provisions of this Lease (collectively, "City Event Specific Concessions"). If the Team requires the use of Concessionaire with respect to the sale, display or distribution of the City Event Specific Concessions, Concessionaire shall have the right to determine in its reasonable judgment the appropriate number and locations of such Concession Operations. The City shall use or cause to be used on an exclusive basis (and the Team shall make available) Concessionaire for all such Concession Operations in the Complex during any City Event. Except with respect to the City Event Specific Concessions, the City shall in its Concession agreements, agree to comply with all provisions of the Concession agreements entered into by the Team, including any exclusivities or priorities of which the Team has provided the City with written notice.

#### Section 6.11 Utilities.

The Team shall be solely responsible for and promptly pay or cause to be paid all charges for the use and consumption of Utilities serving the Complex. The City shall assist the Team in obtaining the lowest rates available for such Utilities.

### ARTICLE 7 REPAIRS, MAINTENANCE AND ALTERATIONS

#### Section 7.1 Team's Covenants.

At all times during the Lease Term, and subject to the provisions of this Article 7 relating to Capital Repair Work, the Team shall, at its sole cost and expense, keep and maintain the Complex in compliance with all Laws and MLB Rules and Regulations, and in good, clean, safe and sanitary condition and repair, and shall perform all Routine Maintenance and make all ordinary and necessary repairs and replacements required for day-to-day operations. All repairs and replacements shall utilize materials or component parts of substantially the same quality as those being repaired or replaced.

#### Section 7.2 Capital Repair Work.

Subject to the provisions of this Lease, all Capital Repair Work shall be performed by the Team, as required by and at the times and subject to the terms and provisions of this Article 7.

#### Section 7.3 Capital Reserve Fund.

(a) Establishment. The Capital Reserve Fund shall be held in a joint account with a national bank or other fiscal agent mutually agreeable to the Parties. All funds in the Capital Reserve Fund shall be invested in Government Securities. Investment income earned on the amounts in the Capital Reserve Fund shall be added to the principal of the Capital Reserve Fund and used as provided in this Lease.

(b) Deposits into the Capital Reserve Fund. On the Commencement Date, the City shall make an initial deposit into the Capital Reserve Fund of \$375,000 and an additional \$375,000 shall be deposited into the account within one year of the Commencement Date. The City shall also annually deposit into the Capital Reserve Fund One Hundred Twenty Five Thousand Dollars (\$125,000), subject to annual CPI Increases up to a maximum of 4-1/2%. This annual deposit shall be made no later than October 31<sup>st</sup> of each lease year. Notwithstanding anything to the contrary contained elsewhere in this Lease, any proceeds remaining unspent from the construction and renovation of the Complex after application of such proceeds in accordance with the Development Agreement shall also be deposited into the Capital Reserve Fund. Such unspent monies may be utilized at the discretion of the Team during a period of two (2) years following the Commencement Date to make any modifications, upgrades and enhancements to the Complex as may be desired by the Team.

(c) Payment for Capital Repair Work. The proceeds of the Capital Reserve Fund shall not be used for Routine Maintenance, but shall be used for the payment of Capital Repair Work as set forth herein. Subject to the terms of this Lease, the Team shall pay the cost of Capital Repair Work from the Capital Reserve Fund. To the extent that funds in the Capital Reserve Fund are not sufficient to pay for any Capital Repair Work, then the Parties shall negotiate in good faith an equitable allocation between the Parties of how such Capital Repair Work should be funded. In any event, the Team may, in its sole and absolute discretion, elect to pay for such shortfall. All withdrawals from the Capital Reserve Fund shall be disbursed by the City to Team pursuant to the procedures set forth in Exhibit 6 hereof.

#### Section 7.4 Performance of Capital Repair Work.

(a) Procedures. The Team shall notify the City of Capital Repair Work to be made to the Complex. If the City disagrees as to whether the proposed work qualifies as Capital Repair Work, it shall deliver written notice to the Team, which notice shall specify in detail the reasons why the City asserts that the proposed work does not meet the definition of Capital Repair Work under this Lease. If the Parties are unable to resolve their disagreement, then the issue shall be resolved pursuant to Section 13.19 hereof. Until such Claim is resolved, the Team shall have the right to use the Capital Reserve Fund to pay for Capital Repair Work, but shall replenish any amounts withdrawn in accordance with the resolution of the Claim by settlement of the parties or pursuant to Section 13.19 hereof.

(b) Design and Construction Defects. The City and the Team shall jointly pursue recovery against the Persons responsible for the cost of repairs required in substantial part as a result of design defects and/or construction defects, whether or not covered by a warranty.

(c) Capital Repair Plans. Once the Team has identified Capital Repair Work, the Team shall select an architect or engineer, subject to any statutory requirements if applicable, to prepare any necessary Capital Repair Plans. The architect's fees and expenses and all other costs associated with preparing the Capital Repair Plans shall be paid out of the Capital Reserve Fund. The Team shall deliver copies of the Capital Repair Plans to the City. The City shall have seven (7) days in which to provide written notice to the Team of any reasonable objection to such Capital Repair Plans. If the City does not object to any Capital Repair Plans, the City shall be deemed to have given approval.

Section 7.5 Emergency Repairs.

Subject to the terms of this Section, Emergency Repairs shall be made by the Team. If such repair qualifies as a Capital Repair Work, the Capital Reserve Fund shall be an eligible funding source for such repairs.

Section 7.6 Title to Alterations and Capital Repair Work.

All Alterations and Capital Repair Work made to the Complex shall become a part of the Complex, shall be the property of the City, and shall remain upon and be surrendered with the Complex at the end of the Lease Term.

Section 7.7 Alterations.

(a) The Team, at its discretion and at its sole cost and expense, may make any Alterations that do not (i) materially affect the aesthetics, sightlines, structure or systems of the Complex or (ii) violate any Laws. The Team shall be responsible for the cost and expense of any such Alterations.

(b) All Alterations made by the Team shall, during the Lease Term, be considered the property of the Team; provided, however, that upon the termination or expiration of this Lease for any reason, such Alterations, unless personal property or trade fixtures of the Team, shall become part of the Complex.

Section 7.8 Liens.

The Team shall keep the Complex free from, and shall indemnify, defend and hold harmless the City with respect to, all liens filed in connection with work performed by contractors, subcontractors or suppliers under contract with the Team. If the City gives its consent to the making of any Alteration, such consent shall not be deemed to constitute the City's consent to subject its interest in the Complex to any lien which may be filed in connection therewith.

Section 7.9 Performance.

Any Alteration or Capital Repair Work made by or for the Team shall be completed (a) in a good, workmanlike, and prompt manner, using materials and equipment at least substantially equal in quality and class to the then-standards for the Complex established by the Team and the City, (b) by an experienced, reputable contractor, and (c) in compliance with Laws and any insurance requirements. The Team shall maintain copies of "as built" drawings relating to any Alterations or Capital Repair Work (or, as applicable, final working drawings thereof, if any) and copies of contracts, invoices, evidence of payment and all other records of any Alteration or Capital Repair Work and shall, within thirty (30) days after request by the City, furnish the City with copies of such records. Prior to the commencement of any work, the Team or the City, as the case may be, shall obtain and furnish copies to the other Party of all necessary governmental Permits and certificates for the commencement and performance of any such Alteration or Capital Repair Work, together with evidence of workers' compensation insurance of its contractors in statutory limits, "all risk" or "special form" builder's risk property insurance and



general liability insurance, with a completed operation endorsement, for any occurrence in or about the Complex (or such other insurance which is then commercially available to cover such risks), under which the City and the Team shall be named as an additional insureds and loss payees, in such limits as the City and the Team may reasonably require, with insurers reasonably satisfactory to each Party. Each Party shall be furnished with evidence that all required insurance is in effect at or before the commencement of any Alteration or Capital Repair Work and, on request, at reasonable intervals thereafter during the continuation of such work.

## ARTICLE 8 INDEMNIFICATION

### Section 8.1 Indemnification and Payment of Damages by Team.

(a) The Team shall indemnify, defend and hold harmless the City Indemnified Persons for, and shall pay to the City Indemnified Persons the amount of any Damages, whether or not involving a third-party claim, arising, directly or indirectly, from or in connection with:

(i) any breach of any representation or warranty made by the Team in this Lease or in any schedule or exhibit attached hereto or any other certificate or document delivered by the Team to the City pursuant to this Lease; and

(ii) any breach by the Team of any covenant or obligation of the Team in this Lease.

(iii) Notwithstanding the foregoing, indemnification for any action lying in tort shall be limited to \$500,000.00 per person or \$1,000,000.00 for claims claims or judgments arising out of the same incident or occurrence or the amounts set forth in Florida Statutes 768.28, as may be amended from time to time, whichever is greater.

(b) If the Team fails to make any payment of any sums payable by the Team to the City Indemnified Persons on the date due by contract, which failure shall continue for thirty (30) days, then such payment shall bear interest at a rate of interest equal to the lesser of four percent (4%) above the Prime Rate or the highest rate permitted by Law, payable from the date such payment was due to the date of payment thereof.

### Section 8.2 Indemnification and Payment of Damages by City.

(a) The City shall indemnify, defend and hold harmless the Team and the Team Indemnified Persons for, and shall pay to the Team Indemnified Persons the amount of Damages, whether or not involving a third-party claim, arising, directly or indirectly, from or in connection with:

(i) any breach of any representation or warranty made by the City in this Lease or in any schedule or exhibit attached hereto or any other certificate or document delivered by the City to the Team pursuant to this Lease; and

(ii) any breach by the City of any covenant or obligation of the City in this Lease.

(iii) Notwithstanding the foregoing the City's obligation to indemnify shall be limited to the sum of \$500,000.00 per person or \$1,000,000.00 for claims or judgments arising out of the same incident or occurrence or the amounts set forth in Florida Statutes 768.28 as may be amended from time to time which ever is greater. Nothing contained herein shall perate as a waiver of any sovereign immunity available to the City for any claims brought directly against the City by any thirty party.

(b) If the City fails to make any payment of any sums payable by the City to the Team Indemnified Persons on the date due by contract, which failure shall continue for thirty (30) days, then such payment shall bear interest at a rate of interest equal to the lesser of four percent (4%) above the Prime Rate or the highest rate permitted by Law, payable from the date such payment was due to the date of payment thereof.

## ARTICLE 9 INSURANCE; RESTORATION

### Section 9.1 Maintenance of Insurance.

Throughout the Lease Term, the Team shall maintain, the following insurance (with customary sublimits and deductibles): (i) "all risk" or "special form" commercial property insurance covering the Complex to a limit of not less than the replacement cost thereof (with the Team and the City as the named insureds thereunder); and (ii) commercial general liability insurance and liquor liability insurance, including a contractual liability endorsement and personal injury liability endorsement in respect of the Complex and conduct and operation of business therein. The Team shall be responsible for any deductible sums due and payable under any insurance required to be maintained under this Lease. The Team shall name the City as an "additional insured" on all commercial general liability policies. Such insurance shall provide coverage against all claims against the Team and the City for bodily injury (including death) and property damage resulting directly or indirectly from the control and operation of the Complex by the Team, and any act, omission or activities of the Team, its officers, employees or agents, in connection with the Complex, with a company or companies licensed to do business in the State of Florida and with a rating by Best's Insurance Reports or any successor publication of comparable standing of A / VII or better. Such commercial general liability insurance shall initially be in minimum amounts of Ten Million Dollars (\$10,000,000) per occurrence and Twenty Million Dollars (\$20,000,000) annual aggregate, which can be obtained by any combination of primary and excess coverages. Certificates of insurance shall be delivered by the Team to the City on or before the Commencement Date and annually thereafter. The Team shall cause each such policy to contain an endorsement prohibiting cancellation or reduction of coverage without first giving the City at least thirty (30) days' prior written notice of such proposed action. The amounts of coverage required under this Section shall be reviewed by the Parties periodically, not less often than every four (4) years, and shall be increased following such review to amounts determined by the Parties to be commercially reasonable.

### Section 9.2 Failure to Maintain Insurance.

If the Team fails or refuses to procure or maintain the insurance required by this Lease or to comply with any reasonable loss control measure recommended by any insurer, after notice to

the Team, the City shall have the right, at its election, to procure and maintain such insurance or to perform any loss control recommendation, in which event, any reasonable premium paid by the City on behalf of the Team or cost to comply with loss control recommendations shall be due and payable by the Team to the City on the first day of the month following the date on which such premium or cost was paid. The City shall give the Team notice of such payment within ten (10) days of such payment stating the amount of such payment.

#### Section 9.3 Waiver of Recovery.

Notwithstanding any provision of this Lease to the contrary, neither the Team nor the City shall be liable to the other Party or to any insurance company (by way of subrogation or otherwise), insuring the other Parties for any loss or damage to property, or any resulting loss of income, even though such loss or damage may have been occasioned by the negligence of any such Party, its agents or employees, if and to the extent any such loss or damage is covered or is required to be covered by insurance benefiting the Party suffering such loss or damage, and each Party shall pay its own deductible amount with respect to any insurance it is required to carry.

#### Section 9.4 Restoration.

(a) All insurance proceeds payable with respect to any casualty to the Complex where the proceeds payable are less than One Million Dollars (\$1,000,000), as such sum may be increased during the Lease Term, based upon annual CPI Increases, shall be disbursed directly to the Team, and the Team shall promptly restore the Complex to a condition comparable to that previously existing, subject to such plans and specifications, and pursuant to such contracts, as are approved by the City in the manner applicable to Alterations under this Lease.

(b) All other proceeds of property insurance payable for replacement, restoration or repair of the damaged portions of the Complex under the policies required hereunder shall be deposited in the Restoration Fund and invested in Government Securities. The interest or income received on all deposits or investments of any moneys in the Restoration Fund shall be added to the Restoration Fund. Restoration shall be performed by the Team and payment from the Restoration Fund shall be in accordance with the following conditions:

(i) there shall be paid to the Team from such insurance proceeds such part thereof as shall equal the cost of making such temporary repairs or doing such other work as in the reasonable opinion of an architect (selected by the Team) may be necessary in order to protect the Complex pending the adjustment of the insurance loss;

(ii) there shall be paid to the Team from such insurance proceeds such part thereof as shall equal the cost of repairing, restoring or reconstructing the Complex or of any part thereof or of erecting a new building or structure or improvement or part thereof so that upon completion of such repairs, restoration, reconstruction, or erection of the building or structure or improvement shall be equal to the value of the replacement value of the building or structure or improvement;

(iii) payments pursuant to the paragraphs (i) or (ii) of this Subsection 9.2(b)(iii) from such insurance proceeds shall be made by the Team from the Restoration Fund from time to time as the work progresses in amounts equal to the cost

of labor and materials incorporated into and used in such work and builders', architects' and engineers' fees and other charges in connection with such work upon delivery to the Team of a certificate of the architect or engineer in charge of such work certifying that the work has been performed in accordance with the applicable contract documents and that such amounts are then due and owing under the applicable contract.

(c) Any deductibles paid (not to exceed \$50,000, subject to CPI Increases) by the Team under this Section 9.2 shall be reimbursed out of the Capital Reserve Fund.

(d) In the event that any of the insurance proceeds paid by the insurance companies shall remain after the completion of such repairs, restoration, reconstruction or erection, and after payment to the Team of any business interruption or other business loss that it is entitled to be compensated for under the applicable policies, the excess shall be deposited in the Capital Reserve Fund.

(e) In the event that the insurance proceeds paid, as hereinabove provided, together with the funds available in the Capital Reserve Fund are insufficient for making such permanent repairs, restoration or reconstruction or erection and no Party is willing to provide the additional funds needed therefor, the City or the Team shall notify the other Party of such determination in writing and thereupon this Lease shall cease and terminate. In such case, after payment under the applicable policies to the Team for any entitled compensation for business interruption, other business loss or damaged furniture, fixtures and equipment paid for by the Team, then the total insurance proceeds paid shall be paid to the City.

## ARTICLE 10 DEFAULT AND REMEDIES

### Section 10.1 Events of Default.

Each of the following shall constitute an "Event of Default" under this Lease:

(a) Team Event of Default.

(i) The Team's failure to perform or observe any covenant or condition of this Lease, which failure shall continue for thirty (30) days after receipt of written notice to the Team by the City identifying with particularity the failure or violation; provided that, so long as such failure is of a non-monetary nature susceptible to cure but is not reasonably capable of being cured within such thirty (30)-day period, there shall exist no Event of Default if the Team promptly advises the City of the Team's intention to duly institute all steps necessary to cure such default and the Team promptly commences cure of such failure, and diligently pursues such cure to completion; and

(ii) Any representation or warranty made by the Team herein shall prove to have been incorrect when made, in any material respect.

(b) City Event of Default.

(i) The City's failure to fund the Capital Reserve Fund in the amounts required by this Lease, or the City's failure to perform or observe any other covenant or condition of this Lease, which failure shall continue for thirty (30) days after receipt of written notice to the City by the Team identifying with particularity the failure; provided that, so long as such failure or violation is of a non-monetary nature susceptible to cure but is not reasonably capable of being cured within such thirty (30)-day period, there shall exist no Event of Default if the City promptly advises the Team of the City's intention to duly institute all steps necessary to cure such default and the City promptly commences cure of such failure or violation, and diligently pursues such cure to completion; and

(ii) Any representation or warranty made by the City herein shall prove to have been incorrect when made, in any material respect.

Section 10.2 Injunctive Relief; Specific Performance.

The Parties acknowledge that the rights conveyed by this Lease and the covenants of the Parties are of a unique and special nature, and that any violation of this Lease shall result in immediate and irreparable harm to the Team, the City or the City, as the case may be, and that in the event of any actual or threatened breach or violation of any of the provisions of this Lease, the affected Party shall be entitled as a matter of right to an injunction or a decree of specific performance from any equity court of competent jurisdiction. Each Party waives the right to assert the defense that such breach or violation can be compensated adequately in Damages in an action at law.

Section 10.3 Remedies Cumulative; Waiver.

All rights and remedies set forth in this Lease are cumulative and in addition to the Parties' rights and remedies at law or in equity. A Party's exercise of any such right or remedy shall not prevent the concurrent or subsequent exercise of any other right or remedy. A Party's delay or failure to exercise or enforce any rights or remedies shall not constitute a waiver of any such rights, remedies or obligations. No Party shall be deemed to have waived any default unless such waiver is expressly set forth in an instrument signed by such Party. If a Party waives in writing any default, then such waiver shall not be construed as a waiver of any covenant or condition set forth in this Lease except as to the specific circumstances described in such written waiver. Neither payment of a lesser amount than the sum due hereunder nor endorsement or statement on any check or letter accompanying such payment shall be deemed an accord and satisfaction, and the other Party may accept the same without prejudice to the right to recover the balance of such sum or to pursue any other remedy.

Section 10.4 Waiver of Consequential, Special and Punitive Damages.

Notwithstanding anything in this Lease to the contrary, the Team and the City waive against each other and their respective Affiliates any claims or causes of action for consequential, special and punitive damages or losses (including loss of use or anticipated profits) that either Party may suffer as a result of the breach or other default of this Agreement by

the other Party. This mutual waiver is applicable, without limitation, to all consequential, special and punitive damages due to either Party's termination of this Agreement.

ARTICLE 11  
REPRESENTATIONS AND WARRANTIES

Section 11.1 Representations and Warranties of City.

The City hereby represents and warrants to the Team the following as of the date of execution of this Lease:

(a) Organization. The City is a political subdivision, duly organized, validly existing, and in good standing under the Laws of the State of Florida.

(b) Authorization, Validity and Enforceability. The City has all requisite power and authority to enter into this Lease and to carry out the actions contemplated hereby. The execution, delivery, and performance of all obligations of the City under this Lease have been duly authorized and approved by all necessary City action. This Lease, when executed, shall constitute the valid and legally binding obligations of the City, enforceable against it in accordance with their respective terms.

(c) No Conflicts. The execution, delivery and performance of this Lease shall not result in a violation of, in any material respect, of any provision of any other agreements, charters, instruments, contracts, judgments or decrees to which the City is a party, or by which the City or its assets may be bound or affected.

(d) No Violation of Laws. The City has complied in all material respects with all Legal Requirements, and the City is not in default with respect to any judgment, order, injunction or decree of any court, administrative agency, or other Governmental Authority that is in any respect related to the transactions contemplated in and by this Lease.

(e) Litigation. There is no action, suit, proceeding or investigation at law or in equity or by or before any Governmental Authority now pending or, to the actual knowledge of the City, threatened against or that affects the City seeking to restrain or prohibit, or seeking Damages or other relief in connection with, the execution of this Lease and the performance of the transactions contemplated herein or that might materially and adversely affect the use and operation of the Complex as contemplated in and by this Lease or the performance of the City hereunder.

(f) Site Possession and Title. The City holds good and marketable title to the Complex and the Appurtenant Property Rights, free and clear of all liens and encumbrances other than the Permitted Encumbrances. If any Title Defect shall materially diminish, impair or disturb the rights of the Team under this Lease, as determined by the Team in its reasonable judgment, the City shall take all reasonable actions, at its sole cost and expense, to promptly eliminate such Title Defect. The Team acknowledges that a Permitted Encumbrance shall not constitute a Title Defect. Except as expressly permitted under this Lease and except for Permitted Encumbrances, the City shall not create any lien, encumbrance, easement, license,

right-of-way, covenant, condition or restriction that would encumber the Complex and materially diminish, impair or disturb the rights of the Team under this Lease.

(g) Environmental Matters. The City has not stored, handled, treated or disposed of, nor has it allowed or arranged for any third parties to store, handle, treat or dispose of, on or about the Complex, Hazardous Materials that could result in any liability or obligation to the Team or that could result in any injury or disease to users of the Complex, including the Team and spectators; nor is the City aware of any release (as such term is defined in CERCLA, as defined below) of any Hazardous Materials on, beneath or adjacent to the Complex that could result in any such liabilities, obligations, injuries or disease.

(h) Legal Opinion of City's Counsel. The City agrees to deliver to the Team, upon the commencement date of this Lease, a legal opinion from the law firm of William R. Lisch, PA, stating that:

(i) The City has all requisite power and authority to enter into, execute and deliver this Lease, and the execution, delivery and performance by the City has been duly authorized by all necessary action of the City; and

(ii) This Lease constitutes the legal, valid and binding obligation of the City enforceable against the City in accordance with its terms.

#### Section 11.2 Representations and Warranties of Team.

The Team hereby represents and warrants to the City the following as of the date of execution of this Lease:

(a) Organization. The Team is a general partnership duly organized, validly existing and in good standing under the Laws of State of Pennsylvania.

(b) Authorization, Validity and Enforceability. The Team has all requisite power and authority to enter into this Lease and to carry out the actions contemplated hereby. The execution, delivery and performance of all obligations of the Team under this Lease have been duly authorized and approved by all necessary Team action. All corporate action necessary for the authorization, execution, delivery and performance of all obligations of the Team under this Lease has been taken. All consents and approvals of any Person required in connection with the execution of this Lease has been obtained. This Lease, when executed, shall constitute the valid and legally binding obligations of the Team enforceable against it in accordance with their respective terms.

(c) No Conflicts. The execution, delivery and performance of this Lease shall not result in a violation of, in any material respect, any provision of any other agreements, instruments, contracts, judgments or decrees to which the Team is a party or by which the Team or its assets may be bound or affected nor shall the execution, delivery and performance of this Lease results in the breach of or constitute a default under any agreement or instrument to which the Team is a party or by which the Team or its assets may be bound or affected.

(d) No Violations of Laws. The Team has not received written notice as of the date of execution of this Lease asserting any noncompliance in any material respect by the Team with Legal Requirements, and the Team is not in default with respect to any judgment, order, injunction or decree of any court, administrative agency, or other Governmental Authority that is in any respect material to the transactions contemplated in and by this Lease.

(e) Litigation. There is no action, suit, proceeding or investigation at law or in equity or by or before any Governmental Authority now pending or, to the actual knowledge of the Team, threatened against or which affects the Team seeking to restrain or prohibit, or seeking Damages or other relief in connection with, the execution of this Lease and the performance of the transactions contemplated herein or that might materially and adversely affect the use and operation of the Complex as contemplated in and by this Lease or the performance of the Team hereunder.

(f) Legal Opinion of Team. The Team agrees to deliver to the City, upon the commencement date of this Lease, a legal opinion from the law firm of Reed Smith, stating that:

(i) The Team has been duly formed and is validly existing under the laws of the State of Pennsylvania;

(ii) The Team has all requisite power and authority to enter into, execute and deliver this Lease, and the execution, delivery and performance by the Team has been duly authorized by all necessary action of the Team; and

(iii) This Lease constitutes the legal, valid and binding obligation of the Team enforceable against the Team in accordance with its terms.

## ARTICLE 12 TERMINATION OF EXISTING LEASE

As of the Commencement Date, the Existing Lease shall terminate and be of no further force or effect and all obligations and rights thereunder shall be deemed superseded by the terms and conditions of this Lease. The Parties agree to execute and record in the local land records any releases to evidence of record the foregoing termination. From and after the Commencement Date, this Lease shall govern the rights and responsibilities of each Party with respect to the Complex and any other subject matter contained in this Lease.

## ARTICLE 13 MISCELLANEOUS

### Section 13.1 Recording of the Lease.

This Lease shall not be recorded, but at the request of either the City or the Team, the Parties shall promptly execute, acknowledge and deliver to each other a memorandum of lease in the form of Exhibit 5 sufficient for recording. Such memoranda shall not be deemed to change or otherwise affect any of the obligations or provisions of this Lease.



### Section 13.2 Additional Documents and Approval.

(a) The Parties, whenever and as often as each shall be reasonably requested to do so by the other Party, shall execute or cause to be executed any further documents and take any further actions as may be reasonably necessary or expedient in order to consummate the transactions provided for in, and to carry out the purpose and intent of, this Lease. Furthermore, the City shall take all ministerial actions and proceedings reasonably necessary or appropriate to remedy any apparent invalidity, lack or defect in authorization, or illegality, or to cure any other defect that has been asserted or threatened.

(b) The City and the Team further covenant and agree to cooperate and assist each other in the creation, establishment, granting or conveying, either by easement, declaration, license or any other instrument or agreements (whether recorded or unrecorded) as either Party may deem necessary or reasonably advisable (and subject to the consent of the other Party, which consent shall not be unreasonably withheld, conditioned or delayed) to provide for the continued and uninterrupted use of Utilities, ingress/egress and other easements necessary for the operation of the Complex.

### Section 13.3 Good Faith.

In exercising its rights and fulfilling its obligations under this Lease, each of the Parties shall act in good faith. Notwithstanding the foregoing, each Party acknowledges that in each instance under this Lease where a Party is obligated to exercise good faith or to use good faith, diligent or other similar efforts, such Party shall not be required to expend any funds, or grant any other consideration of any kind, in the performance of such undertaking, and each Party further acknowledges that the obligation of any Party to act in good faith, or undertake good faith, diligent or other similar efforts does not constitute a warranty, representation or other guaranty that the result that the Parties are attempting to achieve shall be successfully achieved and no Party shall be liable for any failure to achieve the result or results intended so long as the Party has complied with its obligation to act in good faith.

Section 13.4 Form of Notices; Addresses.

All notices, requests, consents or other communications required under this Lease shall be in writing and shall be deemed to have been properly given if served personally, or if sent by United States registered or certified mail, telefax or overnight delivery service to the Parties as follows (or at such other address as a Party may from time to time designate by notice given pursuant to this Section):

To the Team: Pittsburgh Associates  
PNC Park at North Shore  
115 Federal Street  
Pittsburgh, PA 15212  
Attention: Vice President and General Counsel  
Fax: 412-325-4948

With a Copy to: Pirate City Baseball Training Facility  
1801 27th Street East  
Bradenton, FL 33505  
Attention: Director of Florida Operations  
Fax: (941) 747-9549

To the City: City of Bradenton  
101 Old Main Street  
Bradenton, FL 34205  
Attention: Mayor  
Fax: (941) 932-9458

With a Copy to: William R. Lisch, PA  
519 13<sup>th</sup> Street West  
Bradenton, Florida 34205  
Fax: (941) 748-6588

Each notice shall be deemed given and received on the date delivered if served personally or by overnight delivery service, or, if sent by United States registered or certified mail, or fax transmission, then one (1) day after its delivery to the address of the respective Party, as provided in this Article, except that with respect to the notices pertaining to matters that are to be accomplished within less than three (3) days (e.g., requests for consent when the Person whose consent is sought has one (1) day to respond in the granting or denying of such consent), notice shall be deemed given simultaneously with its delivery. Notices sent by a Party's counsel shall be deemed notices sent by such Party.

Section 13.5 Force Majeure.

The nonoccurrence of any condition under this Lease shall not give rise to any right otherwise provided in this Lease when such failure or non-occurrence is due to the occurrence of a Force Majeure condition and without the fault of the Party claiming an extension of time to perform. An extension of time for such cause, if any, shall be limited to the period of delay due

to such cause, which period shall be deemed to commence from the time of the commencement of the cause, provided that, if notice by the Party claiming such extension is sent to the other Party more than thirty (30) days after the commencement of the cause, the period shall be deemed to commence thirty (30) days prior to the giving of such notice. Times of performance under this Lease also may be extended as mutually agreed upon in writing by the City and the Team. However, failure to agree to a proposed extension of time for performance shall not be deemed grounds for delay or failure to timely cure an Event of Default under this Lease.

Section 13.6 Calculation of Time.

Unless otherwise stated, all references to "day" or "days" shall mean calendar days.

Section 13.7 Time is of the Essence.

Time is of the essence with respect to the performance of each of the covenants and obligations contained in this Lease.

Section 13.8 Incorporation by Reference.

All exhibits, schedules or other attachments referenced in this Lease are hereby incorporated into this Lease by such reference and are deemed to be an integral part of this Lease.

Section 13.9 Entire Agreement.

This Lease contains the sole and entire agreement between the Parties with respect to its subject matter and supersedes any and all other prior written or oral agreements between them with respect to such subject matter.

Section 13.10 Amendment.

No amendment, modification or termination of this Lease shall be valid unless in writing and duly executed by the Party affected by the amendment, modification or termination. The Parties acknowledge that the Team may be required to obtain the consent of MLB in connection with any amendment or modification of this Lease.

Section 13.11 Binding Effect; Assignment.

This Lease shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns. Neither this Lease nor any of the rights, interests or obligations hereunder shall be assigned by either of the Parties without the prior written consent of the other Party, except that the Team may assign or transfer this Lease by merger, consolidation, sale of assets or otherwise to any other Person that owns or operates in the City of Pittsburgh, Pennsylvania, the MLB club known as the Pittsburgh Pirates.

Section 13.12 Headings.

The headings contained in this Lease are for convenience of reference only, and shall not limit, extend or otherwise affect the meaning hereof.

Section 13.13 No Presumption Against Drafter.

This Lease has been negotiated at arm's length and between Persons sophisticated and knowledgeable in the matters dealt with herein. In addition, each Party had been represented by experienced and knowledgeable legal counsel. Accordingly, this Lease shall be interpreted to achieve the intents and purposes of the Parties, without any presumption against the Party responsible for drafting any part of this Lease.

Section 13.14 Severability.

If any term or provision of this Lease or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such term or provision to persons or circumstances other than those as to which it was held invalid or unenforceable, shall not be affected thereby, and each term or provision of this Lease shall be valid and enforceable to the fullest extent permitted by Law.

Section 13.15 Third Party Beneficiaries.

Nothing in this Lease, express or implied, is intended to (a) confer upon any entity or person other than the Parties and their permitted successor(s) and assigns any rights or remedies under or by reason of this Lease as a third-party beneficiary or otherwise except as specifically provided in this Lease, or (b) authorize anyone not a party to this Lease to maintain an action pursuant to or based upon this Lease.

Section 13.16 Governing Law.

This Lease shall be governed by and construed in accordance with the Laws of the State of Florida, notwithstanding its conflicts of law or choice of law provisions.

Section 13.17 Counterparts.

This Lease may be executed and delivered in counterparts, each of which shall be deemed to be an original and all of which, taken together, shall be deemed to be one agreement.

Section 13.18 Relationship of Parties.

It is agreed that nothing contained in this Lease shall be deemed or construed as creating a partnership or joint venture among the Parties.

Section 13.19 Dispute Resolution.

For purposes of this Section only, the term "Claim" shall mean any Claim other than for specific performance or injunctive relief between or among the Parties that cannot be resolved by

their respective representatives. Any such claim shall be submitted to non-binding mediation administered in accordance with the Commercial Arbitration Rules and Mediation Procedures of the American Arbitration Association (AAA) then in effect. Unless the Parties otherwise agree, within seven (7) days after the selection of the mediator, the Parties and the mediator shall participate in a pre-mediation conference to determine the time and place of the mediation and the procedures that will govern the mediation. The cost and expense of the mediator shall be equally shared by the Parties and each Party shall submit to the mediator any information or position papers that the mediator may request to assist in resolving the Claim. If a Claim has not been resolved within sixty (60) after submission of the Claim to mediation, then either Party may submit the Claim to binding arbitration in accordance with the Commercial Arbitration Rules and Mediation Procedures of the AAA then in effect. All arbitration proceedings shall be held in Bradenton, Florida or any other City the parties agree to. Demand for arbitration shall be filed in writing with the other Party and with the American Arbitration Association. The demand for arbitration may be filed at the same time as the demand for mediation but the arbitration proceedings shall be stayed until the time period for the mediation proceedings referenced above has expired. The demand for arbitration shall be made within a reasonable time after the Claim, but in no event shall the demand for arbitration be made after the date when institution of legal or equitable proceedings based on such Claim would be barred by the applicable statutes of limitations. The prevailing party in the arbitration proceeding shall be entitled to recover its reasonable, costs, expenses and attorneys' fees as part of the award. The award rendered by the arbitrator or arbitrators shall be final and judgment may be entered upon it in accordance with applicable Law in any court having jurisdiction thereof. The agreement to arbitrate under this Section shall be specifically enforceable under applicable Law in any court having jurisdiction thereof.

Section 13.20 Nondiscrimination.

There shall be no discrimination against or segregation of any person, or group of persons, on account of sex, marital status, race, color, creed, religion, national origin, disability or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Complex. Neither the Team nor any person claiming under or through it shall establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of licensees, sublicensees or vendors (if any), using or operating at Complex or any portion thereof.

Section 13.21 Quiet Enjoyment.

If and so long as the Team shall comply with all of the covenants, conditions and provisions of this Lease on the Team's part to be observed and performed hereunder, the Team shall peaceably and quietly have, hold and enjoy the Complex for the Lease Term, without hindrance or interruption by the City or any Person lawfully claiming the Complex, subject, nevertheless, to all of the provisions of this Lease.

Section 13.22 Estoppel Certificate.

Each of the City and the Team, respectively, agrees that at any time and from time to time within fourteen (14) days' after receipt of a written request by the other Party, the Team or

the City, as the case may be, shall execute, acknowledge and deliver to the other Party a statement in writing certifying: (a) that this Lease is unmodified and in full force and effect or, if there have been modifications, that the same are in full force and effect as modified and identifying the modifications; (b) that the City or the Team, as the case may be, is not, to knowledge of the City or the Team, as case may be, in default under any provisions of this Lease or, if there has been a default, the nature of such default; (c) that all work with respect to the Complex to be performed by the City or the Team, as the case may be, under this Lease has been performed, or if not so performed, specifying the work to be performed; and (d) any other matter that the City or the Team, as the case may be, or such prospective mortgagee or other lender shall reasonably request. It is intended that any such statement may be relied upon by any person, prospective mortgagee of, or assignee of any mortgage, upon such interest.

[THE REMAINDER OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the Parties have executed this Lease as of the date stated in the first paragraph of this Lease.

[Signature]  
Witness

LARRY SILVERMAN  
(Printed signature)

[Signature]  
Witness

GREG JOHNSON  
(Printed signature)

**TEAM:**  
PITTSBURGH ASSOCIATES, a Pennsylvania Limited Partnership  
BY: Pittsburgh Baseball, Inc., a Pennsylvania corporation, its general partner

BY: [Signature]  
Name: JAMES D. PLAKE  
Title: EXEC. VP & CFO

STATE OF PENNSYLVANIA  
COUNTY OF Allegheny

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State and County aforesaid to take acknowledgements, personally appeared JAMES D. PLAKE, as EXECUTIVE V.P. & CFO. of the Pittsburgh Associates, a Limited Partnership named in the foregoing instrument, and that he severally acknowledged executing the same in the presence of two subscribing witnesses freely and voluntarily under authority duly vested in him by said Limited Partnership.

WITNESS my hand and official seal at Pittsburgh, Pennsylvania on this 28th day of December, 2006.

Notarial Seal  
Patricia A. Gerber, Notary Public  
City Of Pittsburgh, Allegheny County  
My Commission Expires March 2, 2007  
Member, Pennsylvania Association Of Notaries

Patricia A. Gerber (Notary)

[Signature]  
Witness

RENE L. RAYMOND  
(Printed signature)

[Signature]  
Witness

CALL CALLAHAN  
(Printed signature)

**CITY:**  
CITY OF BRADENTON, a Municipal Corporation of the State of Florida

By: [Signature]  
Name: WAYNE POSTON  
Title: MAYOR

STATE OF FLORIDA  
COUNTY OF MANATEE

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State and County aforesaid to take acknowledgements, personally appeared Wayne Poston, as Mayor of the City of Bradenton, a Florida municipality named in the foregoing instrument, and that he severally acknowledged executing the same in the presence of two subscribing witnesses freely and voluntarily under authority duly vested in him by said corporation.

WITNESS my hand and official seal at Bradenton, Florida on this 28th day of December, 2006.

SHARON D. BEAUCHAMP  
Notary Public - State of Florida  
My Commission Expires May 25, 2007  
Commission # DD192329  
Bonded By National Notary Assn.

Sharon Beauchamp (Notary)

## EXHIBITS

- Exhibit 1 - Legal Description of the Land Comprising the Complex and Description of Appurtenant Property Rights
- Exhibit 2 - Site Plan
- Exhibit 3 - Form of Acknowledgment of Commencement Date
- Exhibit 4 - Permitted Encumbrances
- Exhibit 5 - Form of Memorandum of Lease
- Exhibit 6 - Payment Procedures for Capital Repair Work



**EXHIBIT 1**

**LEGAL DESCRIPTION OF THE LAND COMPRISING THE COMPLEX  
[AND DESCRIPTION OF APPURTENANT PROPERTY RIGHTS]**

General Description of Exhibit Content: A metes and bounds description of the land upon which the Complex is located and a description of all easements benefiting the Complex.

Party Responsible to Prepare Exhibit: The City and the Team with the assistance of surveyor.

Parties to Review and Approve: The Team and the City.

**EXHIBIT 2**

**SITE PLAN**

General Description of Exhibit Content: A copy of the Site Plan showing the Complex site limits and the parking facilities.

Party Responsible to Prepare Exhibit: The Architect.

Parties to Review and Approve: The Team and the City.

**EXHIBIT 3**

**FORM OF ACKNOWLEDGMENT OF COMMENCEMENT DATE**

## **EXHIBIT 4**

### **PERMITTED ENCUMBRANCES**

General Description of Exhibit Content: A list of all title matters affecting the Complex and Appurtenant Property Rights.

Party Responsible to Prepare Exhibit: The City, based upon title examination by a national title insurance company approved by the Team.

Parties to Review and Approve: The Team and the City.

**EXHIBIT 5**

**FORM OF MEMORANDUM OF LEASE**

## EXHIBIT 6

### PAYMENT PROCEDURES FOR CAPITAL REPAIR WORK

1. Each month, when applicable, the Team shall submit to the [Trustee/Escrow Agent and the City] a request for disbursement from the Capital Reserve Fund ("Disbursement Request"), with a copy to the City. Each Disbursement Request shall be certified as true and correct by the Team to the best of its knowledge and belief and shall contain a statement setting forth (a) the name, address and federal taxpayer identification number of the payee, (b) the amount to be paid, (c) a description of the goods or services provided to the Complex by such payee and (d) if applicable, the wire transfer instructions for such payee. Each Disbursement Request shall have attached to it a copy of the invoice of the payee for whom payment is being requested, and, to the extent applicable, a partial waiver of lien of the contractor and its subcontractors covering all construction work undertaken since the last payment application of such contractor.
  
2. The period covered by each Disbursement Request shall be one (1) calendar month. The Disbursement Request shall be delivered to the [Trustee/Escrow Agent and the City] on or before the tenth (10th) day of the month. If a Disbursement Request is not submitted by the tenth (10th) day of a particular month, then it shall be included in the next month's Disbursement Request. On or before the twentieth (20th) day of each month, the [Trustee/Escrow Agent] shall disburse funds from the Capital Reserve Fund to the Team for payment to the payees identified in the Disbursement Request.

## DEVELOPMENT AGREEMENT

THIS DEVELOPMENT AGREEMENT (this "Agreement") is made as of the 12 day of JUNE, 2007, by and among THE CITY OF BRADENTON, a municipal corporation of the State of Florida (the "City"), and PITTSBURGH ASSOCIATES, a Pennsylvania limited partnership (the "Team").

### RECITALS

A. The City has agreed to pay the construction and renovation costs for the following: (i) demolition of the dormitory facilities and other structures at Pirate City; (ii) construction of new dormitories and other improvements at Pirate City, including the baseball fields and administrative building, and (iii) certain renovations to McKechnie Field.

B. In consideration of the above, the Team has agreed to a 30-year lease of the Pirate City facilities and McKechnie Field.

C. The City has determined that the design, financing, construction and operation of the Project (as defined below) and the performance of this Agreement are in the best interests of the City and serve a public purpose.

NOW, THEREFORE, in consideration of the mutual promises, undertakings and covenants hereinafter set forth, and intending to be legally bound hereby, the City and the Team covenant and agree as follows:

### ARTICLE 1 DEFINITIONS

#### Section 1.1 Defined Terms.

In addition to other terms defined herein, the following terms used in this Agreement shall have the meaning set forth below:

"Agreement" shall mean this Development Agreement between the City and the Team.

"Architect" shall mean Fawley Bryant Architects, Inc.

"Architect Agreement" shall mean the Architect Agreement, to be entered into by and between the City and the Architect, as the same may be amended, modified or supplemented from time to time in accordance with the terms of this Agreement.

"Change Orders" shall mean any change orders or change directives that amend or modify the Contract Documents.

"City Contribution" shall be the entire Project Costs.

"City" shall mean the City of Bradenton, Florida.

"City Indemnified Persons" shall mean the City and its elected officials, appointed officials, board members, officers, employees, agents and attorneys.

"City Representative" shall mean Carl Callahan or any successor to the foregoing person designated in writing by the City by written notice to the Team.

"Claim" shall mean any claim, demand or dispute between the Parties relating to this Agreement or the Project.

"Complex" shall mean Pirate City and McKechnie Field.

"Construction Drawings and Specifications" shall mean the working drawings and specifications describing the size, character, appearance, functionality, design, construction, materials, finishes, structure and mechanical, electrical and all other systems, amenities and components of the Complex prepared from the approved Design Development Documents.

"Construction Team" shall mean (a) the City, (b) the Team, (c) Contractor, (d) Architect, (e) any other consultants deemed necessary by the City or the Team to assist in the design, construction or development of the Complex.

"Contract Documents" shall mean the Contractor Agreement, the Architect Agreement, the final Construction Drawings and Specifications for the Complex and any Change Orders or other equivalent construction contract documents entered into to complete the Project.

"Contractor" shall mean NDC Construction Company.

"Contractor Agreement" shall mean the Contractor Agreement between the City and Contractor, as the same may be amended, modified or supplemented from time to time in accordance with the terms of this Agreement.

"County" shall mean the County of Manatee, State of Florida.

"Damages" shall mean any loss, liability, claim, damage, cost and expense, including costs of investigation and defense and reasonable attorneys' fees, whether the action is for money damages, or for equitable or declaratory relief.

"Design Development Documents" shall mean drawings and specifications based upon, and refining, the Schematic Design Documents and illustrating the scope, relationship, forms, size, functionality and appearance of the Complex and shall provide detail regarding the exteriors of the Complex by means of plans, sections and elevations, typical construction details, equipment layouts and specifications.

"Design Documents" shall refer to, as applicable, the Schematic Design Documents, the Design Development Documents and the Construction Drawings and Specifications.

"Event of Default" shall have the meaning set forth in Section 8.1 hereof.



"Force Majeure" shall mean acts of God, accidents, fire or other casualty, earthquake, hurricane, tornadoes, named storms, flood, war, riot, intervention by civil or military authorities of government, insurrection, or other civil commotion, governmental action (excluding any governmental action or inaction with respect to the granting or withholding of any governmental approvals or Permits needed for the construction or operation of the Ballpark or the acquisition of the Site), material shortages, strikes, boycotts, lockouts or labor disputes, or any other similar or like event or occurrence beyond the reasonable control of a Party hereto, that causes such Party to be delayed or hindered in, or prevented from, the performance of any covenant or obligation hereunder.

"Governmental Authority" shall mean any federal, state, county, city, local or other government or political subdivision or any agency, city, board, bureau, commission, department or instrumentality thereof.

"Guaranteed Maximum Price" or "GMP" shall mean the Guaranteed Maximum Price for the cost of constructing, renovating, furnishing and equipping the Complex, which shall be established as set forth in the Contractor Agreement.

"Law" shall mean any law, statute, code, ordinance, regulation or constitutional or charter provision, duly enacted or adopted by any Governmental Authority.

"Lease" shall mean the Lease and Operating Agreement to be entered into by the City and the Team, the form of which is attached hereto as Exhibit 1.

"Legal Requirements" shall mean all present and future Laws applicable to the design, development, construction, equipping, use, occupancy, possession, operation, maintenance and management of the Project, including, without limitation, all Laws relating to the issuance of any bonds by any Governmental Authority in connection with the financing of the Project.

"Major League Baseball" or "MLB" shall mean, collectively, the Office of the Commissioner of Baseball, the Commissioner of Baseball, the Major League Baseball clubs, Major League Baseball Enterprises, Inc., Major League Baseball Properties, the Ownership Committee of Baseball, and/or any other Person appointed by any of the foregoing, or any successor substitute association or entity of which the Team is a member or joint owner and which engages in professional baseball in a manner comparable to Major League Baseball.

"McKechnie Field" shall mean the baseball complex located at 1609 9th Street West, Bradenton, Florida, commonly known as McKechnie Field.

"Parties" shall mean the City and the Team.

"Permits" shall mean any permit, license or approval to be issued by any Person, including, but not limited to, required permits for construction, demolition, installation, alteration or repair of any improvements related in any manner to the Project.

"Person" shall mean any natural person, sole proprietorship, corporation, partnership, trust, limited liability company, limited liability association, unincorporated association, joint venture, joint-stock company, Governmental Authority, or any other entity.

"Pirate City" shall mean the baseball facilities known as Pirate City Baseball Training Facility, located at 1801 27th Street East, Bradenton, Florida.

"Prime Rate" shall mean that rate of interest published from time to time in the Money Rates column of The Wall Street Journal as the "Prime Rate" or "Prime Interest Rate."

"Project" shall mean (a) the planning, development, design, construction and renovation of McKechnie Field and (b) the planning, development, design, construction and renovation of Pirate City. The Project is generally described on Exhibit 2.

"Project Budget" shall mean the budget of the Project Costs and shall contain a reasonably detailed breakdown of the various elements of the Project Costs as approved by the Parties.

"Project Costs" shall mean all costs and expenses of planning, designing, constructing, renovating, and equipping the Complex, including architectural, design and engineering services associated with the planning, design construction and renovation of the Complex; all costs and expenses of Permits and costs and expense for obtaining all Permits or approvals associated with the Complex; all costs and expenses that would be categorized as soft costs in accordance with industry standards for the design and construction of major construction projects, such as the Complex, including design fees, development costs, insurance and third party professional services, all labor, materials, equipment and services to be provided in connection with the renovation of the Complex, including, all costs and expenses included in the GMP; all costs and expenses incurred in connection with the purchase and installation of all machinery, furnishings, fixtures and equipment required for the operation of the Complex; and adequate construction contingencies and reserves, but in no event shall "Project Costs", for the purposes of this Development Agreement, include the costs of capital improvements reserves, bond reserves, capitalized interest or financing costs.

"Project Schedule" shall mean the master project schedule, as updated in accordance with the Contractor Agreement, and attached hereto as Exhibit 3.

"Schematic Design Documents" shall mean, as applicable, with respect to the Complex, the schematic design documents prepared by the Architect of the various Complex components, showing, among other things, the building exterior spaces, and major architectural and interior finishes; including those items set forth in Exhibit 4.

"Site" shall mean the property identified in the Site Plan as the "McKechnie Field" and "Pirate City."

"Site Plan" shall mean the site plan attached hereto as Exhibit 5.

"Substantial Completion" shall that the work under the Contract Documents is essentially and satisfactorily complete, such that the Complex is ready for opening to the general public and full occupancy and use by the Team. A minor amount of work, as determined by and at the discretion of the Team, such as installation of minor accessories or items, a minor amount of

painting, minor replacement of defective work, minor adjustment of controls or sound systems, or completion or correction of minor exterior work that cannot be completed due to weather conditions, will not delay determination of substantial completion. In no event shall substantial completion be deemed to have occurred unless such certificates required by all Legal Requirements for opening of the Complex to the general public have been issued to the Team.

"Team" shall mean Pittsburgh Associates.

"Team Indemnified Persons" shall mean the Team and its partners, officers, employees, agents and attorneys.

"Team Representative" shall mean Trevor Gooby or Dennis DaPra, or any successor to the foregoing person designated by the Team by written notice to the City.

#### Section 1.2 Construction of Terms.

As the context of this Agreement may require, terms in the singular shall include the plural (and vice versa) and the use of feminine, masculine or neuter genders shall include each other. Wherever the word "including" or any variation thereof, is used herein, it shall mean "including, without limitation," and shall be construed as a term of illustration, not a term of limitation. Wherever the word "or" is used herein, it shall mean "and/or".

### ARTICLE 2 ARCHITECT AND DESIGN

#### Section 2.1 Architect Agreement.

(a) The City has entered into an Architect Agreement upon the terms approved by the Team in accordance with this Agreement. See Exhibit 8. The Architect Agreement shall include provisions requiring:

- (i) An indemnification in favor of the City and the Team;
- (ii) Provisions requiring the Architect to maintain insurance acceptable to the Team and the City, including the coverages, limits of liability and other requirements set forth in Exhibit 6;
- (iii) Acknowledgement of the Team as a third party beneficiary of the Architect Agreement;
- (iv) The Architect to promptly deliver such documents and other information as reasonably requested by the Team, and otherwise cooperate with the Team, to meet the Project Schedule deadlines;
- (v) The Architect to design the Complex and be responsible for providing documents necessary for approvals of the design of the Complex at the times and occasions set forth in Section 2.3;

(vi) The Architect to discharge any lien filed by it or its respective subcontractors or consultants for labor performed or materials or services furnished in connection with the construction and renovation of the Complex;

(vii) The Architect to perform its services in accordance with all Laws; and

(viii) The Architect to provide the Contractor with information reasonably required by the Contractor for cost estimating and scheduling, to consult with the Contractor regarding matters affecting cost and schedule, to cooperate with the Team and the City and Contractor in reconciling the design, program, Project Schedule and Project Budget, and to produce documents that are consistent with the Team and the City approvals.

(b) Changes to Architect Agreement. The Team shall have the right to approve any change, modification or amendment to the Architect Agreement. The City shall submit to the Team Representative for review and approval any such proposed change, modification or amendment. The Team shall have ten (10) days to approve or disapprove such change. Approval shall not be unreasonably withheld, conditioned or delayed and the Team shall state the reasons for any disapproval in writing.

(c) Right to Attend Meetings. The Team Representative shall receive notice of all design meetings, have the right to attend all design meetings regarding the design of the Complex and to receive all documents from the Architect at the same time as the City shall receive them. All design meetings shall be held in Bradenton, Florida unless otherwise agreed by the Parties and shall be scheduled at a time that generally allows the Team Representative to attend.

## Section 2.2 Project Representatives.

(a) Team Representative. The Team has designated the Team Representative as its agent and representative authorized to act on the Team's behalf with respect to the Project. The Team reserves the right to change its representative, and the Team shall notify the City in writing prior to such change. The City shall have the right to approve any replacement of the Team Representative, which approval shall not be unreasonably withheld, conditioned or delayed. The Team Representative is the Team's exclusive representative to the City insofar as this Agreement is concerned. All instructions from the Team to the City relating to this Agreement shall be issued or made in writing through the Team Representative. All communications and submittals from the City to the Team shall be issued or made through the Team Representative, unless the Team or the Team Representative shall otherwise direct in writing.

(b) City Representative. The City has designated the City Representative as its agent and representative authorized to act on the City's behalf with respect to the Project. The City reserves the right to change its representative, and the City shall notify the Team in writing prior to such change. The Team shall have the right to approve any replacement of the City Representative, which approval shall not be unreasonably withheld, conditioned or delayed. The City Representative is the City's exclusive representative to the Team insofar

as this Agreement is concerned. All instructions from the City to the Team relating to this Agreement shall be issued or made in writing through the City Representative. All communications and submittals from the Team to the City shall be issued or made through the City Representative, unless the City or the City Representative shall otherwise direct in writing.

Section 2.3 Design Approval Process.

(a) Schematic Design Documents. The Parties have approved the Schematic Design Documents.

(b) Design Development Documents. Based upon the Schematic Design Documents, the City shall cause the Architect to prepare the Design Development Documents and submit the Design Development Documents to the Team Representative and the City Representative on or before the date for delivery set forth in the Project Schedule. The Team Representative and the City Representative, and such other staff and personnel as each Representative deems appropriate, shall meet as necessary to review the Design Development Documents and confirm that they comply with the design intent of the Schematic Design Documents. The Team Representative and the City Representative shall use good faith efforts to resolve any disagreements in an expeditious manner so as not to delay the mutual approval of the Design Development Documents.

(c) Construction Drawings and Specifications. Upon approval of the Design Development Documents, the City shall cause the Architect to prepare Construction Drawings and Specifications based on the approved Design Development Documents. The Team Representative and the City Representative shall review and approve the Construction Drawings and Specifications and confirm that the Construction Drawings and Specifications comply with the design intent of the Design Development Documents. The City shall cause the Architect to coordinate with the Contractor to organize the Construction Drawings and Specifications in such a manner as to prepare bid documents for competitive pricing.

(d) Contractor to Provide Estimates. With each submittal of the documents specified in this Section, the Contractor shall provide a detailed estimate of the cost based upon the documents delivered to the Team Representative and the City Representative. The Contractor shall meet with the Team Representative and the City Representative as requested to provide information regarding the estimate and value engineering proposals.

ARTICLE 3  
CONSTRUCTION MATTERS

Section 3.1 Construction Administration.

(a) Contractor Agreement. The City has entered into a Contractor Agreement upon the terms approved by the Team and in accordance with the terms of this Agreement. The Contractor Agreement shall include provisions requiring:

- (i) an indemnification in favor of the City and the Team;

(ii) the Contractor to maintain insurance acceptable to the City and the Team, including the coverages, limits of liability and other requirements set forth in Exhibit 7;

(iii) acknowledgement of the Team as a third party beneficiary of the agreement;

(iv) compliance with all Laws;

(v) the Contractor to promptly deliver such documents and other information as reasonably requested by the City or the Team and otherwise cooperate with the City and the Team to meet the Project Schedule; and

(vi) the Contractor to discharge any lien filed by it or its respective subcontractors or consultants for labor performed, or materials or services furnished in connection with the Project.

(b) City Oversight of Contractor. The City, in cooperation with the Team, shall cause the Contractor to:

(i) Prepare the Project Budget to be approved by the Parties;

(ii) Develop a Project Schedule and cause the Project Schedule to be updated on at least a monthly basis and deliver a copy of same to the Team Representative and the City Representative;

(iii) Provide detailed estimates as set forth in Section 2.3(d) hereof;

(iv) Develop a GMP for approval by the Team and the City;

(v) Obtain or cause to be obtained, in coordination with the Architect, all Permits;

(vi) Maintain complete and accurate books and records, consistent with industry standards, regarding the design, construction and renovation of the Complex, including records relating to the Contract Documents, shop drawings, Change Orders, as built drawings, applications for payment, Permits, insurance policies, correspondence, bills, vouchers, receipts and lien waivers;

(vii) Develop and implement a plan for construction staging and storage;

(viii) Furnish promptly to the Team Representative all documents and information required to be provided pursuant to this Agreement and all other information that the Team Representative may reasonably request;

(ix) Notify promptly the Parties of any claim, suit, proceeding or action that is initiated or threatened in connection with the Project;

(x) Make available to the Team Representative copies of all Project meeting minutes and, upon written request of the Team Representative, all Project documents;

(xi) Make available to the Team copies of all contracts and subcontracts relating to the Project, and all amendments thereto;

(xii) Provide the Team Representative with monthly progress reports containing such financial information as the Team may reasonably request relating to Project Costs and including a status report on the progress of the Project; and

(xiii) Supervise and coordinate the Project so that the Complex is constructed, renovated, equipped and furnished in a good and workmanlike manner in accordance with the Contract Documents, lien free, and achieves Substantial Completion on or before February 1, 2008 (subject to Force Majeure) in accordance with all Legal Requirements.

(c) Changes to Contractor Agreement. The Team shall have the right to approve any change, modification or amendment to the Contractor Agreement. The City shall submit to the Team Representative for review and approval any such proposed change, modification or amendment. The Team shall have ten (10) days to approve or disapprove such change. Approval shall not be unreasonably withheld, conditioned or delayed and the Team shall state reasons for any disapproval in writing.

(d) Change Orders. The City shall promptly submit to the Team Representative for review and approval any Change Orders. The Team Representative shall review the Change Order in an expeditious manner so that the City shall have sufficient time to respond within the period of time provided in the Contractor Agreement for responding to Change Orders. The Team Representative shall exercise good faith efforts to respond as diligently and expeditiously as possible to any requested Change Order. In the event that the Team Representative disapproves a Change Order, the Team Representative shall state, with specificity, the reason for disapproval.

(e) Team's Right Attend Meetings. The Team Representative shall receive from the City advance notice of all Project meetings. During the term of this Agreement, the Team Representative and the City Representative shall have the right to attend all of the Construction Team meetings, inspect the Complex at all reasonable times and subject to all Site safety rules, and receive all documents provided to the City at the same time as provided to the City. The Team Representative and the City Representative shall meet regularly in order to keep the Parties informed throughout the duration of the planning, design, construction and renovation of the Complex.

### Section 3.2 Lists of Contractors and Subcontractors.

Upon the request of the Team, the City shall promptly furnish to the Team correct lists of all contractors and subcontractors employed in connection with the construction and renovation of the Complex and true and correct copies of all executed contracts, subcontracts and purchase orders therefor.

Section 3.3 City Responsibilities.

(a) The City shall be responsible for the administration of the Architect Agreement and the Contractor Agreement, subject to the rights of the Team as set forth herein.

(b) The City shall select and negotiate contracts with all consultants and professionals that shall comprise the Construction Team, subject to consultation with and final approval by the Team.

(c) The City shall provide accounting services for the Project.

(d) The City shall furnish to the Team monthly reports containing (i) a status of design planning, (ii) a comparison of the Project Budget to costs incurred through the date of the report, and an analysis of the reasons for variances, (iii) a narrative comparison of the Project Schedule to the work actually completed through the date of the report, and an analysis of the reasons for variances, (iv) any revision to the Project Schedule and/or Project Budget, made during the month covered by the report, and (v) the status of any municipal requirements and activities required to facilitate the approval of the Project.

(e) The Team shall have the right to review and approve the use of contingencies established in the Project Budget.

(f) The City shall, in coordination with the Contractor, the Architect and the Team, develop procedures for reviewing and processing applications for payments by the Contractor, and procedures for payment of other Project Costs, including payments to other consultants. Any such procedures shall include the right of the Team Representative to review and approve the applications for payments and invoices.

(g) The City shall take all action reasonably required to comply with all Legal Requirements and take all reasonable action to cause the Architect, the Contractor, and all other agents and contractors to design and construct the Complex in accordance with Legal Requirements.

(h) The City, together with the Team Representative, shall supervise punchlist and warranty work after the date of Substantial Completion of the Complex.

Section 3.4 Permits.

The City shall comply with and keep in effect all Permits and other approvals obtained from any Governmental Authorities, regardless of the procurer of such Permits, that relate to the construction and renovation of the Complex.

Section 3.5 Insurance.

(a) The City shall cause the Architect and the Contractor to maintain the insurance coverages as described in Exhibit 6 and Exhibit 7, respectively.



(b) Risks of Damage or Destruction Prior to Completion. The City shall obtain a builder's risk policy of property insurance for the Complex, which provides coverage for direct physical loss or damage resulting from an insured peril at the Complex or to personal property that is at the Complex, in storage or in transit. This coverage may include sublimits for delay in completion (including gross earnings and soft costs) and for hurricane, windstorm and flood coverage as agreed to by the Parties. The policy shall be an "all risk" or "special form" policy. The City shall apply the proceeds of any recovery under such builder's risk policy of property insurance toward restoration of the damage giving rise to such proceeds and to other costs arising out of such damage. All such insurance proceeds shall be considered project funds and will be deposited in the appropriate Project Accounts in order to pay for the Project Costs.

#### ARTICLE 4 FINANCING OF THE PROJECT

##### Section 4.1 Project Budget.

The Team and the City agree that the Project Costs shall be paid out of the Project Budget. The Project Budget shall be funded by the City and the Team shall not be responsible for any Project Costs.

##### Section 4.2 Use of Project Cost.

The Parties shall cooperate with each other and the other members of the Project Team to assure that as many program elements, amenities and design features as are reasonable for a first-class MLB spring training facility are included in the Project Costs. The City shall be responsible for payment of any costs in excess of the Project Costs, which payment shall be made at such time as any portion thereof is legally required to be paid with respect to the Complex.

#### ARTICLE 5 REPRESENTATIONS AND WARRANTIES OF CITY

The City hereby represents and warrants to the Team that, as of the date of execution of this Agreement:

##### Section 5.1 Authorization, Validity and Enforceability.

The City has all requisite power to enter into this Agreement and to carry out the actions contemplated hereby. The execution, delivery, and performance by the City of this Agreement have been duly authorized and approved by all necessary City action. This Agreement when executed, shall constitute the valid and legally binding obligations of the City, enforceable against it in accordance with their respective terms.

##### Section 5.2 No Conflicts.

The execution, delivery and performance of this Agreement shall not result in a violation of, in any material respect, of any provision of any other agreements, charters, instruments,

contracts, judgments or decrees to which the City is a party, or by which the City or its assets may be bound or affected.

Section 5.3 No Violation of Laws.

The City has complied in all material respects with all Legal Requirements, and the City is not in default with respect to any judgment, order, injunction or decree of any court, administrative agency, or other Governmental Authority that is in any respect related to the transactions contemplated in and by this Agreement.

Section 5.4 Litigation.

To the best of the City's knowledge, there is no action, suit, proceeding or investigation at law or in equity or by or before any Governmental Authority now pending or threatened against the City seeking to restrain or prohibit, or seeking Damages or other relief in connection with, the execution of this Agreement and the performance of the transactions contemplated herein or the performance of the City hereunder.

ARTICLE 6  
REPRESENTATIONS AND WARRANTIES OF TEAM

The Team hereby represents and warrants to the City that, as of the date of execution of this Agreement:

Section 6.1 Organization.

The Team is a Pennsylvania limited partnership duly organized, validly existing and in good standing under the Laws of State of Pennsylvania.

Section 6.2 Authorization, Validity and Enforceability.

All corporate action necessary for the authorization, execution, delivery and performance of all obligations of the Team under this Agreement has been taken. All consents and approvals of any Person required in connection with the execution of this Agreement have been obtained. This Agreement, when executed, shall constitute valid and legally binding obligations of the Team enforceable in accordance with its respective terms.

Section 6.3 No Conflicts.

The execution, delivery and performance of this Agreement shall not result in a violation of, in any material respect, any provision of any other agreements, instruments, contracts, judgments or decrees to which the Team is a party or by which the Team or its assets may be bound or affected including the Constitution, by-laws, rules and regulations of Major League Baseball, nor shall the execution, delivery and performance of this Agreement result in the breach of or constitute a default under any loan or credit agreement, or other agreement or instrument to which the Team is a party or by which the Team or its assets may be bound or affected.

Section 6.4 No Violations of Laws.

The Team has not received written notice as of the date of execution of this Agreement asserting any noncompliance in any material respect by the Team with Legal Requirements, and the Team is not in default with respect to any judgment, order, injunction or decree of any court, administrative agency, or other Governmental Authority that is in any respect material to the transactions contemplated in and by this Agreement.

Section 6.5 Litigation.

To the best of the Team's knowledge, there is no action, suit, proceeding or investigation at law or in equity or by or before any Governmental Authority now pending or threatened against or which affects the Team that has been served upon or of which the Team has knowledge, that could have a material adverse affect upon the Team's performance under this Agreement or the financial condition or business of the Team.

ARTICLE 7  
GENERAL CONDITIONS

Section 7.1 City's Conditions.

The obligations of the City to perform this Agreement are subject to the satisfaction of each of the following conditions (any of which may be waived by the City, in whole or in part):

- (a) Lease Agreement. The Team shall have executed and delivered the Lease Agreement.
- (b) Accuracy of Representations. All of the representations and warranties of the Team in this Agreement must have been accurate in all material respects as of their respective dates of execution and delivery.
- (c) Performance. All of the covenants and obligations that the Team is required to perform or to comply with pursuant to this Agreement prior to the date of the City's performance, as applicable, including the delivery of all documents and notices provided for therein, must have been performed and complied with in all material respects.
- (d) No Injunction. There shall not be in effect any Legal Requirements or any injunction or other order that prohibits the consummation of this Agreement.
- (e) Delivery of Other Documents. The Team shall have delivered all documents and notices required by this Agreement including, opinions of counsel that shall, among other things, verify the due authorization for the execution and delivery of the Agreement by the Team.

Section 7.2 Team's Conditions.

The obligations of the Team to perform this Agreement are subject to the satisfaction of each of the following conditions (any of which may be waived by the Team, in whole or in part):

(a) Lease Agreement. The City shall have executed and delivered the Lease Agreement.

(b) Accuracy of Representations. All of the City's representations and warranties in this Agreement must have been accurate in all material respects as of the date hereof.

(c) Performance. All of the covenants and obligations that the City is required to perform or to comply with pursuant to this Agreement prior to the date of the Team's performance, including the delivery of all documents and notices provided for therein, must have been performed and complied with in all material respects.

(d) No Injunction. There must not be in effect any Legal Requirements or any injunction or other order that prohibits the consummation of this Agreement.

(e) Delivery of Other Documents. The City shall have delivered all documents and notices required by this Agreement including opinions of counsel that shall, among other things, verify the due authorization for the execution and delivery of the Agreement by the City.

## ARTICLE 8 DEFAULT AND REMEDIES

### Section 8.1 Events of Default.

Each of the following shall constitute an Event of Default under this Agreement:

(a) Team Event of Default.

(i) The Team's violation or failure to perform or observe any covenant or condition of this Agreement, which failure or violation shall continue for thirty (30) days after receipt of written notice to the Team by the City identifying with particularity the failure or violation, provided that if such failure or violation is susceptible to cure but is not reasonably capable of being cured within such thirty (30)-day period, there shall exist no Event of Default provided that the Team promptly advises the City of the Team's intention to duly institute all steps necessary to cure such default and the Team promptly commences cure of such failure or violation, and diligently pursues such cure to completion; and

(ii) Any representation or warranty made by the Team herein shall prove to have been incorrect when made, in any material respect.

(b) City Event of Default.

(i) The City's violation or failure to perform or observe any covenant or condition of this Agreement, which failure or violation shall continue for thirty (30) days after receipt of written notice to the City by the Team identifying with particularity the failure or violation, provided that, if such failure or violation is susceptible to cure but is not reasonably capable of being cured within such thirty (30)-day period, there shall exist no Event of Default provided that the City promptly advises the Team of the City's

intention to duly institute all steps necessary to cure such default and the City promptly commences cure of such failure or violation, and diligently pursues such cure to completion; and

(ii) Any representation or warranty made by the City herein, shall prove to have been incorrect when made, in any material respect.

Section 8.2 Remedies Cumulative; Waiver.

All rights and remedies set forth in this Agreement are cumulative and in addition to the Parties' rights and remedies at law or in equity. A Party's exercise of any such right or remedy shall not prevent the concurrent or subsequent exercise of any other right or remedy. A Party's delay or failure to exercise or enforce any rights or remedies shall not constitute a waiver of any such rights, remedies or obligations. No Party shall be deemed to have waived any default unless such waiver is expressly set forth in an instrument signed by such Party. If a Party waives in writing any default, then such waiver shall not be construed as a waiver of any covenant or condition set forth in this Agreement except as to the specific circumstances described in such written waiver. Neither payment of a lesser amount than the sum due hereunder nor endorsement or statement on any check or letter accompanying such payment shall be deemed an accord and satisfaction, and the other Party may accept the same without prejudice to the right to recover the balance of such sum or to pursue any other remedy.

Section 8.3 Force Majeure.

The nonoccurrence of any condition under this Agreement shall not give rise to any right otherwise provided in this Agreement when such failure or non-occurrence is due to the occurrence of a Force Majeure condition and without the fault of the Party claiming an extension of time to perform. An extension of time for any such cause, if any, shall be limited to the period of delay due to such cause, which period shall be deemed to commence from the time of the commencement of the cause, provided that, if notice by the Party claiming such extension is sent to the other party more than thirty (30) days after the commencement of the cause, the period shall be deemed to commence thirty (30) days prior to the giving of such notice. Times of performance under this Agreement also may be extended as mutually agreed upon in writing by the City and the Team. However, failure to agree to a proposed extension of time for performance shall not be deemed grounds for delay or failure to timely cure an Event of Default under this Agreement.

ARTICLE 9  
INDEMNIFICATION

Section 9.1 Indemnification and Payment of Damages by Team.

The Team shall indemnify, defend and hold harmless the City Indemnified Persons for, and shall pay to the City Indemnified Persons From a third party claim, the amount of any Damages arising, directly or indirectly, from or in connection with:

(a) any breach of any representation or warranty made by the Team in this Agreement or exhibit attached hereto or any other certificate or document delivered by the Team to the City pursuant to this Agreement; and

(b) any breach by the Team of any covenant or obligation of the Team in this Agreement.

(c) Notwithstanding the foregoing, indemnification for any action lying in tort shall be limited to \$500,000 per person or \$1,000,000 for claims or judgments arising out of the same incident or occurrence or the amounts set forth in Florida Statutes 768.28, as may be amended from time to time, whichever is greater.

© If the Team fails to make any payment of any sums payable by the Team to the City Indemnified Persons on the date due by contract, which failure shall continue for thirty (30) days, then such payment shall bear interest at a rate of interest equal to the lesser of four percent (4%) above the Prime Rate or the highest rate permitted by Law, payable from the date such payment was due to the date of payment thereof.

Section 9.2 Indemnification and Payment of Damages by the City.

The City shall indemnify, defend and hold harmless the Team and the Team Indemnified Persons for, and shall pay to the Team Indemnified Persons the amount of Damages from a third party claim arising, directly or indirectly, from or in connection with:

(a) any breach of any representation or warranty made by the City in this Agreement or in any schedule or exhibit attached hereto or any other certificate or document delivered by the City to the Team pursuant to this Agreement; and

(b) any breach by the City of any covenant or obligation of the City in this Agreement.

(c) Notwithstanding the foregoing, the City's obligation to indemnify shall be limited to the sum of \$500,000 per person per occurrence or \$1,000,000 for claims or judgments arising out of the same incident or occurrence or the amounts set forth in the Florida Statutes 768.28 as may be amended from time to time which ever is greater. Nothing contained herein shall operate as a waiver of any sovereign immunity available to the City for any claims brought directly against the City by any third party.

© If the City fails to make any payment of any sums payable by the City to the Team Indemnified Persons on the date due by contract, which failure shall continue for thirty (30) days, then such payment shall bear interest at a rate of interest equal to the lesser of four percent (4%) above the Prime Rate or the highest rate permitted by Law, payable from the date such payment was due to the date of payment thereof.

ARTICLE 10  
MISCELLANEOUS

Section 10.1 Survival of Covenants, Agreements, Representations and Warranties.

No action taken pursuant to or related to this Agreement, including any investigation by or on behalf of a Party, shall be deemed to constitute a waiver by the Party taking such action of compliance with any representation, warranty, condition or agreement in this Agreement.

Section 10.2 Additional Documents and Approval.

The Parties, whenever and as often as each shall be reasonably requested to do so by one of the other Parties, shall execute or cause to be executed any further documents and take any further actions as may be reasonably necessary or expedient in order to consummate the transactions provided for in, and to carry out the purpose and intent of, this Agreement. Furthermore, the City shall take all ministerial actions and proceedings reasonably necessary or appropriate to remedy any apparent invalidity, lack or defect in authorization, or illegality, or to cure any other defect that has been asserted or threatened.

Section 10.3 Good Faith.

In exercising its rights and fulfilling its obligations under this Agreement, each of the Parties shall act in good faith. Notwithstanding the foregoing, each Party acknowledges that in each instance under this Agreement where a Party is obligated to exercise good faith or to use good faith, diligent or other similar efforts, such Party shall not be required to expend any funds, or grant any other consideration of any kind, in the performance of such undertaking, and each Party further acknowledges that the obligation of any Party to act in good faith, or undertake good faith, diligent or other similar efforts does not constitute a warranty, representation or other guaranty that the result that the Parties are attempting to achieve shall be successfully achieved and no Party shall be liable for any failure to achieve the result or results intended so long as the Party has complied with its obligation to act in good faith.

Section 10.4 Notice of Matters.

In the event that any Party receives knowledge about any matter that may constitute a breach of any of its warranties or covenants set forth in this Agreement that arises after the date of this Agreement, it shall promptly notify the other Parties of the same in writing.

Section 10.5 Form of Notices; Addresses.

All notices, requests, consents or other communications required under this Agreement shall be in writing and shall be deemed to have been properly given if served personally, or if sent by United States registered or certified mail, fax, or overnight delivery service to the Parties as follows (or at such other address as a Party may from time to time designate by notice given pursuant to this Section):

To the Team: Pittsburgh Associates  
PNC Park at North Shore  
115 Federal Street  
Pittsburgh, PA 15212  
Attention: Vice President and General Counsel  
Fax: 412-325-4948

With a Copy to: Pirate City Baseball Training Facility  
1801 27th Street East  
Bradenton, FL 33505  
Attention: Director of Florida Operations  
Fax: 941-747-8151

To the City: City of Bradenton  
~~Bradenton, FL 33505~~ 101 OLD MAIN ST.  
Attention: Mayor BRADENTON, FL 34205  
~~Fax: 813-747-5359~~ 941-932-9548

With a Copy to: \_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_  
Fax: \_\_\_\_\_

Each notice shall be deemed given and received on the date delivered if served personally or by overnight delivery service, or, if sent by United States registered or certified mail, or fax transmission, then one (1) day after its delivery to the address of the respective Party, as provided in this Article, except that with respect to the notices pertaining to matters that are to be accomplished within less than three (3) days (e.g., requests for consent when the Person whose consent is sought has one (1) day to respond in the granting or denying of such consent), notice shall be deemed given simultaneously with its delivery. Notices sent by a Party's counsel shall be deemed notices sent by such Party.

Section 10.6 Calculation of Time.

Unless otherwise stated, all references to "day" or "days" shall mean calendar days.

Section 10.7 Time is of the Essence.

Time is of the essence of this Agreement. The City shall cause the work under the Contract Documents to meet the Project Schedule, which shall not be altered except by a Change Order agreed to by the Parties. The City acknowledges (a) that Substantial Completion of the Project by February 1, 2008 is of paramount importance to the Team because of the unique nature of the Project and the expense involved in training or playing in a substitute facility, and (b) that the Team shall suffer significant damages, including lost revenues, rental expenses for spring training facilities and player/employee housing, and related costs and expenses if the Project does not achieve Substantial Completion by February 1, 2008.



Section 10.8 Incorporation by Reference.

All exhibits, schedules or other attachments referenced in this Agreement are hereby incorporated into this Agreement by such reference and are deemed to be an integral part of this Agreement.

Section 10.9 Entire Agreement.

This Agreement contains the sole and entire agreement between the Parties with respect to their subject matter and supersede any and all other prior written or oral agreements between them with respect to such subject matter.

Section 10.10 Amendment.

No amendment, modification or termination of this Agreement shall be valid unless in writing and duly executed by the Party affected by the amendment, modification or termination.

Section 10.11 Binding Effect; Assignment.

This Agreement shall be binding upon and shall inure to the benefit of the successors and assigns of the Parties hereof. The Team and the City shall not assign its respective interests under this Agreement without the prior written consent of the other Party.

Section 10.12 Headings.

The headings contained in this Agreement are for convenience of reference only, and shall not limit, extend or otherwise affect the meaning hereof.

Section 10.13 No Presumption Against Drafter.

This Agreement has been negotiated at arm's length and between Persons sophisticated and knowledgeable in the matters dealt with herein. In addition, each Party had been represented by experienced and knowledgeable legal counsel. Accordingly, this Agreement shall be interpreted to achieve the intents and purposes of the Parties, without any presumption against the Party responsible for drafting any part of this Agreement.

Section 10.14 Severability.

If any term or provision of this Agreement or the application thereof to any Person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to Persons or circumstances other than those as to which it was held invalid or unenforceable, shall not be affected thereby, and each term or provision of this Agreement shall be valid and enforceable to the fullest extent permitted by Applicable Law.

Section 10.15 Third Party Beneficiaries.

Nothing in this Agreement, express or implied, is intended to (a) confer upon any Person other than the Parties and their permitted successor(s) and assigns any rights or remedies under or by reason of this Agreement as a third-party beneficiary or otherwise except as specifically provided in this Agreement; or (b) authorize anyone not a Party to this Agreement to maintain an action pursuant to or based upon this Agreement.

Section 10.16 Governing Law.

This Agreement shall be governed by and construed in accordance with the Laws of the State of Florida, notwithstanding its conflicts of law or choice of law provisions. The parties agree that venue shall lie for any actions in Manatee County only.

Section 10.17 Counterparts.

This Agreement may be executed and delivered in three or more counterparts, each of which shall be deemed to be an original and all of which, taken together, shall be deemed to be one Agreement.

Section 10.18 Relationship of Parties.

It is agreed that nothing contained in this Agreement shall be deemed or construed as creating a partnership or joint venture among the Parties.

Section 10.19 Dispute Resolution.

For purposes of this Section only, the term "Claim" shall mean any Claim other than for specific performance or injunctive relief between or among the Parties that cannot be resolved by their respective representatives. Any such claim shall be submitted to non-binding mediation administered in accordance with the Commercial Arbitration Rules and Mediation Procedures of the American Arbitration Association (AAA) then in effect. Unless the Parties otherwise agree, within seven (7) days after the selection of the mediator, the Parties and the mediator shall participate in a pre-mediation conference to determine the time and place of the mediation and the procedures that will govern the mediation. The cost and expense of the mediator shall be equally shared by the Parties and each Party shall submit to the mediator any information or position papers that the mediator may request to assist in resolving the Claim. If a Claim has not been resolved within sixty (60) after submission of the Claim to mediation, then either Party may submit the Claim to binding arbitration in accordance with the Commercial Arbitration Rules and Mediation Procedures of the AAA then in effect. All arbitration proceedings shall be held in Bradenton, Florida. Demand for arbitration shall be filed in writing with the other Party and with the American Arbitration Association. The demand for arbitration may be filed at the same time as the demand for mediation but the arbitration proceedings shall be stayed until the time period for the mediation proceedings referenced above has expired. The demand for arbitration shall be made within a reasonable time after the Claim, but in no event shall the demand for arbitration be made after the date when institution of legal or equitable proceedings based on such Claim would be barred by the applicable statutes of limitations. The prevailing party in the arbitration proceeding shall be entitled to recover its reasonable, costs, expenses and attorneys' fees as part

of the award. The award rendered by the arbitrator or arbitrators shall be final and judgment may be entered upon it in accordance with applicable Law in any court having jurisdiction thereof. The agreement to arbitrate under this Section shall be specifically enforceable under applicable Law in any court having jurisdiction thereof.


[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK;  
SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date stated in the first paragraph of this Agreement.

TEAM:


PITTSBURGH ASSOCIATES, a Pennsylvania limited partnership

By: Pittsburgh Baseball, Inc., a Pennsylvania corporation, its general partner

By:   
Name: LARRY A. SILVERMAN  
Title: VP and GENERAL COUNSEL

CITY:

CITY OF BRADENTON, a Municipal Corporation of the State of Florida

By:   
Name: WAYNE POSTON  
Title: MAYOR

LIST OF EXHIBITS

- Exhibit 1 - Lease and Operating Agreement
- Exhibit 2 - Description of Project
- Exhibit 3 - Project Schedule
- Exhibit 4 - Schematic Design Documents
- Exhibit 5 - Site Plan
- Exhibit 6 - Architect Insurance Requirements
- Exhibit 7 - Contractor Insurance Requirements

EXHIBIT 1

LEASE AND OPERATING AGREEMENT

1. General Description of Exhibit Content: A copy of the final execution form of the Lease and Operating Agreement for the Complex.

## EXHIBIT 2

### DESCRIPTION OF THE PROJECT

The Project includes the design and construction of the following renovations and new improvements:

#### McKechnie Field

- Install field lighting and ingress/egress lighting for night games
- Construct Renovations and additions to existing Pirates' clubhouse
- Construct new visitors clubhouse and press lounge
- Install fixed awnings to bullpen areas
- Install water fountains, pave parking area, other miscellaneous improvements

#### Pirate City

- Construct new office/dormitory building
- Reconstruct north parking lot, increasing parking 40%
- Construct clubhouse addition and renovation
- Renovation of "half-field", install artificial turf infield
- Construct fifth practice field, including batter's eye and netting
- Construct public restroom and concession facility at practice fields
- Reconstruct fire access lane
- Install access gates at parking entry for security
- Install chain link security fencing
- Add 500-gallon above-ground fueling station

EXHIBIT 3

PROJECT SCHEDULE

1. General Description of Exhibit Content: A copy of the master project schedule containing all major milestone dates for the Project including, without limitation: outside dates for funding of the City Contributions, milestones (and review periods) for delivery of the Design Development Documents and Construction Drawings and Specifications, construction start date, major construction milestones (including substantial completion dates), outside dates for permitting and other approvals.
2. Party Responsible to Prepare Exhibit: The Contractor and the Architect with input from the City and the Team.
3. Parties to Review and Approve: The City and the Team.



EXHIBIT 4

SCHEMATIC DESIGN DOCUMENTS

1. General Description of Exhibit Content: A list of the Schematic Design Documents and any other design documents that describe the Project.
2. Party Responsible to Prepare Exhibit: The Architect.
3. Parties to Review and Approve: The City and the Team.

EXHIBIT 5

SITE PLAN

1. General Description of Exhibit Content: A copy of the Site Plan showing the site limits for Pirate City Training Facility and McKechnie Field and the related parking facilities.
2. Party Responsible to Prepare Exhibit: The Architect.
3. Parties to Review and Approve: The City and the Team.

## EXHIBIT 6

### ARCHITECT INSURANCE REQUIREMENTS

1. **General Liability Insurance.** (a) Workers' compensation and employer's liability insurance to the full extent as required by law, including Employers Liability coverage of at least \$1,000,000; (b) Commercial general liability coverage, including contractual liability and public liability coverage, in not less than the following amounts: (i) Bodily injury: \$1,000,000 each occurrence and \$2,000,000 annual aggregate; (ii) Property damage: \$1,000,000 each occurrence and \$2,000,000 annual aggregate; (iii) Business automobile liability insurance covering owned, non-owned and leased vehicles, with a combined single limit of \$500,000 per occurrence; and (iv) Excess or umbrella liability of \$3,000,000. These policies (other than the workers' compensation) shall name the Team and the City as additional insureds and shall be primary to any liability insurance carried by any of the additional insureds.

2. **Professional Liability Insurance.** Professional liability insurance, covering claims arising out of the performance of Architect's professional services for the Project, with minimum limits of \$1,000,000 per claim and \$2,000,000 annual aggregate and with a deductible of not more than \$100,000 per claim. Architect shall keep such insurance in effect for a period of not less than two (2) years after the date of completion of its services for the Project. If such professional liability insurance is written on a claims-made basis, such insurance shall have a retroactive date no later than the date of the Architect Agreement and shall include a supplemental extended reporting period provision.

3. **Other Insurance Requirements.** The insurance coverages described above shall be placed with insurance companies rated A minus VII or better by the current edition of Best's Key Rating Guide. Such insurance companies shall be authorized to do business in the State of Florida and shall incorporate a provision requiring the giving of written notice to Owner at least thirty (30) days prior to the cancellation, non-renewal or material modification of any such policies. Architect shall submit valid certificates of insurance in form and substance satisfactory to the Team and the City evidencing the effectiveness of the referenced insurance policies, along with the original copies of the amendatory riders to any such policies. Architect shall also deliver to the Team and the City copies of any insurance policies required under this Agreement within ten (10) days after Owner's request for such policies.

EXHIBIT 7

CONTRACTOR INSURANCE REQUIREMENTS

**A. Limits**

1. **Commercial General Liability**  
\$1,000,000                      Each Occurrence  
\$2,000,000                      General Aggregate--Per Project Aggregate  
Products/Completed Operations Aggregate--Per Project Aggregate  
Personal Injury
2. **Business Automobile**  
\$1,000,000                      Combined Single Limit
3. **Workers' Compensation/Employers' Liability (Stop Gap)**  
Workers' Compensation - Coverage A  
\$1,000,000                      Each Accident  
\$1,000,000                      Disease--Policy Limits  
\$1,000,000                      Disease--Each Employee
4. **Umbrella Liability (coverage to "follow form" of underlying insurance)**  
\$5,000,000

**B. Other Requirements**

1. **Commercial General and Umbrella Liability Insurance.** Contractor shall maintain Commercial General Liability (CGL), and Commercial Umbrella liability insurance with limits as set forth above. If such CGL contains a general aggregate limit, it shall apply separately to this Project.
  - (a) CGL insurance shall be written on ISO occurrence for CG 00 01 10 93 (or a substitute form providing equivalent coverage) and shall cover liability arising from premises, operations, independent contractors, products-completed operations, personal injury and advertising injury and liability assumed under an insured contract (including the tort liability of another assumed in a business contract).
  - (b) Owner and the entities listed in Section 5(d) below shall be included as additional insureds under the CGL and under the commercial umbrella liability policy, using ISO additional insured endorsement CG 20 10 10 93, or a substitute providing equivalent coverage, with changes requested by Owner. Contractor shall deliver to each additional insured a copy of the additional insured endorsement. This insurance shall apply as primary insurance with respect to any other insurance or self-insurance programs carried by Owner. If any additional insured has other insurance that is

applicable to the loss such other insurance shall be on an excess or contingent basis.

- (c) There shall be no endorsement or modification of the CGL limiting the scope of coverage for liability arising from pollution, explosion, collapse, underground property damage or employment-related practices.

2. **Continuing Completed Operations Liability Insurance.** Contractor shall maintain the completed operations coverage for at least two (2) years following final completion of Contractor's Work.

- (a) Continuing CGL insurance shall be written on ISO occurrence form CG 00 01 10 93 (or a substitute form providing equivalent coverage) and shall, at minimum, cover liability arising from products-completed operations and liability assumed under an insured contract.
- (b) Continuing CGL insurance shall have products-completed operations aggregate of at least two times the "each occurrence" limit.
- (c) Continuing commercial umbrella coverage, if any, shall include liability coverage for damage to the completed work equivalent to that provided under ISO form CG 00 01.

3. **Business Auto and Umbrella Liability Insurance.**

- (a) Such insurance shall cover liability arising out of any auto (including owned, hired and non-owned autos).
- (b) Business auto coverage shall be written on ISO form CA 00 01, CA 00 05, CA 00 12, CA 00 20, or substitute form providing equivalent liability coverage. If necessary, the policy shall be endorsed to provide contractual liability coverage equivalent to that provided in the 1990 and later editions of CA 00 01.
- (c) Pollution liability coverage equivalent to that provided under the ISO pollution liability broadened coverage for covered autos endorsement (CA 99 48) shall be provided, and the Motor Carrier Act endorsement (MCS 90) shall be attached.

4. **Workers' Compensation and Employers' Liability.** The alternate employer endorsement (WC 00 03 01 A) shall be attached showing Owner in the schedule as the alternate employer.
5. **General.** All policies shall:
  - (a) Be written by insurance companies with a Best's Rating of no less than "A:VII".
  - (b) Provide that coverage shall not be suspended, voided, canceled, non-renewed, reduced in scope or limits except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to Owner.
  - (c) Apply separately to each insured and additional insured against a whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
  - (d) Name the following entities as additional insureds: the City, Pittsburgh Associates, Pittsburgh Baseball, Inc., and, as applicable; their respective subsidiaries, affiliates, officers, directors employees.
  - (e) (i) provide defense as an additional benefit and not within the limits of liability, (ii) be endorsed to provide a waiver of subrogation in favor of the additional insureds, and (iii) with respect to workers' compensation and employer's liability insurance, contain stop gap endorsement for monopolistic states.

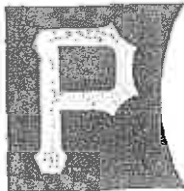
EXHIBIT 7

CITY AGREEMENT WITH ARCHITECT

EXHIBIT 8

CITY AGREEMENT WITH CONTRACTOR





**PITTSBURGH PIRATES**

PNC Park at North Shore

115 Federal Street

Pittsburgh, PA 15212

412.323.5000

[www.pirates.com](http://www.pirates.com)

February 27, 2008

City of Bradenton  
101 Old Main Street  
Bradenton, Florida 34205  
Attention: Honorable Wayne Poston

Dear Mayor Poston:

Please permit this letter to serve as formal notice by the Pittsburgh Pirates that the Complex that is the subject of the Lease between Pittsburgh Associates and the City of Bradenton dated December 28, 2006 ("Lease"), and the Development Agreement dated January 12, 2007, is substantially completed as that term is defined in the Lease at page 3 under the definition of "Commencement Date" and the Development Agreement at pages 4 & 5 under the definition of "Substantial Completion". Because the "Commencement Date" of the Lease "shall mean the date of substantial completion", the Lease commences on this date (February 27, 2008). We wish to emphasize that, despite the substantial completion of the construction work on the Complex, punch list work and work on the mechanical operating systems still need to be reviewed and completed.

Consistent with Section 6.9 of the Lease, I have enclosed the suite license agreement for the City's suite, which I have executed on behalf of the Club. Please execute a copy of the suite license agreement and return it to my attention.

The Pirates appreciate the City's continued support.

Sincerely,

Larry A. Silverman, Esq.  
Vice President & General Counsel

Attachment

cc: William R. Lisch, Esq. -- via fax: 941-748-6588  
519 13<sup>th</sup> Street West  
Bradenton, FL 34205



First Amendment to Lease and Operating Agreement

The City of Bradenton ("the City") and Pittsburgh Associates (the "Team") hereby enter into the following First Amendment to the Lease and Operating Agreement dated December 28, 2006:

(1) Section 6.9(b) of the Lease and Operating Agreement is deleted and the following language is substituted:

(b) City's Suite. Notwithstanding anything contained herein to the contrary, the Team shall furnish to the City, for no consideration or rent therefore, the City's Suite. The City shall receive, at no charge, tickets to all of the Team's Spring Training games and Florida State League games (if the Team secures a franchise in the Florida State League) held at McKechnie Field. For each of the Team's Spring Training games held at McKechnie Field, the Team shall provide, at its cost, food and non-alcoholic beverages in the City Suite. For such Spring Training games, the City shall have the right to purchase from the Team's concessionaire beer and other alcoholic beverages available to other suite patrons at the cost to the Team's concessionaire. It is understood that the Team will fulfill its obligation to provide food and non-alcoholic beverages in the City Suite during the Team's Spring Training games by providing the standard ballpark fare (e.g., the National League or American League package from the 2008 season) in the City's Suite. If the City orders a premium package, the City shall pay to the Team's concessionaire the difference, at the concessionaire's cost, between the standard ballpark fare menu and the premium package. For all Team Events held at McKechnie Field other than the Team's Spring Training games, including but not limited to Florida State League games, the City shall be responsible for the cost, at the standard rates charged to other suiteholders, of the food, beverage, and other variable costs typically paid separately by suiteholders. The City shall be responsible for the cost of tickets for any Team Events other than the Team's Spring Training games and Florida State League games. The City shall be responsible for all maintenance, repair and cleaning costs associated with the City's Suite. The City shall hold the Team harmless to the same extent as other suiteholders with respect to the City's Suite and the conduct of invitees to the City's Suite. The City agrees to execute and deliver to the Team a suite license agreement consistent with the foregoing and attached hereto as Exhibit A.

IN WITNESS WHEREOF, the Parties have executed this Lease as of the date stated in the first paragraph of this Lease.

June Schaut  
Witness  
JUNE SCHAUT  
(Printed signature)

Ava Parker  
Witness  
AVA PARKER  
(Printed signature)

TEAM:  
PITTSBURGH ASSOCIATES, a Pennsylvania  
Limited Partnership  
BY: Pittsburgh Baseball, Inc., a Pennsylvania  
Corporation, its general partner

BY: Larry A. Silverman  
Name: LARRY A. SILVERMAN  
Title: Vice President and General Counsel

STATE OF PENNSYLVANIA  
COUNTY OF ALLEGHENY

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State and County aforesaid to take acknowledgements, personally appeared LARRY A. SILVERMAN as VICE PRESIDENT of the Pittsburgh Associates, a Limited Partnership named in the foregoing instrument, and that he severally acknowledged executing the same in the presence of two subscribing witnesses freely and voluntarily under authority duly vested in him by said Limited Partnership.

WITNESS my hand and official seal at Pittsburgh, Pennsylvania on this 22 day of DECEMBER, 2008.

Carol Callahan  
Witness  
CAROL CALLAHAN  
(Printed signature)

Rene L. Raymond  
Witness  
RENE L. RAYMOND  
(Printed signature)

Patricia J. Mistick  
Notarial Seal  
Patricia J. Mistick, Notary Public  
City of Pittsburgh, Allegheny County  
(Notary)  
My Commission Expires July 5, 2009  
Member - Pennsylvania Association of Notaries

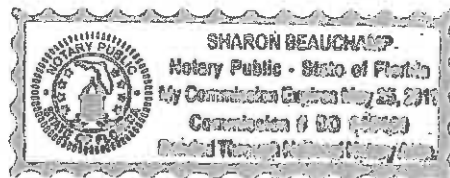
CITY:  
CITY OF BRADENTON, a Municipal Corporation  
of the State of Florida  
By: Wayne Poston WAYNE POSTON  
Name: MAYOR  
Title: CITY OF BRADENTON

STATE OF FLORIDA  
COUNTY OF MANATEE

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State and County aforesaid to take acknowledgements, personally appeared Wayne Poston, as Mayor of the City of Bradenton, a Florida municipality named in the foregoing instrument, and that he severally acknowledged executing the same in the presence of two subscribing witnesses freely and voluntarily under authority duly vested in him by said corporation.

WITNESS my hand and official seal at Bradenton, Florida on this 15 day of DECEMBER, 2008.

Sharon Beauchamp (Notary)



**Second Amendment to Lease and Operating Agreement**

This Second Amendment (the "Second Amendment"), dated ~~November 11~~ <sup>December</sup> 11, 2013, is made by and between The City of Bradenton ("the City") and Pittsburgh Associates, LP (the "Pirates") Pittsburgh Associates d/b/a Pittsburgh Pirates, a Pennsylvania limited partnership. The City and the Pirates are referred to herein individually as a "Party" and collectively as the "Parties."

**WHEREAS**, the City and the Pirates are Parties to a certain the Lease and Operating Agreement dated December 28, 2006 (the "Agreement"), and

**WHEREAS**, the Parties executed a First Amendment to the Lease and Operating Agreement in December, 2008 (referred to as the "First Amendment"), and

**WHEREAS**, the Parties desire to amend the Agreement further expand the Complex as set forth herein.

**NOW, THEREFORE**, in consideration of the mutual covenants herein, the Parties agree to amend the Agreement, inclusive of the First Amendment, as follows (the Agreement, First Amendment and Second Amendment may hereafter be collectively referred to as the "Lease"):

I. The Legal Description of the Land Comprising the Complex is hereby attached as Exhibit 1 to this Second Amendment. The Site Plan of the Complex is hereby attached as Exhibit 2 to this Second Amendment. From and after the date of this Second Amendment, all references in the Lease to Legal Description and the Site Plan shall be deemed to refer to the Legal Description and Site Plan attached hereto. The Parties hereby recognize and confirm that the Pirates shall have sole and exclusive possession of the Complex, subject to the right of the City to enter pursuant to the Agreement.

II. The Parties hereby confirm and agree that Section 4.2 of the Agreement grants to the Pirates the right to "use, occupy and operate the Complex for any lawful purpose" which shall include using a portion of the Complex for the parking of vehicles and the construction of additional playing fields. The City further agrees that the use of a portion of the Complex for the parking of vehicles and the construction of additional playing fields as depicted on the Site Plan is also consistent with Section 7.7(a) of the Agreement and does not materially affect the "aesthetics, sightlines, structure or systems of the Complex."

III. Section 4.6 of the Agreement is hereby amended to add the following Paragraph:

"The City shall also provide the Pirates with the right to use certain other land (the "Parking Land") owned by the City for the parking of vehicles for patrons to Spring Training or other games at McKechnie Field. The City agrees that the Pirates shall operate any such parking and shall have the right to keep any revenues gained from such operation. The Parking Land is more fully described on Exhibit 3 to this Second Amendment. The right of the Pirates to use the Parking Land shall continue from year to year unless and until the City exercises an Option to take away the right to park on this land in the event of future development on the Parking Land (the "Parking Option"), if it gives the Pirates written notice of its intent to exercise the Parking Option by November 1 of the year prior."

IV. Except as otherwise set forth above, all terms and conditions of the Agreement and the First Amendment shall remain in full force and effect.

V. In the event of any inconsistency between the Agreement, inclusive of the First Amendment, and the terms of this Second Amendment, the terms of this Second Amendment shall control.

VI. The City represents and warrants to the Pirates that on or before the date of this Second Amendment the Lease between the City and the Boys and Girls Clubs of Manatee County, Inc. for a portion of the land that is included in the Legal Description attached hereto was terminated and is of no further force and effect.

VII. The parties represent and warrant to one another that each has obtained any and all required approvals to enter into this Second Amendment.

IN WITNESS WHEREOF, The Pirates and City have caused this Second Amendment to be executed by their duly authorized representatives listed below.

PITTSBURGH ASSOCIATES, LP

By: see copy of  
Signature Page Attached

Title: \_\_\_\_\_  
Date: 5  
- cl

City of Bradenton

By: [Signature]  
Title: MAYOR

Date: 12/18/13

VII. The parties represent and warrant to one another that each has obtained any and all required approvals to enter into this Second Amendment.

IN WITNESS WHEREOF, The Pirates and City have caused this Second Amendment to be executed by their duly authorized representatives listed below.

PITTSBURGH ASSOCIATES, LP

By: *Frank Connelly*

Title: *President*

Date: *1-14-14*

City of Bradenton

By: *[Signature]*

Title: *MAYOR*

Date: *12/18/13*

Exhibit 1  
Legal Description  
(ATTACHED)

DECEMBER 6, 2013

McKechnie Filed

DESCRIPTION:

BEGIN AT THE SOUTHEAST CORNER OF A PARCEL OF LAND AS DESCRIBED IN OFFICIAL RECORDS BOOK 1615, PAGE 6573 OF THE PUBLIC RECORDS OF MANATEE COUNTY, FLORIDA; THENCE N 00°50'08" E, A DISTANCE OF 109.00 FEET TO THE NORTHEAST CORNER OF SAID PARCEL; THENCE N 89°09'52" W, ALONG THE NORTH LINE OF SAID PARCEL ALONG WITH THREE ADDITIONAL PARCELS OF LAND AS DESCRIBED IN (1) OFFICIAL RECORDS BOOK 1734, PAGE 2156; (2) OFFICIAL RECORDS BOOK 1136, PAGE 1840; (3) OFFICIAL RECORDS BOOK 1939, PAGE 5844, ALL OF SAID PUBLIC RECORDS, A DISTANCE OF 636.80 FEET TO AN INTERSECTION WITH THE EAST RIGHT OF WAY LINE OF 9th STREET WEST; THENCE N 00°29'47" E, ALONG SAID EAST RIGHT OF WAY LINE, A DISTANCE OF 760.17 FEET; THENCE S 89°30'51" E, A DISTANCE OF 213.86 FEET; THENCE N 02°15'44" E, A DISTANCE OF 46.41 FEET; THENCE S 89°19'00" E, A DISTANCE OF 326.10 FEET; THENCE N 00°41'00" E, A DISTANCE OF 7.01 FEET; THENCE S 89°19'00" E, A DISTANCE OF 240.78 FEET; THENCE S 00°41'00" W, A DISTANCE OF 7.01 FEET; THENCE S 89°19'00" E, A DISTANCE OF 138.06 FEET; THENCE S 00°34'33" W, ALONG THE WEST LINE OF A PARCEL OF LAND DESCRIBED IN OFFICIAL RECORDS BOOK 2266, PAGE 6466, OF SAID PUBLIC RECORDS, A DISTANCE OF 349.65 FEET; THENCE N 89°21'46" W, A DISTANCE OF 253.82 FEET; THENCE S 00°33'25" W, A DISTANCE OF 61.46 FEET; THENCE N 89°25'11" W, A DISTANCE OF 38.49 FEET; THENCE S 00°33'25" W, A DISTANCE OF 100.33 FEET; THENCE S 33°19'51" W, A DISTANCE OF 17.17 FEET; THENCE S 01°16'34" W, A DISTANCE OF 58.46 FEET; THENCE S 00°48'58" W, A DISTANCE OF 191.72 FEET; THENCE S 89°08'41" E, A DISTANCE OF 60.72 FEET; THENCE S 00°32'22" W, A DISTANCE OF 141.55 FEET TO AN INTERSECTION WITH THE NORTH RIGHT OF WAY LINE OF 17th AVENUE WEST; THENCE N 89°09'52" W, ALONG SAID NORTH RIGHT OF WAY LINE, A DISTANCE OF 40.04 FEET TO THE POINT OF BEGINNING.

LYING AND BEING IN SECTION 35, TOWNSHIP 34 SOUTH, RANGE 17 EAST, CITY OF BRADENTON, MANATEE COUNTY, FLORIDA.

CONTAINING 13.93 ACRES, MORE OR LESS.





**Exhibit 2**  
**Site Plan of Complex**





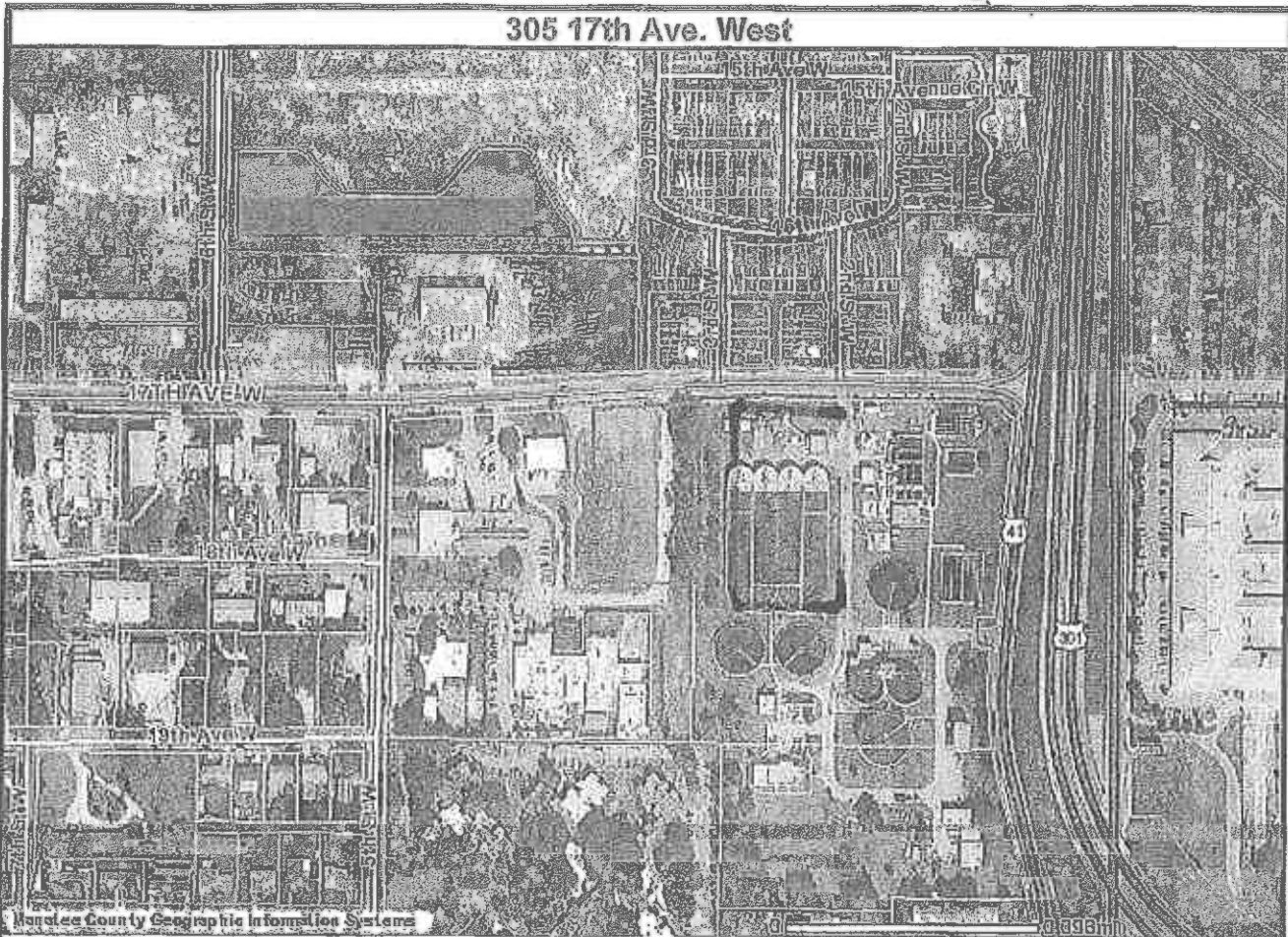
**Exhibit 3**  
**Parking Land**

**CITY-OWNED PROPERTY**

1. PROPERTY ADJACENT TO WASTEWATER TREATMENT PLANT (IMMEDIATELY WEST)  
305 17<sup>TH</sup> AVENUE WEST 1.56 ACRES +/-

**DDA-OWNED PROPERTY**

2. PROPERTY KNOWN AS MANATEE INNS SITE  
1405 14<sup>TH</sup> STREET WEST



Highlighted Feature	Sections	A Flood Zone	RV Overlay	Interstates
Zoning	Evers Watershed	AE Flood Zone	Airport Overlay	U.S. Highways
Water	Manatee Watershed	Velocity Zone	Whitfield Overlay	State Roads
Land	Special Treatment Overlay	Roadway	Historic Overlay	Business Roads
Florida	Florida Counties	Manatee County	Elevation Lines	County Roads
			100 Year Flood Zones	Major Roads
				Residential Streets

Owner	CITY OF BRADENTON	Parcel ID	4493800059
Sec Owner	NONE		
Address	305 17TH AVE W BR		
Sec Address	NONE	LUC	8900
Sub Lot/Blk	NOT IN SUBDIVISION 0/0	Acres	1.559
Subdivision Lot	Lot N/A - Block N/A	Watershed	NONE
Impact District	C - SW		
Fire District	Bradenton	Flood Map	327_C
Zoning	CITY	Flood Zone	X
Future Land Use	CITY	Flood Way	N
Sec Twn Rng	S35 T34 R17	Historic	N
Evac Zone	N/A		
Overlays	NONE		
AFHD	URBAN-C		
LUC Desc	MUNICIPAL		

**GIS**

This map was developed by the Manatee County Geographic Information Systems division. It is provided for general reference, is subject to change, and is not warranted for any particular use or purpose. Errors from non-coincidence of features from different sources may be present.  
 Thu May 19 16:49:21 EDT 2005

# 1405 14th Street West



## DDA OWNED - MANATEE INNS SITE



This map was developed by the Manatee County Geographic Information Systems division. It is provided for general reference, is subject to change, and is not warranted for any particular use or purpose. Errors from non-coincidence of features from different sources may be present.



Printed on: Tue Jan 14 14:22:06 EST 2014

# 1405 14th Street West



## DDA OWNED - MANATEE INNS SITE



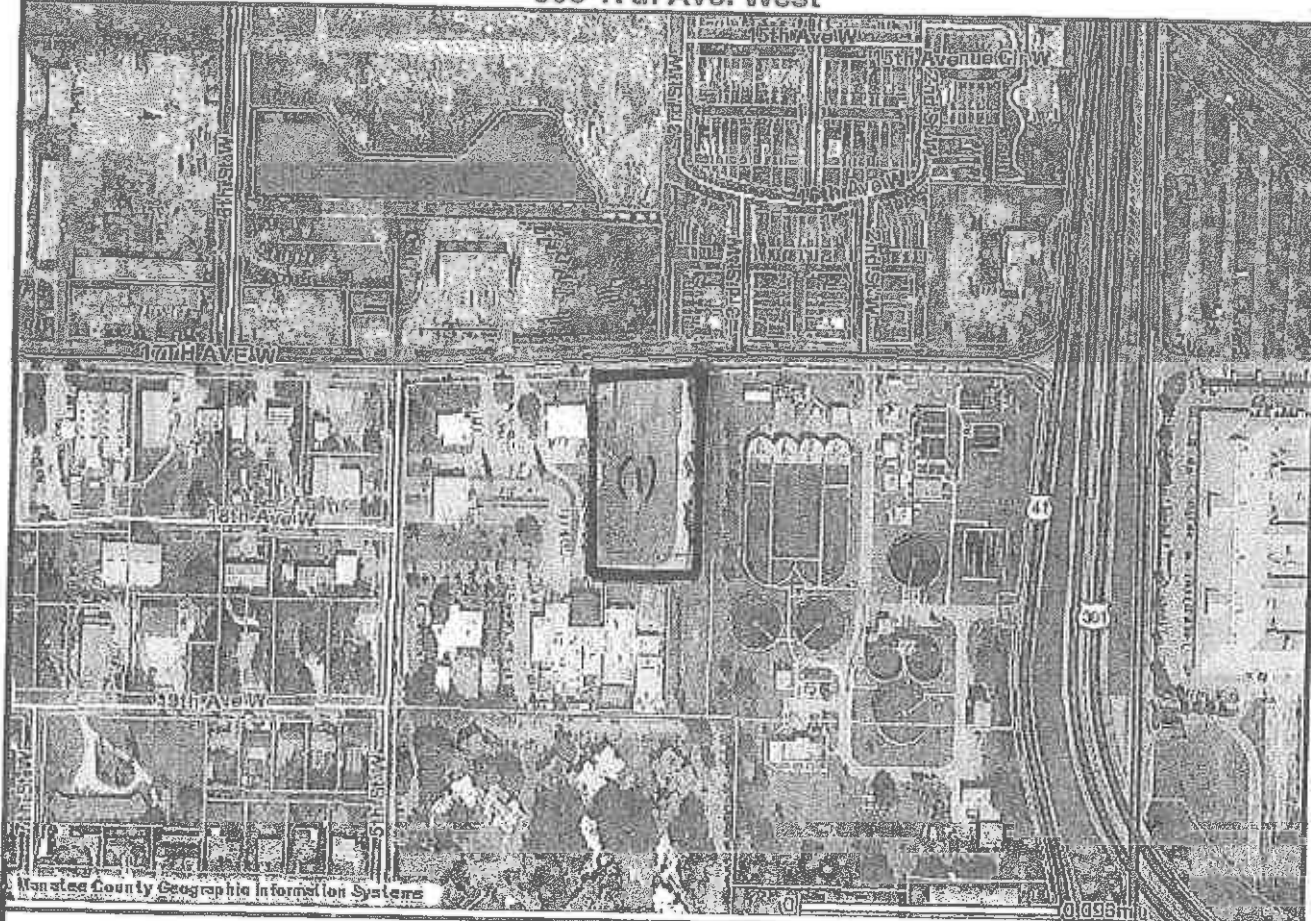
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Printed on : Tue Jan 14 14:22:06 EST 2014

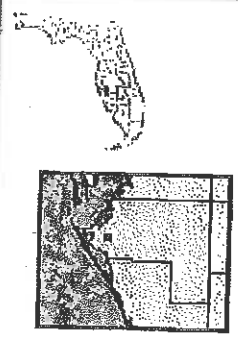


305 17th Ave. West



- Highlighted Feature
- Zoning
- Water
- Land
- Florida
- Sections
- Evers Watershed
- Manatee Watershed
- Special Treatment Overlay
- A Flood Zone
- AE Flood Zone
- Velocity Zone
- Roadway
- Florida Counties
- Manatee County
- RV Overlay
- Airport Overlay
- Whitfield Overlay
- Historic Overlay
- Elevation Lines
- 100 Year Flood Zones
- Interstates
- U.S. Highway
- State Roads
- Business Roads
- County Roads
- Major Roads
- Residential Streets

Owner	CITY OF BRADENTON	Parcel ID	4493800059
Sec Owner	NONE		
Address	305 17TH AVE W BR		
Sec Address	NONE	LUC	8900
Sub Lot/Blk	NOT IN SUBDIVISION 0/0	Acres	1.559
Subdivision Lot	Lot N/A - Block N/A	Watershed	NONE
Impact District	C - SW		
Fire District	Bradenton	Flood Map	327_C
Zoning	CITY	Flood Zone	X
Future Land Use	CITY	Flood Way	N
Sec Twn Rng	S35 T34 R17	Historic	N
Bvac Zone	N/A		
Overlays	NONE		
AFHD	URBAN-C		
LUC Desc	MUNICIPAL		



**GIS**

This map was developed by the Manatee County Geographic Information Systems division. It is provided for general reference, is subject to change, and is not warranted for any particular use or purpose. Errors from non-coincidence of features from different sources may be present.  
 Thu May 19 16:49:21 EDT 2005

DEVELOPMENT AGREEMENT

BETWEEN

CITY OF BRADENTON

AND

PITTSBURGH ASSOCIATES

DATED AS OF June 12, 2007

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LANDLORD CONSENT

The City of Bradenton, a municipal corporation of the State of Florida (the "Undersigned") hereby consents to the execution and delivery by Pittsburgh Associates, a Pennsylvania limited partnership ("Pirates") of that Leasehold Mortgage and Security Agreement in favor of PNC Bank, National Association encumbering, among other things, the leasehold interest of the Pirates in and to the property leased by the Undersigned to the Pirates under that Lease and Operating Agreement between the Undersigned and the Pirates dated as of December 28, 2006. Notwithstanding the foregoing, nothing contained in this Consent or within the Leasehold Mortgage and Security Agreement shall diminish, reduce or eliminate any of the rights or the Lessor contained within the Lease nor diminish, reduce or eliminate any of the obligations of the Lessee to the Lessor.

WITNESS the due execution hereof this 12<sup>th</sup> day of February, 2014.

Witnesses:

*[Handwritten signature of Carl Callahan]*

Print Name: Carl Callahan

*[Handwritten signature of Choen Edwards]*

Print Name: Choen Edwards

THE CITY OF BRADENTON

By:

*[Handwritten signature of Wayne Poston]*

Name: WAYNE POSTON

Title: MAYOR



STATE OF FLORIDA  
COUNTY OF MANATEE

} SS:

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, personally appeared WAYNE POSTON, as MAYOR of the City of Bradenton, a Florida municipality named in the foregoing Consent, and that he/she severally acknowledged executing the same in the presence of two subscribing witnesses freely and voluntarily under authority duly vested in him/her by said entity.

WITNESS my hand and official seal at Bradenton, Florida on this 12<sup>th</sup> day of February, 2014.

*[Handwritten signature of Rene L. Raymond]*  
Notary Public



Pittsburgh Pirates 2014 Spring Training

Impact on Manatee County

An estimated 18,200 visitors staying overnight in Manatee County's commercial lodgings attended spring training baseball games in 2014 (20.0% of McKechnie Field spring training game attendance).

The direct spending of these visitors equals an estimated \$19,858,700.

When the multiplier effects are included, the total economic impact of Manatee's commercial lodging spring training visitors equals \$31,362,800.

*Please note that this estimate of economic impact does not include the expenditures of day-trippers, overnight visitors staying with friends and relatives in Manatee County, or the stadium, Pittsburgh Pirates' franchise, visiting teams, coaches, organizers, or media.*

*Information provided by Monica Luff, Senior Administrative Assistant  
Bradenton Area Convention & Visitors Bureau  
& Bradenton Area Film Commission  
One Haben Blvd., Palmetto, FL 34221  
(941)-729-9177 ext. 231*



## CITY OF BRADENTON RETAINED SPRING TRAINING FRANCHISE 2014 ANNUAL REPORT

The following information is presented to fulfill the requirements of State Statute 288.11631: Submission of a Retained Spring Training Franchise annual report. The City of Bradenton is in a long-term lease arrangement with Major League Baseball's Pittsburgh Pirates.

**CRITERIA #1.** *A "unit of local government" as defined in F.S. 218.369 is responsible for the acquisition, construction, management, or operation of the facility for a retained spring training franchise or holds title to the property on which the facility for a retained spring training franchise is located.*

The City of Bradenton, a 'unit of local government,' holds title to the properties on which the Pittsburgh Pirates' spring training facilities are located. The Pirates have two separate facilities – Pirate City and McKechnie Field.

**CRITERIA #2.** *The applicant has a verified copy of a signed agreement with a retained spring training franchise for the use of the facility for a term of at least 15 years.*

The City of Bradenton, in 2006, entered into a 30-year lease agreement with the Pittsburgh Pirates. The lease and development agreement are included with this report and include both Pirate City and McKechnie Field.

**CRITERIA #3.** *The applicant has a financial commitment to provide 50 percent or more of the funds required by an agreement for the acquisition, construction, or renovation of the facility for a retained spring training franchise. The agreement can be contingent upon the awarding of funds under this section and other conditions precedent to use by the spring training franchise.*

Through the issuance of an \$18.6 million bond, the City of Bradenton provided more than 50% of the cost of renovating the Pirates' spring training facilities. Bradenton also contributes annually to a capital 'reserve' fund for continued improvements to the facilities. In addition to the improvements made in 2007, a \$10 million renovation to McKechnie Field was made in 2012, leading *Ballpark Digest* to honor McKechnie Field as the "Best Ballpark Renovation" of 2013.

**CRITERIA #4.** *The applicant has projections, verified by the Office of Tourism, Trade, and Economic Development, which demonstrate that the facility for a retained spring training franchise will attract a paid attendance of at least 50,000 annually.*

The Pirates' facilities host both Major League spring training AND the Bradenton Marauders, the Pirate's "A" club of the Florida State League.

Annual attendance at McKechnie Field for 2014:

Pirates – 91,046

Marauders – Figure available at end of season (Sept. 2014)

On track for last year's attendance mark of 109,845.

In addition, McKechnie Field played host to the 2014 Florida State League All-Star game as well as a number of other community events.

**CRITERIA #5.** *The facility for a retained spring training franchise is located in a county that is levying a tourist development tax pursuant to F.S. 125.0104.*

The City of Bradenton is located in Manatee County, which levies a 5% tourist development tax.

Respectfully submitted,

Carl Callahan, City Clerk & Treasurer



5/14/2014 11:30 A.M. ET

## Pirates Announce Plans for Improvements at McKechnie Field and Pirate City

By / MLB.com

The Pittsburgh Pirates today announced plans for two capital improvement projects to enhance baseball operations and training facilities at McKechnie Field and Pirate City.

At historic McKechnie Field, where a renovation completed in 2013 has contributed to record-setting attendance for Spring Training, the Pirates plan to replace the aging clubhouse building at the southeast corner of the property. The new, 22,500-square-foot building will include the Pirates/Bradenton Marauders locker room, strength training facility, training center, food service operations and baseball operations offices.

At Pirate City, the Pirates' training facility in east Bradenton, the Club plans a new performance center to be constructed adjacent to the existing dining facility. The 10,500-square-foot center will include weight training and fitness facilities to support year-round athletic performance and rehabilitation programs in Bradenton. The Pirates will fully fund construction of the buildings, which were approved this morning by the Bradenton City Council.

"The Pirates are continuing to invest in Bradenton because of our long-standing relationship with the community and the vital, year-round training and rehabilitation assets that have been developed by our partnership with the City," said Pirates President Frank Coonelly. "Our Major League and Minor League players deserve first-class facilities and the new home clubhouse at McKechnie Field and performance center at Pirate City will be among the best in the industry."

Both projects are slated to be completed by early 2015 and are included in long-range plans for the facilities. The Pirates have hired local firms NDC Construction and Fawley Bryant Architects to design and build the projects.

Bradenton has hosted Pirates Spring Training every year since 1969. Only one team has trained at its current Spring Training facility longer. First opened in 1923, McKechnie Field is the oldest Spring Training ballpark in use. The addition of lights in 2008 and the expansion of fan-friendly amenities in 2013 have enhanced the ballpark's status as one of the gems of the Grapefruit League. Ballpark Digest honored McKechnie Field as the "Best Ballpark Renovation" of 2013.

In 2014, the Pirates set new records for average attendance and single game attendance during the 2014 Grapefruit League season. The average attendance at McKechnie Field this spring was 7,587 per game, surpassing the prior high mark of 6,229, set in 2013. A new single-game attendance record was also established. The game between the Pirates and the Philadelphia Phillies on Saturday, March 22 drew 8,566 fans.

In addition to Spring Training, McKechnie Field is home to the Bradenton Marauders, the Pirates' Single-A affiliate in the Florida State League. McKechnie will also host the 2014 Florida State League All-Star Game on June 14.

*This story was not subject to the approval of Major League Baseball or its clubs.*

pirates.com





For Immediate Release  
February 14, 2014

### **PITTSBURGH PIRATES BUY POPPI'S PLACE I RESTAURANT SITE FOR MCKECHNIE FIELD EXPANSION**

Bradenton, Fla. – The Pittsburgh Pirates expanded on their long-term investment in Bradenton with the purchase of property at the corner of 17<sup>th</sup> Avenue and Ninth Street West adjacent to the main entrance of McKechnie Field. The location of Popi's Place I restaurant, the approximately one-third-acre parcel will be used as a parking area for the near term.

“The restaurant’s owners let us know they were ready to retire from the business and sell the property,” said Pirates Senior Director of Florida Operations Trevor Gooby. “This parcel is included in the City’s and the Pirates’ strategy for redeveloping the area around McKechnie Field as an arts and entertainment district. The Pirates are making this investment with that in mind.”

The restaurant will close today, according to Popi's Place I Owner Gus Johnson. Building demolition will begin after Spring Training, Gooby said.

Bradenton has hosted Pirates Spring Training every year since 1969. Only one team has trained at its current Spring Training facility longer. First opened in 1923, McKechnie Field is the oldest Spring Training ballpark in use. The addition of lights in 2008 and the expansion of fan-friendly amenities in 2013 have enhanced the ballpark’s status as one of the gems of Florida Spring Training. *Ballpark Digest* honored McKechnie Field as the “Best Ballpark Renovation” of 2013.

The Pirates will play 16 games at McKechnie Field this spring, beginning with the Black and Gold Game on Tuesday, February 25 at noon. The Black and Gold Game is a charity intrasquad contest. All tickets cost \$8 and benefit the Manatee Educational Foundation, Wakeland Elementary School, and G.D. Rogers Garden Elementary School.

For more information about the Pirates Spring Training, call 941-747-3031 or visit [www.Pirates.com](http://www.Pirates.com). To purchase tickets to the game call 877-893-2827 or visit the McKechnie Field Ticket Office on weekdays between 9:00 a.m. and 5:00 p.m., Saturday from 10:00 a.m. to 1:00 p.m., or Sunday from 10:00 a.m. to 1:00 p.m.

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**WORLD CHAMPIONS 1909 · 1925 · 1960 · 1971 · 1979**  
**N.L. CHAMPIONS 1901 · 1902 · 1903 · 1927**  
**DIVISION CHAMPIONS 1970 · 1972 · 1974 · 1975 · 1990 · 1991 · 1992**

**City of Clearwater  
(Philadelphia Phillies)**

## Brighthouse Networks Field –Spring Training Facility Expenses to Date 8/29/2014

Fund 315-92829	10/31/00 – 10/30/06	\$ 8,245,809.51
Fund 361-92829	10/31/01 – 10/30/06	\$15,390,966.97
Fund 315-93205	10/31/03 – 08/29/14	\$ 880,942.84

State	\$7,000,000.00
Pinellas County	\$7,000,000.00
City of Clearwater	\$3,500,000.00
Phillies	\$3,000,000.00
Phillies Additional Max	\$2,000,000.00
	\$22,500,000.00

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Balance Type :ACTUAL

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General Ledger Detail by Fund - From Period 1 to 11, 2014

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Journal Date	Tr SM Ty Code	Journal Number	Journal Line Description	Pd No Memo	Debit	Credit	Balance
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0315-93205-500000-000-000-0000

0315-93205-500000-000-000-0000 \*Program/Project Budget \* Currency: USD US Dollars

*** No Transactions in selected period ***					Opening Balance	0.00	0.00	0.00
					Closing Balance	0.00	0.00	0.00

0315-93205-530300-575-000-0000 Other Contractual Serv Currency: USD US Dollars

Journal Date	Tr SM Ty Code	Journal Number	Journal Line Description	Pd No Memo	Debit	Credit	Balance
					Opening Balance		324,571.83
15-OCT-2013	PC IN POINV	01833219	0002 1310032 bhn leak hallway 42433 01		126.00		126.00
			C LACEY PLUMBING INC 42433	BR508816			
27-SEP-2013	PO IN POINV	01833258	0002 DRIGGERSENGN/L26467 01		2,250.00		2,376.00
			DRIGGERS ENGINEERING L26467	BR507780			
6-DEC-2013	PO IN POINV	01865503	0002 AVERYPAINTIN/131067 bhn pressu 03		2,450.00		4,826.00
			AVERY PAINTING INC 2133	BR509491			
24-SEP-2013	PO IN POINV	01884273	0002 AIRMECHANICA/1309179 bhn svc 6 04		1,216.93		6,042.93
			AIR MECHANICAL & SERVICE CORP 62453	BR509276			
21-OCT-2013	PO IN POINV	01884284	0002 AIRMECHANICA/1309166 62931 bhn 04		732.38		6,775.31
			AIR MECHANICAL & SERVICE CORP 62931	BR509276			
21-OCT-2013	PO IN POINV	01884286	0002 AIRMECHANICA/1310501 bhn svc 6 04		610.46		7,385.77
			AIR MECHANICAL & SERVICE CORP 62930	BR509276			
22-OCT-2013	PO IN POINV	01884288	0002 AIRMECHANICA/1310590 bhn 62974 04		321.88		7,707.65
			AIR MECHANICAL & SERVICE CORP 62974	BR509276			
12-NOV-2013	PO IN POINV	01884291	0002 AIRMECHANICA/w1310193 63300 bh 04		396.85		8,104.50
			AIR MECHANICAL & SERVICE CORP 63300	BR509276			
22-JAN-2014	PO IN POINV	01888684	0002 MCCARTHY_ASS/Professional Serv 04		4,000.00		12,104.50
			MCCARTHY & ASSOCIATES INC 33394	ST109955			
18-DEC-2013	PO IN POINV	01894562	0002 MCCARTHY_ASS/Professional Serv 05		2,000.00		14,104.50
			Waterproofing renovati 570180				
			MCCARTHY & ASSOCIATES INC 33377	ST109955			
13-FEB-2014	PC IN POINV	01897745	0002 1400571 repair BHN 41897 05		485.00		14,589.50
			C LACEY PLUMBING INC 418971	BR508816			
13-FEB-2014	PC IN POINV	01897746	0002 1400910 repair BHN 41934 05		565.00		15,154.50
			C LACEY PLUMBING INC 41934	BR508816			
1-JAN-2014	PO IN POINV	01899152	0002 THYSSENKRUPP/1400047 300083116 05		1,755.74		16,910.24
			BPO for service as nee 571146				
			THYSSENKRUPP ELEVATOR 3000831161	BR509618			

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Journal Date	Tr SM Ty Code	Journal Number	Journal Line Description	Pd No Memo	Debit	Credit	Balance
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0315-93205-530300-575-000-0000

19-FEB-2014	PC IN POINV	01899582	0002 1311121 BHN svc 42508	05	170.00		17,080.24
			C LACEY PLUMBING INC 42508	BR508816			
19-FEB-2014	PC IN POINV	01899583	0002 1311116 BHN svc 42510	05	182.50		17,262.74
			C LACEY PLUMBING INC 42510	BR508816			
19-FEB-2014	PC IN POINV	01899589	0002 1311119 BHN svc 42509	05	340.00		17,602.74
			C LACEY PLUMBING INC 42509	BR508816			
19-FEB-2014	PC IN POINV	01899591	0002 1311124 bhn svc 42507	05	725.00		18,327.74
			C LACEY PLUMBING INC 42507	BR508393			
19-FEB-2014	PC IN POINV	01899592	0002 1311116 bhn svc 42511	05	875.00		19,202.74
			C LACEY PLUMBING INC 42511	BR508393			
10-FEB-2014	PO IN POINV	01901369	0002 EWINGCOLE/Professional Service 05		11,450.00		30,652.74
			Task 1: Develop repair 571762				
			EWINGCOLE 052690	ST110243			
10-FEB-2014	PO IN POINV	01901370	0002 EWINGCOLE/Professional Service 05		1,400.20		32,052.94
			Task 1: Develop repair 571763				
			EWINGCOLE 052691	ST110243			
17-MAR-2014	PO IN POINV	01921273	0002 EWINGCOLE/Professional Service 06		6,110.00		38,162.94
			Task 1: Develop repair 576471				
			EWINGCOLE 053052	ST110243			

26-MAR-2014	PO IN POINV	01929296	0002	MCCARTHY_ASS/Professional Serv	07		12,500.00		50,662.94	
				MCCARTHY & ASSOCIATES INC	33561	ST110072				
8-APR-2014	PO IN POINV	01931986	0002	EWINGCOLE/Professional Service	07		3,040.00		53,702.94	
				Task 1: Develop repair		579142				
				EWINGCOLE	053254	ST110243				
8-APR-2014	PO IN POINV	01937420	0002	MCCARTHY_ASS/Professional Serv	07		12,500.00		66,202.94	
				Peer Review Ewing Cole		580104				
				MCCARTHY & ASSOCIATES INC	33604	ST110072				
8-APR-2014	PO IN POINV	01983376	0002	EWINGCOLE/Professional Service	10		472.73		66,675.67	
				Task 1: Develop repair		591529				
				EWINGCOLE	053256	ST110243				
Closing Balance								391,247.50	0.00	391,247.50

0315-93205-541600-575-000-0000 Bldg & Maint-Variable Currency: USD US Dollars

Opening Balance								203,980.22	0.00	203,980.22
8-NOV-2013	GL JB V008	00100114	0012	BLDG & MAINT VAR P-1		01	2,645.94		2,645.94	

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 Balance Type :ACTUAL General Ledger Detail by Fund - From Period 1 to 11, 2014

Journal Date	Tr SM Ty Code	Journal Number	Journal Line	Journal Description	Pd No Memo	Debit	Credit	Balance		
0315-93205-541600-575-000-0000										
10-DEC-2013	GL JB V008	00100115	0012	BLDG & MAINT VAR P-2	02	37.50		2,683.44		
7-FEB-2014	GL JB V008	00100117	0015	BLDG & MAINT VAR P-4	04	3,375.00		6,058.44		
Closing Balance								210,038.66	0.00	210,038.66

0315-93205-543400-575-000-0000 Printing & Binding Currency: USD US Dollars

Opening Balance								0.00	0.00	0.00
9-JUL-2014	PO IN POINV	01988768	0002	JIFFYREPROGR/298751	10	265.75		265.75		
				City-Wide Special Grap		592716				
				JIFFY REPROGRAPHICS EPAY		298751	BR507667			
1-JUL-2014	PO IN POINV	01988769	0002	JIFFYREPROGR/298567	10	10.00		275.75		
				City-Wide Special Grap		592717				
				JIFFY REPROGRAPHICS EPAY		298567	BR507667			
Closing Balance								275.75	0.00	275.75

0315-93205-544100-575-000-0000 Equipt Rental Currency: USD US Dollars

Opening Balance								933.35	0.00	933.35
30-SEP-2013	PO IN POINV	01833011	0002	MABEY/208318	01	3,948.05		3,948.05		
				Rental of shoring towe		554518				
				MABEY INC		208318	BR509054			
Closing Balance								4,881.40	0.00	4,881.40

0315-93205-546200-575-000-0000 Other Equip Svc & Repair Currency: USD US Dollars

*** No Transactions in selected period ***								50.69	0.00	50.69
Closing Balance								50.69	0.00	50.69

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 Balance Type :ACTUAL General Ledger Detail by Fund - From Period 1 to 11, 2014

Journal Date	Tr SM Ty Code	Journal Number	Journal Line Description	Pd No Memo	Debit	Credit	Balance
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0315-93205-550400-575-000-0000

0315-93205-550400-575-000-0000 Operating Supplies & Matls Currency: USD US Dollars

*** No Transactions in selected period ***	Opening Balance	49,703.41	0.00	49,703.41
	Closing Balance	49,703.41	0.00	49,703.41

0315-93205-550800-575-000-0000 Construction Materials Currency: USD US Dollars

	Opening Balance		506.11	0.00	506.11
30-JAN-2014	PO IN POINV	01899215 0002	GRAINGER/1401785 FUSE BHN 9352 05		437.60
	GRAINGER		9352789441 BR508789		
18-FEB-2014	PC IN POINV	01899267 0002	1401952 BHN recpt. 49325 05		16.94
	HOME DEPOT CREDIT SERVICES		BPO for miscellaneous 571340		
			49325 BR508947P		
	Closing Balance		960.65	0.00	960.65

0315-93205-562500-575-000-0000 Grounds-Matl Purchase Currency: USD US Dollars

	Opening Balance		0.00	0.00	0.00
25-OCT-2013	PO IN POINV	01865501 0002	AFS/Sand Blasting and Powder C 03		2,192.95
	ARCHITECTURAL FINISH SYSTEMS		7256 ST110123		
	Closing Balance		2,192.95	0.00	2,192.95

0315-93205-563500-575-000-0000 Grounds-Contract Currency: USD US Dollars

	Opening Balance		114,460.82	0.00	114,460.82
21-JAN-2014	PO IN POINV	01888697 0002	SCOTTOPLUMBI/Plumbing Services 04		1,165.00
	SCOTTO PLUMBING SERVICE INC		Install and furnish 1 568521		
			14C00C1 ST110198		
	Closing Balance		115,625.82	0.00	115,625.82

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 Balance Type :ACTUAL General Ledger Detail by Fund - From Period 1 to 11, 2014

Journal Date	Tr SM Ty Code	Journal Number	Journal Line Description	Pd No Memo	Debit	Credit	Balance
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0315-93205-563500-575-000-0000

0315-93205-563800-575-000-0000 Other Strc-Contract Currency: USD US Dollars

*** No Transactions in selected period ***	Opening Balance	5,216.00	0.00	5,216.00
	Closing Balance	5,216.00	0.00	5,216.00

0315-93205-565800-575-000-0000 Cost Matl & Services Currency: USD US Dollars

Date	Journal	Tr	Journal	Journal	Journal	Pd	No	Debit	Credit	Balance
Date	SM	Ty	Code	Number	Line Description	Memo				
					Opening Balance			75,862.74	0.00	75,862.74
18-OCT-2013	PC IN POINV		01833500	0002	1309556 bhn paint		01	40.27		40.27
					PORTER PAINTS EPAY		BR507933P			
28-OCT-2013	PC IN POINV		01837633	0002	1311109 bhn gfi plugs		01	57.85		98.12
					HOME DEPOT CREDIT SERVICES		BR508947P			
28-OCT-2013	PC IN POINV		01837634	0002	1311109 bhn outdoor covers		01	26.07		124.19
					LOWES COMPANIES INC		BR509316P			
28-OCT-2013	PC IN POINV		01837728	0002	1311127 bhn tapcons		01	268.97		393.16
					BPO for miscellaneous		556421			
					HOME DEPOT CREDIT SERVICES		BR508947P			
28-OCT-2013	PC IN POINV		01837729	0002	bhn caulking nozzles		01	1,105.06		1,498.22
					CONSPEC MATERIALS INC		BR501419P			
28-OCT-2013	PC IN POINV		01837730	0002	1311127 bhn finwasher's		01	13.66		1,511.88
					TRI-CITY BOLT & SCREW		BR500539P			
29-OCT-2013	PC IN POINV		01838172	0002	1311114 bhn resp. masks		01	72.85		1,584.73
					HOME DEPOT CREDIT SERVICES		BR508947P			
29-OCT-2013	PC IN POINV		01838173	0002	1311114 bhn red oxide bhn		01	66.48		1,651.21
					PORTER PAINTS EPAY		BR507933P			
31-OCT-2013	PC IN POINV		01841861	0002	1311127 FLT WASH BH FLCL134951		01	15.12		1,666.33
					FASTENAL COMPANY		BR509155P			
31-OCT-2013	PC IN POINV		01841863	0002	1311127 ADA SURF MT BH		01	1,619.88		3,286.21
					JIM & SLIMS TOOL SUPPLY EPAY		BR509295P			
20-NOV-2013	PC IN APINV		00511374	0003	BHN clear coat paint		02	76.70		3,362.91
					SUNCOAST PAINT & DESIGN		TCHAPLINSKY-134			
30-OCT-2013	PO IN POINV		01845210	0002	STRAIGHTPOLA/1311129 BHN weld		02	1,700.00		5,062.91
					STRAIGHT POLARITY WELDING INC		BR509415			
6-NOV-2013	PC IN POINV		01845222	0002	1311114 bhn gringing wheels		02	33.94		5,096.85
					HOME DEPOT CREDIT SERVICES		BR508947P			
18-NOV-2013	PC IN POINV		01849772	0002	1311114 BHN paint		02	30.35		5,127.20
					PORTER PAINTS EPAY		BR507933P			
19-NOV-2013	PC IN POINV		01849945	0002	1311132 BHN Bonding Adhesive		02	30.70		5,157.90
					HOME DEPOT CREDIT SERVICES		BR508947P			
20-NOV-2013	PC IN POINV		01850804	0002	1311114 bhn paint rags bucket		02	180.83		5,338.73
					PORTER PAINTS EPAY		BR507933P			

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Journal	Tr	Journal	Journal	Journal	Pd	No	Debit	Credit	Balance	
Date	SM	Ty	Code	Number	Line Description	Memo				
0315-93205-565800-575-000-0000										
20-NOV-2013	PC IN POINV		01850843	0002	1311112 bhn drill bit		02	37.93		5,376.66
					HOME DEPOT CREDIT SERVICES		BR508947P			
20-NOV-2013	PC IN POINV		01850844	0002	1311112 ADA mats BHN 110413		02	1,619.88		6,996.54
					JIM & SLIMS TOOL SUPPLY EPAY		BR509295P			
21-NOV-2013	PC IN POINV		01851827	0002	1311114 BHN paint 917404011929		02	150.41		7,146.95
					PORTER PAINTS EPAY		BR507933P			
21-NOV-2013	PC IN POINV		01851843	0002	1311096 BHN spray brush rust		02	44.87		7,191.82
					HOME DEPOT CREDIT SERVICES		BR508947P			
21-NOV-2013	PC IN POINV		01851844	0002	1311100 bhn paint		02	155.58		7,347.40
					PORTER PAINTS EPAY		BR507933P			
25-NOV-2013	PC IN POINV		01854373	0002	1311097 bhn paint primer		02	49.66		7,397.06
					PORTER PAINTS EPAY		BR507933P			
26-NOV-2013	PC IN POINV		01854538	0002	1311113 bhn wire mesh		02	47.94		7,445.00
					HOME DEPOT CREDIT SERVICES		BR508947P			
26-NOV-2013	PC IN POINV		01854539	0002	1311113 bhn ospho		02	12.30		7,457.30
					PORTER PAINTS EPAY		BR507933P			
26-NOV-2013	PC IN POINV		01854546	0002	1311097 bhn mortar fix		02	25.20		7,482.50
					BPO for miscellaneous		560711			
					HOME DEPOT CREDIT SERVICES		BR508947P			
26-NOV-2013	PC IN POINV		01854547	0002	1311097 bhn paint		02	24.07		7,506.57
					BPO for miscellaneous		560712			
					PORTER PAINTS EPAY		BR507933P			
26-NOV-2013	PC IN POINV		01854585	0002	1311113 bhn paint 12028		02	130.59		7,637.16
					PORTER PAINTS EPAY		BR507933P			
31-DEC-2013	PC IN APINV		00514944	0003	surface cleaner bhn		03	48.57		7,685.73
					SHERWIN-WILLIAMS		TCHAPLINSKY-135			
5-DEC-2013	PC IN POINV		01858609	0002	1311097 PAINT BHN 31489		03	845.65		8,531.38
					BPO for miscellaneous		561856			
					PORTER PAINTS EPAY		BR507933P			
6-DEC-2013	PC IN POINV		01859695	0002	1311097 BHN PAINT 31593		03	493.84		9,025.22
					BPO for miscellaneous		562127			
					PORTER PAINTS EPAY		BR507933P			
4-DEC-2013	PO IN POINV		01860330	0002	STRAIGHTPOLA/1311129 BHN weld		03	1,700.00		10,725.22
					STRAIGHT POLARITY WELDING INC		BR509415			
9-DEC-2013	PC IN POINV		01860348	0002	1311130 BHN BONDO 26408		03	31.26		10,756.48
					HOME DEPOT CREDIT SERVICES		BR508947P			
9-DEC-2013	PC IN POINV		01860358	0002	1311130 BHN PAINT 12144		03	33.12		10,789.60
					PORTER PAINTS EPAY		BR507933P			
17-DEC-2013	PC IN POINV		01866400	0002	bhn silicone broom 89619		03	49.50		10,839.10
					HOME DEPOT CREDIT SERVICES		BR508947P			

18-DEC-2013	PC IN POINV	01867147	0002	1311130	bhn 03420 min. spirits 03	86.69		10,925.79
	HOME DEPOT CREDIT SERVICES			003420	BR508947P			
27-DEC-2013	PC IN POINV	01873389	0002	BH FIELD:	POLYURETHANE, PADS 03	55.78		10,981.57
	HOME DEPOT CREDIT SERVICES			6357081684	BR508947P			

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Journal Date	Tr SM Ty Code	Journal Number	Journal Line	Journal Description	Pd No Memo	Debit	Credit	Balance
0315-93205-565800-575-000-0000								
16-DEC-2013	PO IN POINV	01875969	0002	AIRMECHANICA/63806 BHN service 04		442.54		11,424.11
	AIR MECHANICAL & SERVICE CORP			63806	BR509276			
10-JAN-2014	PO IN POINV	01884342	0002	STRAIGHTPOLA/101014 BHN 131110 04		2,270.00		13,694.11
	STRAIGHT POLARITY WELDING INC			101014	BR509415			
22-JAN-2014	PC IN POINV	01884378	0002	1311097 221745 bhn CAULK 04		119.70		13,813.81
	CONSPEC MATERIALS INC			221745	BR501419P			
22-JAN-2014	PC IN POINV	01884412	0002	1400826 BHN VALVES 143002930 04		1,141.60		14,955.41
	HUGHES SUPPLY INC			143002930	BR508653P			
22-JAN-2014	PC IN POINV	01884413	0002	1400826 BHN VALVES 143002846 04		2,305.00		17,260.41
	HUGHES SUPPLY INC			BPO for miscellaneous	567710			
				1430028460	BR508653P			
24-JAN-2014	PC IN POINV	01886332	0002	1311107 bhn ballast 9345647771 04		105.14		17,365.55
	GRAINGER			BPO for miscellaneous	568108			
				9345647771	BR509452P			
27-JAN-2014	PC IN POINV	01886847	0002	1400869 BHN ROCK 07215 04		64.67		17,430.22
	HOME DEPOT CREDIT SERVICES			07215	BR508947P			
28-JAN-2014	PC IN POINV	01887564	0002	1400869 bhn rock 10417 04		13.88		17,444.10
	HOME DEPOT CREDIT SERVICES			10417	BR508947P			
31-JAN-2014	PC IN POINV	01890462	0002	1400628 bhn val coil & drier 1 04		1,537.70		18,981.80
	TRANE COMPANY			10409046	BR509463P			
18-FEB-2014	PC IN POINV	01899300	0002	1311116 phillies BHN sink 115 05		537.66		19,519.46
	GAS APPLIANCE REPAIR P			571384				
	HYDROLOGIC DISTRIBUTION			1150668	BR508567P			
14-JAN-2014	PO IN POINV	01901243	0002	1309875 8537 BHN qtrl main 05		4,948.00		24,467.46
	BPO for miscellaneous			571545				
	AIR MECHANICAL & SERVICE CORP			FM8537	BR509276			
30-JAN-2014	PO IN POINV	01901244	0002	AIRMECHANICA/1400618 bhn svc 6 05		184.39		24,651.85
	BPO for miscellaneous			571546				
	AIR MECHANICAL & SERVICE CORP			64353	BR509276			
21-FEB-2014	PC IN POINV	01902616	0002	1401635 bhn floor box 55849 05		171.96		24,823.81
	CED/RAYBRO ELECTRIC SUPPL EPAY			558849	BR508842P			
21-FEB-2014	PC IN POINV	01902628	0002	1401625 bhn tapcons 79840 05		63.46		24,887.27
	BPO for miscellaneous			572189				
	HOME DEPOT CREDIT SERVICES			79840-1	BR508947P			
Closing Balance						100,750.01	0.00	100,750.01
Expenses Sub-totals						880,942.84	0.00	880,942.84
Center/Project Totals						880,942.84	0.00	880,942.84

GB\_GL\_R\_003 29-AUG-2014 15:20 0 : City of Clearwater Ross iRen (PROD) :: Page 8  
 Balance Type :ACTUAL General Ledger Detail by Fund - From Period 1 to 11, 2014

Journal Date	Tr SM Ty Code	Journal Number	Journal Line	Journal Description	Pd No Memo	Debit	Credit	Balance
0315-93205-565800-575-000-0000								

GB\_GL\_R\_003 29-AUG-2014 15:20 0 : City of Clearwater Ross iRen (PROD) :: Page 8  
 Balance Type :ACTUAL General Ledger Detail by Fund - From Period 1 to 11, 2014

Journal Date	Tr SM Ty Code	Journal Number	Journal Line	Journal Description	Pd No Memo	Debit	Credit	Balance
--------------	---------------	----------------	--------------	---------------------	------------	-------	--------	---------



0315-93205-565800-575-000-0000

-----			
Fund Totals	880,942.84	0.00	880,942.84
Total Assets			0.00
Total Liab & Equity			0.00
Total Revenue			0.00
Total Expenses			880,942.84
Balance			880,942.84
-----			
GRAND TOTAL for Currency USD US Dollars	880,942.84	0.00	880,942.84
Total Assets			0.00
Total Liab & Equity			0.00
Total Revenue			0.00
Total Expenses			880,942.84
Balance			880,942.84

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\*\*\* Selection Criteria \*\*\*

Field Name	Selection Values
-----	-----
Company Code	= 0
GL Account	AMONG 03159320550000000000000000000000-031593205TOTEXPALLALLLLO
Currency	AMONG USD
Balance Type	= ACTUAL
Year	= 2014
Period	AMONG 1-11
One Account Per Page	= N
Include Open Balance	= N

\*\*\*\*\* End of Report \*\*\*\*\*

GB\_GL\_R\_003

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SPORTS FACILITY  
USE AGREEMENT

by and among

THE CITY OF CLEARWATER, FLORIDA

and

THE PHILLIES

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## EXHIBITS

EXHIBIT A          Expedited ADR



## SPORTS FACILITY USE AGREEMENT

THIS SPORTS FACILITY USE AGREEMENT (the "Agreement") is made and entered into as of December 31, 2000, by and among THE CITY OF CLEARWATER, FLORIDA, a municipal corporation ("City") and THE PHILLIES, a Pennsylvania limited partnership ("The Phillies").

1. Recitals.

Unless otherwise defined herein, capitalized terms used in this Section 1 shall have the meaning ascribed to them in Section 2 of this Agreement.

1.1 Club. The Phillies owns the Philadelphia franchise for a MLB club in the National League of Professional Baseball Clubs.

1.2 Economic and Industrial Development. The City may in accordance with applicable Florida law engage in economic and industrial development activities (such as those contemplated by this Agreement) which improve the condition of the residents and businesses of the City, which contribute to the overall economic condition of the City as a whole, and which may provide jobs for residents of the City as well as providing recreational and entertainment activities for the use and enjoyment of the residents of the City.

1.3 Intergovernmental Agreement. The City and The Phillies believe that conducting The Phillies' MLB Spring Training Season games in Clearwater will create significant economic, recreational, cultural and other benefits to Clearwater and to Pinellas County. For the foregoing reasons, the City is concurrently herewith entering into an intergovernmental agreement with Pinellas

County for funding of a portion of the costs of the development of the Sports Facility as contemplated by the SFDA. In addition, the City has represented to The Phillies and The Phillies acknowledge that the City has represented to it that the City is unable to finance the public sector costs of the Sports Facility but for the assistance and cooperation of and providing of funds by other Public bodies.

1.4 Spring Training Season. The Phillies is willing to conduct its home Spring Training Season activities at the Sports Facility, on the terms set forth in this Agreement.

1.5 Public Interest. The City finds that this Agreement is in the public interest and that the public funds are to be expended for a public purpose.

2. Definitions.

The following terms shall have the meanings ascribed to them as follows:

2.1 "Affiliate" or "Affiliated" of any Person (the "Subject Person") means any other Person who (i) controls, is directly or indirectly controlled by, or is under common control with, the Subject Person; or (ii) is a general partner, officer or director of the Subject Person or of any Person described in clause (i) above.

2.2 "Civic Event" means an event (which may, but need not, be a Revenue Event) held at the Sports Facility which is for charitable, community or civic purposes, the net ticket revenues from which, if any, may be distributed only to a charitable, community or civic organization.

2.3 "Claim" shall have the meaning set forth in Section 13.3.

2.4 "Club" means the MLB franchise owned by The Phillies, or successors thereto.

2.5 "Commercial Space" means the space and facilities in the Sports Facility that are described as such in the Scope of Work.

2.6 "Consulting Engineer" means a qualified consulting engineer mutually selected and equally paid by the parties, as provided in Section 9.2 hereof.

2.7 "CPI Index" means the Consumer Price Index for Urban Wage Earners and Clerical Workers specified for "All Items" for Tampa, St. Petersburg and Clearwater, Florida published by the Bureau of Labor Statistics of the United States Department of Labor (1982 - 84 =100). If the method by which such index is calculated is hereafter substantially changed, appropriate adjustments will be made by the parties to produce results approximating as nearly as possible the results which would have been obtained absent such change. A change in the base year shall be deemed such a substantial change. If the index is no longer published or otherwise becomes unavailable to the public, a reasonable substitute index shall be mutually agreed upon by the City and The Phillies.

2.8 "CPI Adjustment" shall have the meaning set forth in Section 6.1.

2.9 "Concession Facilities" means these portions of the Sports Facility (other than the Commercial Space), used for the preparation, storage, display and sale of food, beverages, merchandise and other products at events.

2.10 "Default" shall have the meaning set forth in Section 17.1.

2.11 "Defaulting Party" shall have the meaning set forth in Section 17.1.

2.12 "Default Rate" means an annual rate of interest equal to the prime rate of interest charged from time to time by Citibank (or some other bank agreed upon by the parties) plus one and one-half percent but in no event greater than the amount permitted by Chapter 218, Part VII, Florida Statutes. As used in the preceding sentence, the "prime rate of interest charged from time to time by Citibank shall mean the rate of interest announced from time to time by Citibank for loans to its commercial customers with the highest credit rating.

2.13 "Disaster Staging Uses" shall have the meaning set forth in Section 5.5.

2.14 "Environmental Laws" means any and all currently existing or subsequently enacted or effective federal, state, and local laws, statutes, codes, rules, regulations, ordinances, orders, standards, permits, licenses and requirements (including, but not limited to, consent decrees, judicial decisions and administrative orders) and any amendments, implementing regulations and reauthorizations thereto in effect during the Term regulating, dealing with, pertaining to or imposing liability or standards of conduct concerning the use, exposure, generation, manufacture, transportation, treatment, storage, disposal, emission, release, discharge, remediation or abatement of hazardous substances, or the preservation, conservation or regulation of the environment.

2.15 "Event" means a Phillies Event, a Partnership Event or a Civic Event.

2.16 "Expedited ADR" means the Expedited Alternative Dispute Resolution procedures attached to this Agreement as Exhibit A.

2.17 "Fields" means collectively the three baseball playing fields within the Sports Facility.

2.18 "Force Majeure" shall have the meaning set forth in Section 19.4.

2.19 "Grapefruit League" means the collection of MLB clubs that conduct their spring training operations in the State of Florida and who play exhibition games among each other during the spring training season, which collection is commonly known and referred to as the Grapefruit League.

2.20 "Home Game" means every regularly scheduled Grapefruit League exhibition game to be played between the Club and a MLB team during the Spring Training Season of each year during the Term (exclusive of so-called "B games"), including split-squad games, as to which the Club is designated as the home team. (For this purpose, the term "B game" shall mean the one game

of two, that are played by The Phillies on the same day for which no admission is charged and which may be played either at the Stadium or at another location, such as the Carpenter Complex.

2.21 "Improvements" means the Stadium, and all other improvements to real property now or hereafter located on the Site, including, without limitation, all improvements described in the Scope of Work and the Site Plan.

2.22 "Legal Requirements" means all federal, state, county, municipal and other governmental laws (including applicable constitutions), ordinances, codes, rules, regulations, statutes and orders (including court and administrative agency orders), all covenants and restrictions of record and the requirements of all fire insurance underwriters or rating bureaus, applicable to the Sports Facility.

2.23 "Luxury Suites" means the private suites identified as such on the Scope of Work.

2.24 "Minor League Affiliate" means any minor league team which has a player development agreement with or is an Affiliate of The Phillies.

2.25 "MLB" means Major League Baseball or any successor or substitute association or other entity which engages in professional baseball competition comparable to Major League Baseball, of which The Phillies is or becomes a member.

2.26 "MLB Agreements" means the following governing documents and agreements, as they may be amended from time to time: the Major League Constitution, the Major League Rules, the Major League Agreement, the Major League Central Fund Agreement, the collective bargaining agreement between the MLB and the MLB Players Association, the directives, rules and bulletins from the National League of Professional Baseball Clubs and/or the Office of the Commissioner of MLB and the Professional Baseball Leagues Agreement and any future MLB instruments or

requirements which may govern The Phillies and/or with respect to which The Phillies is required to comply.

2.27 "Non-Defaulting Party" shall have the meaning set forth in Section 17.1.

2.28 "Office Space" means the space in the Sports Facility provided to The Phillies for office purposes, as shown in the Scope of Work.

2.29 "Offset Amount" means for each calendar year during the Term the sum of (i) all reimbursements by The Phillies' relating to field maintenance supplies, as contemplated by Section 9.1; (ii) The Phillies Utilities Share; and (iii) all Sports Facility operating and maintenance labor costs paid by The Phillies.

2.30 "Partnership Event" shall have the meaning set forth in Section 5.4.

2.31 "Person" means any individual, trust, estate, partnership, joint venture, company, corporation, association, limited liability company, governmental authority or entity or any other legal entity or business or investment enterprise.

2.32 "Phillies Event" means an Event conducted by or for The Phillies at the Sports Facility, including without limitation MLB and Minor League baseball games, but excluding Partnership Events and Civic Events.

2.33 "Phillies Exclusive Use Areas" means the Office Space and any other spaces (such as the weight training rooms) identified as such in the Scope of Work.

2.34 "Phillies Maintenance Obligations" shall have the meaning set forth in Section 9.1.

2.35 "Phillies Possessory Tax Share" shall have the meaning set forth in Section 11.1.

2.36 "Phillies Users" shall have the meaning set forth in Section 5.

2.37 "Phillies Utilities Share" shall have the meaning set forth in Section 8.2.

2.38 "Public Uses" shall have the meaning set forth in Section 5.2.

2.39 "Revenue Event" means any use of the Sports Facility for concerts, plays, pageants or other revenue producing events unrelated to MLB or minor league baseball, for which a paid admission is required to attend.

2.40 "Satisfaction Date" shall have the meaning set forth in Section 20.3.

2.41 "Scope of Work" means the schematic drawings and program narrative set forth in an Exhibit to the SFDA.

2.42 "SFDA" means the Sports Facility Development Agreement to be entered into between the City and The Phillies, pursuant to which The Phillies will construct the Sports Facility on the Site on behalf of the City.

2.43 "Site" means the land area described in the Site Plan.

2.44 "Site Plan" shall mean the Exhibit to the SFDA designated as the Site Plan.

2.45 "Sports Facility" means the Site and all Improvements now or hereafter located on it as described in the Scope of Work and the Site Plan and all personal property used in connection therewith other than personal property owned by The Phillies.

2.46 "Sports Facility Manager" shall mean City's Park & Recreation Director or his or her designee.

2.47 "Spring Training Season" shall mean the period in each calendar year in which spring training activities are customarily conducted for MLB teams, which period currently commences on or about February 15 of each year and ends on or about March 31 of each year.

2.48 "Stadium" means the baseball stadium building located in the Sports Facility where Home Games are to be played by The Phillies, including (in addition to the stadium building itself)

the public Parking Lots adjacent to the stadium building, and all landscaped areas and other improvements to real property related to the stadium building, all as more fully described in the Scope of Work and the Site Plan.

2.49 "Term" shall have the meaning set forth in Section 3.1.

3. Term.

3.1 Initial Term. The initial term of this Agreement shall commence ("Commencement Date") on the later of (i) January 1, 2003 or (ii) the date on which the entire Sports Facility is "Complete" (as defined in the SFDA) and shall end on December 31 of the year in which occurs The Phillies' twentieth full Spring Training Season at the Sports Facility . The "Term" shall mean the initial term as such term may be extended, renewed or terminated as provided for in this Agreement.

3.2 Rights of The Phillies Prior to Commencement Date. This Agreement becomes effective as of the date hereof. Prior to the Commencement Date, The Phillies shall have all rights hereunder necessary or convenient to enable The Phillies to prepare for its operations at the Sports Facility during the Term and to the exercise of the approvals and consents granted to it hereunder and under the SFDA, including, without limitation, the right to enter onto the Sports Facility. The Phillies' rights, obligations, and duties pursuant to Section 13 shall be applicable to any such activities of The Phillies at the Sports Facility prior to the Commencement Date.

3.3 Options to Renew. The Phillies shall have, and the City hereby grants to The Phillies, the option of renewing this Agreement and of extending the initial term for an additional five-year period, on the same terms as are set forth in this Agreement. That option shall be exercisable by The Phillies by written notice to the City not less than one year prior to the then scheduled expiration of the Term; provided that the option may not be exercised at a time when The Phillies are in Default



hereunder. If The Phillies duly exercise that option and if the parties hereto shall thereafter so agree, this Agreement may be extended for three additional five-year periods, on such terms as may be contained in such future agreements to extend.

3.4 Jack Russell Stadium Lease. The lease between the City and The Phillies relating to Jack Russell Stadium, as heretofore and hereafter amended, shall, without further act or deed, end on the Commencement Date, as if the Commencement Date had been expressly fixed in that lease as the last day of the term thereof.

4. Certain Covenants of the Parties.

4.1 Ownership of Sports Facility. The City covenants and agrees that, at all times during the Term, the Sports Facility will be owned by the City, with complete and sufficient right to make use of the Sports Facility available to The Phillies on the terms and with the rights herein provided, subject only to restrictions of record as of the date hereof as reflected in the title report delivered by the City pursuant to the SFDA. This Agreement does not create or grant any real property interest or similar right, title or interest in the Sports Facility to The Phillies or any of its Affiliates.

4.2 Delivery of the Sports Facility. Subject to the timely completion of all actions required of The Phillies under the SFDA, the City covenants and agrees to make the Sports Facility available for The Phillies' use on the Commencement Date, in a new, clean and completed condition, and that the Sports Facility, in its condition as existing on the Commencement Date, shall be in full compliance with all applicable Legal Requirements then in effect, all in accordance with the SFDA.

4.3 Home Field Commitment. Subject to Force Majeure and the requirements of any MLB Agreements and so long as City is not in Default, The Phillies covenants and agrees that it shall, during the Term, utilize the Stadium as its "home field" for all Home Games; provided,

however, nothing contained herein shall limit The Phillies' right to be occasionally designated and act as home team for games at venues other than the "home field" of either participating team (recent examples of which have been games played in Las Vegas and Seattle).

4.4 Florida State League Commitment. Subject to Force Majeure and the requirements of any MLB Agreements and so long as the City is not in Default, The Phillies covenants and agrees that it will during the Term cause a Minor League Affiliate in the Florida State League to play its regularly scheduled home games at the Sports Facility during the first three full Florida State League seasons following the commencement of the Term.

4.5 Environmental Laws Indemnity. The City covenants and agrees to indemnify, defend and hold harmless The Phillies from any liabilities arising under the Environmental Laws from the use of the Sports Facility by Phillies Users as contemplated by this Agreement, except to the extent such liabilities may be caused by the wrongful or negligent act of a Phillies User.

5. Use of Sports Facility. The exclusive right to use the Sports Facility shall throughout the Term be vested solely in The Phillies and its Affiliates and its and their partners, officers, employees, licensees, franchisees, independent contractors and permittees ("Phillies Users"), subject only to the limitations and exceptions hereinafter in this Section specifically set forth.

5.1 Phillies Use. The Phillies Users may use the Sports Facility only for the following purposes:

5.1.1 For all MLB Spring Training Season operations, including without limitation playing Home Games, so-called "B games" and intra-squad games and training and player development activities.

5.1.2 For all Minor League spring training season operations, including without limitation playing home games and intra-squad games and training and player development activities.

5.1.3 For all Minor League regular season operations, including without limitation playing Florida State League and Gulf Coast League home games and intra-squad games and training and player development activities, and any Minor League playoff and championship games and Minor League all-star games.

5.1.4 For all Florida Instructional League operations, including without limitation home games and intra-squad games and training and player development activities.

5.1.5 For all MLB and Minor League "mini-camp" operations, including without limitation intra-squad games and training and player development activities.

5.1.6 For all baseball fantasy camp, youth camp, youth instructional and like activities.

5.1.7 To use the Office Space for any office uses, in the pursuit of any aspect of the business and operations of the Phillies Users whatsoever.

5.1.8 To use the Commercial Space as a restaurant/sports bar, souvenir/sporting goods store and/or other synergistic uses open to the general public.

5.1.9 For Phillies Events.

5.1.10 For Civic Events sponsored by The Phillies, alone or with the City.

5.1.11 For any other lawful purpose directly or indirectly related to any of the foregoing uses.

5.2 Public Uses. Subject to Section 5.3, City shall have the right to authorize use of the Sports Facility for these, and only these purposes (the "Public Uses"):

5.2.1 For baseball and softball games played without an admission charge by St. Petersburg Junior College, Clearwater's two public high schools and youth baseball and like organizations; provided, however, that the user shall reimburse The Phillies for the cost of The Phillies Maintenance Obligations allocated to such games played other than by St. Petersburg Junior College and Clearwater High School.

5.2.2 For any other Civic Events proposed by the City and approved by The Phillies, such approval not to be unreasonably withheld.

5.2.3 For Partnership Events, at the rate of up to twelve per calendar year during the Term.

5.2.4 For Disaster Staging Uses.

5.3 Limitations on Public Uses. The Public Uses shall be subject to the following limitations:

5.3.1 Public Uses shall be limited to those areas of the Sports Facility that are necessary and appropriate therefor in each instance and in no event shall use be made of the Phillies Exclusive Use Areas (of which The Phillies are hereby granted the exclusive right to use). Whether the Commercial Space and/or the Concession Facilities shall be operated during Events which constitute Public Uses (any such operations to be effected solely by The Phillies and/or any concessionaire of The Phillies) shall be determined by The Phillies at its discretion; provided, however, that when requested by the City in respect of any Events which constitute the Public Uses where attendance is reasonably projected to exceed 200, Concession Facilities shall be opened by

The Phillies, to the extent that The Phillies deem appropriate, based on a reasonable estimate of attendance.

5.3.2 The City shall make mutually satisfactory arrangements in advance with The Phillies, for The Phillies to provide (but at the expense of the City) appropriate staffing and operations during each Event which constitutes a Public Use, such as ticket takers, ushers, parking attendants, food and beverage preparers and servers, security and paramedical personnel.

5.3.3 Each Public Use may be scheduled only at a time that is reasonably acceptable to The Phillies, it being understood that each of the uses specified in Sections 5.1.1 through 5.1.6 inclusive shall have absolute scheduling priority over every Public Use, except Disaster Staging Uses.

5.3.4 Each Public Use (other than those provided for in Section 5.2.1 and 5.2.4) shall be subject to The Phillies' prior approval, which may be withheld by The Phillies only if in its reasonable judgment conducting the Public Use at the Sports Facility would risk damage to the playing fields or cause unreasonable wear and tear to structures or, in the reasonable judgment of The Phillies, be inconsistent with the image of MLB and The Phillies.

5.4 Partnership Events. The City shall be responsible at its expense to book, manage and conduct significant Revenue Events at the Sports Facility, at a rate of at least six but not more than twelve per calendar year throughout the Term (each, a "Partnership Event"). For purposes hereof, a "significant Revenue Event" shall mean an Event, the reasonably anticipated net revenues from which are expected to be not less than \$15,000 (in 2003 dollars, subsequently adjusted by the CPI). The Phillies shall be responsible for ticket taking, food and beverage, merchandise and broadcasting

operations only, at prices set by The Phillies subject to the City's approval, not to be unreasonably withheld.

5.5 Disaster Staging Uses. The City may, in each instance of actual or imminently threatened natural disaster, use the Sports Facility as a staging area for disaster preparations, response or other related uses ("Disaster Staging Uses"), provided that (i) there will not be any cost to The Phillies and (ii) the City will immediately restore any resulting damage to the playing field or any other element of the Sports Facility caused as a result of the Disaster Staging Use. (Any loss caused by the natural disaster, as opposed to the City's Disaster Staging Use, is governed by Section 14 hereof.) The City shall not be responsible to The Phillies for any loss of revenue or consequential damages resulting from Disaster Staging Uses, except any attributable to its failure to duly effect any such restoration and restore full use of the Sports Facility to The Phillies immediately following the end of the disaster.

6. Use Fee. From and after the Commencement Date, The Phillies shall pay, in arrears, a use fee to the City at the rate of \$70,000 per calendar year during the Term, subject to adjustment pursuant to Section 6.1 (as so adjusted, the "Use Fee") and to offset pursuant to Section 6.2. The Use Fee for each calendar year during the Term shall be payable by March 31<sup>st</sup> of the following year.

6.1 Adjustment. The Use Fee for the second and each subsequent full calendar year during the Term shall be subject to an adjustment (a "CPI Adjustment"), for any change in the CPI Index between that for December of the year prior to the first such full calendar year and that for December of the year prior to the calendar year with respect to which the calculation is being made.

6.2 Offset. The Phillies may offset against and deduct from the Use Fee payable in respect of any whole or partial calendar year during the Term, the Offset Amount attributable to that period.

7. Revenues. Except as otherwise specifically provided in this Section 7, The Phillies alone shall be entitled to retain all revenues generated on and from the Sports Facility during the Term from all sources whatsoever, including by way of illustration but not limitation, all ticket, premium seating, luxury suite, food and beverage, signage, merchandise, broadcasting, sponsorship and parking revenues and all revenues from the operation of the Commercial Space and fantasy camps.

7.1 Revenues from Partnership Events and Civic Events. All ticket, food and beverage, merchandise, parking and broadcasting revenues generated on and from the Sports Facility (excluding only revenues derived from the Luxury Suites and the Commercial Space) attributable to each Partnership Event and each Civic Event, net of the direct incremental cost to The Phillies of operating and maintaining the Sports Facility (excluding the Luxury Suites and the Commercial Space) attributable solely to such use (which shall not include administrative or overhead costs or the like or any utility charges or other costs that would have been incurred irrespective of such use) will be: (i) in the case of Partnership Events, shared equally by The Phillies and the City; and (ii) in the case of Civic Events, will be retained by The Phillies (except for any net ticket revenues, which shall be distributed by The Phillies to the appropriate charitable, community or civic organization), in each case within thirty days following the Event. The Phillies shall institute a method of accounting for the collection and calculation of the net revenues collected in respect of Partnership Events and Civic Events and shall furnish to the City appropriate accounting statements in respect of such Events, which shall be prepared in accordance with generally accepted accounting

principles. The City may, upon reasonable notice and during normal business hours, examine, inspect and copy the books and records of The Phillies pertaining to such net revenues and, at its own expense, cause an audit to be performed of such pertinent books and records.

7.2 Naming Rights. The City hereby grants to The Phillies the power and authority from time to time during the Term to assign or license to a third party the right to name (i) all (e.g. "ABC Sports Facility" or "DEF Stadium") or (ii) portions (e.g. "GHI Bullpen" or "JKL Pavilion") of the Sports Facility and to retain all net proceeds therefrom. The term "net proceeds" for this purpose means the gross proceeds from the assigning or licensing of such naming rights less any direct costs associated with conducting the naming process and, in cases where any additional benefits (e.g. suite usage, tickets, stadium signage, advertising etc) may be included as part of the naming rights package and not separately priced, then the fair market value of such additional benefits shall also be deducted. The City shall have the right to disapprove any such name only, if in the City's reasonable judgment, such name is inconsistent with a wholesome public image for the Sports Facility. The net proceeds from any naming of the whole Stadium or the Sports Facility referred to in clause (i) (but not from any naming of portions thereof, as referred to in clause (ii)) shall be shared as follows: two-thirds to The Phillies and one-third to the City.

7.3 Signage During Partnership and Civic Events. Temporary signs identifying and promoting participants in or sponsors of Partnership Events or Civic Events may be displayed during the Event, provided, however, that: (i) no such signage shall relate to a product, service or Person which competes with the Person (or that one Person from time to time designated by The Phillies, at any time or times when there may be more than one such Person) for which all or any part of the Sports Facility is named or with that Person's products or services or with any products or services



designated by The Phillies as falling within either of up to two exclusive product categories (e.g. soft drinks, beer, banking etc) for the Sports Facility; (ii) no such display may obscure fixed signage then located in the Sports Facility; and (iii) the City shall be responsible at its expense for the removal thereof immediately upon conclusion of the Event.

8. Operation of the Sports Facility. Subject to Section 5.5, The Phillies shall have the sole right and obligation to operate the Sports Facility during the Term (which it shall do in a first-class manner and in compliance with all applicable Legal Requirements), including without limitation, the right and obligation to perform any ticket taking, food and beverage, merchandising, parking and broadcasting operations.

8.1 Operating Staff. The Phillies shall employ or retain all Persons necessary to discharge its operating responsibilities and shall bear the expense of their compensation.

8.2 Utilities. All electric, gas, water, sanitary sewer, storm sewer and trash disposal service provided to and used at the Sports Facility during the Term will be contracted for and either paid by the City or shall be provided by the City. The Phillies will reimburse the City for twenty-five percent of the total cost thereof as incurred by the City and at the rate charged to similar users, in the case of utilities supplied by the City, payable within thirty days of each monthly bill therefor from the City, accompanied by evidence of payment and/or of such rates so charged (such twenty-five percent reimbursements are herein referred to as the "Phillies Utilities Share")

8.3 Parking. In addition to operating all parking areas at the Sports Facility, The Phillies shall have the right to make arrangements for offsite parking for Events at the Sports Facility, including without limitation at the Carpenter Sports Facility, St. Petersburg Junior College and under the Florida Power Corporation right of way. For each Home Game, The Phillies will engage such

civic organization that the City shall propose (subject to The Phillies' approval, not to be unreasonably withheld) to staff the public parking areas at the Sports Facility and at any utilized offsite parking areas. The Phillies will pay to that organization for such services an honorarium of \$1,250 per Game, which figure shall be subject to a CPI Adjustment.

8.4 City Services. City will provide all appropriate City services at appropriate levels of coverage for all Events, including without limitation, police surrounding the Sports Facility for security and traffic control purposes and to prevent scalping and unauthorized sale of merchandise at the Sports Facility and paramedical services. (For this purpose, "scalping" shall mean the selling of tickets for more than \$1 above face amount, and the "unauthorized sale of merchandise" shall mean the sale of goods by a Person who has not been authorized by The Phillies to make such sales and the sale of unlicensed goods, whenever a license is required for such sale to be given by The Phillies, MLB or other holders of the marks embodied on such goods.) The Phillies will provide necessary security and paramedical services within the Sports Facility.

9. Maintenance and Repair of Sports Facility. The following provisions govern the maintenance and repair of the Sports Facility.

9.1 Phillies Cleaning and Maintenance Obligations. The Phillies shall have the obligation to keep the Sports Facility clean and to provide light housekeeping (e.g. changing bulbs, towels, etc) for the interior areas of the Sports Facility. The Phillies shall be responsible for the ordinary and customary day-to-day maintenance of the following (and only the following) portions of the Sports Facility: (i) the playing fields, (ii) the Phillies Exclusive Use Areas, (iii) the Luxury Suites, and (iv) the Commercial Space (together, the "Phillies Maintenance Obligations"). The City shall acquire for and supply to The Phillies all field care (e.g. clay, sod, sand, fertilizer and chemicals) and other

supplies necessary for The Phillies to discharge the Phillies Maintenance Obligations relating to the playing fields, and The Phillies shall reimburse the City for its actual out-of-pocket costs therefor. Notwithstanding anything herein to the contrary, any City employee providing City Services to the Sports Facility shall be operating under the direction and control of the City, and shall be subject to any applicable City rule, regulation or policy, provided however, that The Phillies may directly engage City employees during the off-duty time, in which case such City employees shall be deemed to operate under The Phillies control.

9.2 City Maintenance, Repair etc. Obligations. Except for The Phillies Maintenance Obligations, the City shall have the obligation to provide all maintenance, repairs, restorations, refurbishments and replacements, whether interior or exterior, structural or non-structural, routine or extraordinary, ordinary or capital in nature, as shall be necessary to keep the Sports Facility clean, safe and in good order, condition and repair, and in compliance with all applicable Legal Requirements and in first class condition and up to first class MLB spring training stadium standards at the time of reference, provided however, that (subject to Sections 14 and 15 hereof) this obligation shall not operate to require the City to construct a new Sports Facility, or to substantially reconstruct the Sports Facility during the Term hereof. The Consulting Engineer shall annually determine which capital repairs, restorations, refurbishments and replacements are needed to be done currently and which capital repairs, restorations, refurbishments and replacements shall be scheduled to be done in the future, and when. The costs of the Consulting Engineer shall be borne equally by The Phillies and the City. The determinations of the Consulting Engineer shall be conclusive on both the City and The Phillies.

9.3 Upgrading of the Sports Facility. The City shall from time to time, as needed, upgrade, modernize and otherwise improve the Sports Facility so that during the Term of this Agreement, the Sports Facility shall not only meet all applicable MLB standards but shall, in addition, include that level of amenities and technological facilities as is comparable at the time of reference to those of first class MLB spring training facilities of comparable age (such as Roger Dean Stadium in Jupiter, FL, City of Palms Park in Ft. Myers, FL and Hohokam Stadium in Mesa, AZ). Without limiting the generality of the foregoing, at such time as any technological improvements (e.g., video rooms) have been incorporated in at least two of those three comparable MLB spring training facilities, then the City shall install such technological improvements in the Sports Facility. However, this provision shall not require the City to expend monies within the last five years of the Term, unless The Phillies agree to (i) exercise the option to renew provided for in Section 3.3 hereof (in which event, if necessary, the one-year notice period for exercising such option shall be waived), or (ii) if the option to renew has already been exercised, The Phillies and the City agree to extend the Term by at least five years.

9.4 Sports Facility Manager. The Sports Facility Manager shall be responsible for the day-to-day oversight of the maintenance, repair and condition of the Sports Facility, and shall be the representative of the City with whom The Phillies may communicate. The Sports Facility Manager shall have authority to bind the City to the fullest extent permitted by law, provided, however, that the Sports Facility Manager shall not have the legal authority to bind the City to financial obligations without the prior approval of City's governing body.

9.5 Personnel. The City shall provide such level of qualified and properly trained personnel to perform its obligations under Section 9.2.

9.6 Capital Expenditures. The Consulting Engineer shall, by November 1 of each calendar year during the Term, submit to the parties his recommendation as to what capital repairs, refurbishments, restorations, replacements and upgrades are to be done currently and schedule those to be done in the future, which are necessary, in the judgment of the Consulting Engineer, in order for the City to fulfill its obligations under this Section 9. On December 1 of each calendar year during the Term the City shall furnish to The Phillies a capital expenditure schedule prepared by the City, with due regard to such recommendations, setting forth in detail the projected capital repairs and improvements expenditures scheduled for the following calendar year and shall appropriately budget any amounts necessary to do so. The Phillies shall be afforded the right to have input in the preparation of such schedule and it shall be subject to The Phillies' approval, which shall not be unreasonably withheld.

9.7 Action by The Phillies. Without limiting The Phillies' rights under Section 17, if The Phillies in good faith determines that any portion of the Sports Facility (excluding only the playing fields) is not being maintained and/or repaired by the City in accordance with the standards and requirements set forth in Sections 9.2, 9.3 and 9.6, The Phillies shall have the right, but not the obligation, to advance funds for or otherwise provide appropriate maintenance and/or repair, subject to the following provisions:

9.7.1 Notice Practicable. If practicable, The Phillies shall give written notice to the City specifying the nature of the required work, and the date by which The Phillies reasonably considers it necessary to commence such work following its receipt of such a notice:

(i) The City may commence such work prior to the date and time so specified by The Phillies and prosecute the same diligently to completion; if the City does so, The Phillies shall not undertake such work itself.

(ii) If the City disputes whether the requested work required to fulfill the City's obligations under this Agreement, the City shall so inform The Phillies in writing prior to the date and time specified by The Phillies in its notice. If the City gives timely notice, the dispute shall be submitted to Expedited ADR prior to the date and time specified by The Phillies in its notice.

(iii) If (a) the City does not commence such work prior to the date and time specified by The Phillies and prosecute the same diligently to completion, or (b) the City fails to give timely notice of a dispute, or (c) it is not practicable to submit the matter to Expedited ADR prior to the date and time specified by The Phillies in its notice, then in any such event, The Phillies may commence the work necessary to remedy the matter on an emergency basis and prosecute the same diligently to completion.

9.7.2 Emergency. If The Phillies in good faith determines that the work must be performed on an emergency basis (that is, it must be performed in order to prevent an imminent danger to health or safety or it is otherwise not practicable to give notice provided in this Section 9.7), then The Phillies may commence work to remedy the matter on an emergency basis and prosecute the same diligently to completion.

9.7.3 Payment to The Phillies. The City shall promptly reimburse The Phillies on demand for any amounts expended pursuant to this Section 9.7 (including interest at the Default Rate from the date that is 30 days after the date of demand until paid if such amount is not paid by the 45<sup>th</sup>

day following the date of demand). If the City disputes that the work was required to fulfill the City's obligations hereunder, Expedited ADR shall be convened to resolve the dispute.

(i) If and to the extent it is determined by Expedited ADR that work was not required to fulfill the City's obligations hereunder, then The Phillies shall not be entitled to any reimbursement for any sums expended by The Phillies.

(ii) If and to the extent it is determined by Expedited ADR that the work was required to fulfill the City's obligations hereunder, then the City shall immediately reimburse The Phillies for all sums expended by The Phillies on the work, plus interest at the Default Rate.

9.8 Surrender. At the termination of this Agreement, by lapse of time or otherwise, The Phillies shall surrender possession of the Sports Facility to the City and deliver all keys or such other access equipment or devices. In addition, The Phillies shall remove The Phillies' furniture, trade fixtures and other items of movable personal property of every kind and description from the Sports Facility and restore any damage caused thereby, such removal and restoration to be performed prior to the end of the Term or within sixty days following any earlier termination of this Agreement. If The Phillies fail to remove any such items, the City may do so, and The Phillies shall pay to the City upon demand the cost of removal and of restoring the Sports Facility. All obligations of The Phillies under this Section shall survive the expiration of the Term or sooner termination of this Agreement.

10. Alterations and Additions by The Phillies.

10.1 Minor Improvements. The Phillies shall have the right (following reasonable notice thereof to the City for its information only), but not the obligation, to make minor improvements to the Phillies Exclusive Use Areas without City's approval, consisting of any work, installation,

construction or the like which does not require a permit from any federal, state or local governmental agency (e.g., installation of additional shelving in the Office).

10.2 All Other Improvements. Except for the "minor improvements" described in Section 10.1, The Phillies shall not construct any improvements on or otherwise alter, change or improve any part of the Sports Facility, without the prior written consent of the Sports Facility Manager, upon such terms and conditions as he may reasonably deem necessary. Requests by The Phillies to construct any such improvements on or otherwise to alter, change or improve any part of the Sports Facility shall be presented to the Sports Facility Manager in written form and he shall act thereon within a reasonably prompt time. If the Sports Facility Manager gives his consent to The Phillies' undertaking such work (which consent shall not be unreasonably withheld), the consent shall be deemed conditioned upon The Phillies' acquiring any necessary permit to do so from applicable governmental agencies, furnishing a copy thereof to the Sports Facility Manager prior to the commencement of the work and complying with all conditions of said permit in a prompt and expeditious manner.

10.3 Ownership of Such Improvements. All improvements, alterations or other changes made by The Phillies to any part of the Sports Facility pursuant to this Agreement, other than that which is so affixed to the Sports Facility that it cannot be removed without material damage to it, shall remain the personal property or equipment of The Phillies and may be removed by The Phillies upon expiration or termination of this Agreement provided that The Phillies restore and repair any damage caused by the removal.



10.4 No Limitation. Nothing in this Section 10 shall in any way limit or reduce the obligation of the City to maintain the Sports Facility as provided in Section 9 and elsewhere in this Agreement.

11. Taxes.

11.1 Possessory Taxes. It is the intent of the parties that the Sports Facility (land and Improvements) shall be exempt from any and all real property ad valorem taxes and from payments in lieu of such taxes throughout the Term. However, should all or any part or parts of the Sports Facility become subject to any such taxes, then the parties shall each cooperate and use their respective best efforts (i) to cause Pinellas County to return its share of any such taxes and (ii) to secure legislation exempting the Sports Facility from such taxes. In the interim, The Phillies and the City shall each pay one-half of any such taxes, net of any City ad valorem real property taxes, which shall be paid by City. Any such payments by The Phillies are herein referred to as the "Phillies Possessory Tax Share."

11.2 Tax Protection. The City shall throughout the Term hold The Phillies harmless from all other local (as opposed to Federal, State or County) taxes (except for income, sales and like taxes of general application), including without limitation amusement/ticket taxes, any increase in the sales tax rate applicable to tickets, use and occupancy taxes and surcharges on the Stadium or Sports Facility-derived revenues.

12. Insurance.

12.1 Liability Insurance.

12.1.1 Phillies Non-Property Coverage. The Phillies shall maintain at its expense during the Term of this Agreement the following insurance:

(i) Commercial general liability (including athletic participants coverage) against claims for bodily injury, personal injury and property damage based upon, involving or arising out of the use of the Sports Facility and all areas appurtenant to it. Such insurance shall be on an occurrence basis, providing coverage in an amount not less than \$5,000,000 per occurrence, and not less than \$5,000,000 general aggregate (per location), and not less than \$5,000,000 coverage for products and completed operations liability, and not less than \$5,000,000 coverage for personal and advertising injury, with deductibles of up to \$100,000 per person and \$200,000 per occurrence..

(ii) Statutory workers' compensation and employers' liability coverage in an amount no less than \$500,000 bodily injury each accident, \$500,000 bodily injury by disease each employee and \$500,000 bodily injury by disease policy limit.

(iii) Automobile liability for bodily injury and property damage arising from the use of The Phillies' owned, non-owned and hired vehicles, in an amount not less than \$5,000,000 per accident.

(iv) Garagekeepers legal liability coverage in the amount of \$1,000,000.

12.1.2 City's Non-Property Coverage. The City shall maintain at its expense during the Term of this Agreement the following non-property insurance:

(i) Auto Liability and General Liability: Self-Insured Level: \$100,000 per Person/\$200,000 per Occurrence self-insured retention with the statutory limits per Section 768.28

Florida Statutes. Excess Insurance: \$5,000,000 per occurrence excess insurance (no aggregate applicable) with self-insured retention of \$500,000.

(ii) Workers' Compensation: Statutory workers compensation coverage per occurrence with self-insured retention of \$500,000.

12.2 Property Coverage. The City shall maintain at its expense during the Term of this Agreement the following property related insurance:

12.2.1 Property insurance for 100% of full replacement value of the Sports Facility (including all improvements and personal property), with deductibles not exceeding \$50,000 per occurrence against loss by so-called "all risk" perils, including but not limited to fire, extended coverage, storm (including without limitation wind, flood and hurricane coverage), boiler and machinery, vandalism, malicious mischief, flood and earthquake. Such insurance is to contain a replacement cost endorsement, and endorsements eliminating any and all coinsurance provisions.

12.2.2 For any work of construction conducted on the Site by or at the direction of the City, builder's risk insurance with the same limits and coverages as set forth in Subsection 12.2.1, provided that at the City's election, such insurance may be maintained by the contractor(s) performing the construction work at the Sports Facility.

12.2.3 City Property Self-Insurance or Self-Funding. Any provision of this Agreement to the contrary notwithstanding, while the City shall maintain insurance coverage and limits as provided for in this Agreement, parties hereto specifically agree that the City may do so by self-insurance and/or by purchase at the sole option of the City. To the extent required by the terms of this Agreement, insurance coverage and limits shall be evidenced by delivery to The Phillies of letters of self-insurance or self-funding executed by the City's Risk Manager, or by certificates of

insurance executed by either the agent for the insurers or the insurers or by copies of policy declaration pages. Such letters, certificates, and policy declaration pages shall list coverage (including the amount of insurance per claim and per occurrence, any gap in coverage, and the amount of the excess insurance) and policy limits with expiration dates and major policy terms and endorsements.

12.3 General. All insurance policies obtained pursuant to this Section 12 shall: (i) be with companies legally authorized to do business in the State of Florida and which possess a minimum rating of A- or better and a minimum class VIII financial size category (as listed at the time of issuance by A.M. Best Insurance Reports), which are reasonably acceptable to the other parties; and (ii) shall name as an additional insured each other party and such Affiliates of that party as it shall reasonably request. Upon commencement of the Term, each party shall furnish or cause to be furnished to the other party a certificate of insurance evidencing all such insurance policies. Renewal certificates shall be delivered by each party to the others at least ten days prior to the expiration of any policy of insurance. No such policy shall be cancelable or subject to reduction of coverage except after thirty days' prior written notice to all parties hereto.

12.4 Remedies. If any party fails to obtain, keep in force or provide evidence of any of the insurance policies or self-insurance coverage required by this Section 12, the other party may give written notice to the defaulting party, and the defaulting party shall have until the earlier of (i) five days after its receipt of such notice, or (ii) regardless of whether notice shall have been given, one day before the date the required insurance will lapse, to cure the default. If the default is not cured within such period, then the other parties shall have the remedies set forth in Section 17.

12.5 Waiver of Subrogation. Each party hereby releases and relieves the other party, and

waives its entire right of recovery against the other party, for direct or consequential loss or damage arising out of an incident to the perils covered by any insurance carried by the other party or which would have been carried had such other parties fulfilled their obligations hereunder to carry insurance, whether or not due to the negligence of the released party or its agents, employees, contractors or invitees. If necessary, all property insurance policies required by this Agreement shall be endorsed to so provide.

13. Indemnification. The indemnifications provided for in this Section 13 shall relate only to the extent that the liability in question has not produced insurance proceeds to the indemnitee.

13.1 By The Phillies. Subject to Section 12.5, The Phillies agrees to and will at all times defend, indemnify, save and hold the City and their Affiliates, and their respective elected officials, officers, agents, employees, successors and assigns harmless, on a current basis, for, from and against any and all damages, liabilities, claims, demands, expenses and costs of every kind and nature, including reasonable attorney's fees, costs of investigation and discovery, and all court costs, arising out of:

13.1.1 Injury to or death of persons (including personnel or employees of the City or The Phillies), and damage to any and all property, including loss of use thereof, resulting from or in any manner arising out of any willful and wanton or grossly negligent act or omission of The Phillies or any Affiliate of The Phillies or any of their respective agents, officers or employees, in connection with the operation or use of the Sports Facility.

13.1.2 Any breach or default in the performance of any obligation on The Phillies' part to be performed under the terms of this Agreement.

The foregoing indemnification obligations of The Phillies shall not extend to liabilities caused, in whole or in part, by any willful, wanton, or grossly negligent act or omission of the City or any of its agents, officers or employees to the extent such act or omission caused the liability and shall survive the termination of this Agreement for all acts committed or omissions made prior to the effective date of the termination of this Agreement.

13.2 By the City. Subject to Section 12.5, the City, to the extent permitted by applicable law, including, but not limited to Section 768.28, Florida Statutes, agrees to and will at all times defend, indemnify save and hold The Phillies and its Affiliates and their respective employees, agents, officers, directors, shareholders, partners, successors and assigns, harmless, on a current basis, for, from and against any and all damages, liabilities, claims, demands, expenses and costs of every kind and nature, including reasonable attorneys' fees, costs of investigation and discovery, and all court costs, arising out of:

13.2.1 Injury to or death of persons (including personnel or employees of the City or The Phillies), and damage to any and all property, including loss of use thereof, resulting from or in any manner arising out of or in connection with any willful, wanton or grossly negligent act or omission of the City or any Affiliate of City or any of their respective agents, officers or employees, in connection with the operation or use of the Sports Facility to the extent such act or omission caused the injury.

13.2.2 Any breach or default in the performance of any obligation on the City's part to be performed under the terms of this Agreement.

The foregoing indemnification obligations of the City shall not extend to liabilities caused by any willful, wanton, or negligent act or omission of The Phillies or any Affiliate of The Phillies

or any of their respective agents, officers or employees to the extent such act or omission caused the liability and shall survive the termination of this Agreement for all acts committed or omissions made prior to the effective date of the termination of this Agreement.

13.3 Procedure for Indemnification -- Third Party Claims.

13.3.1 Promptly after receipt by an indemnified party under Sections 12.1 or 12.2 of notice of a claim against it ("Claim"), such indemnified party shall, if a claim is to be made against an indemnifying party thereunder, give notice to the indemnifying party of such Claim, but the failure to notify the indemnifying party will not relieve the indemnifying party of any liability that it may have to any indemnified party, except to the extent that the indemnifying party demonstrates that the defense of such action is prejudiced by the indemnified party's failure to give such notice.

13.3.2 If any Claim is made against an indemnified party and it gives notice to the indemnifying party of such Claim, the indemnifying party will be entitled to participate in the defense of such Claim and, to the extent that it wishes (unless (i) the indemnifying party is also a party to such Claim and the indemnified party determines in good faith that joint representation would be inappropriate, or (ii) the indemnifying party fails to provide reasonable assurance to the indemnified party of its financial capacity to defend such Claim and provide indemnification with respect to such Claim), to assume the defense of such Claim with counsel satisfactory to the indemnified party and its insurers and, after notice from the indemnifying party to the indemnified party of its election to assume the defense of such Claim, the indemnifying party will not, as long as it diligently conducts such defense, be liable to the indemnified party under such Section for any fees of other counsel or any other expenses with respect to the defense of such Claim in each case subsequently incurred by the indemnified party in connection with the defense of such Claim, other

than reasonable costs of investigation. If the indemnifying party assumes the defense of a Claim (i) no compromise or settlement of such claims may be effected by the indemnifying party without the indemnified party's consent unless (a) there is no finding or admission of any violation of Legal Requirements or any violation of the rights of any Person and no effect on any other Claims that may be made against the indemnified party, and (b) the sole relief provided is monetary damages that are paid in full by the indemnifying party and (b) the indemnifying party will have no liability with respect to any compromise or settlement of such claims effected without its consent. If notice is given to an indemnifying party of a Claim and the indemnifying party does not, within thirty days after the indemnified party's notice is given (or such lesser period of time as may be necessary to avoid a Default on such Claim), give notice to the indemnified party of its election to assume the defense of such Claim, the indemnifying party will be bound by any determination with respect to said Claim or any compromise or settlement effected by the indemnified party.

13.3.3 Notwithstanding the foregoing, if an indemnified party determines in good faith that there is a reasonable probability that a Claim may adversely affect it or its Affiliates other than as a result of monetary damages for which it would be entitled to indemnification under this Agreement, the indemnified party may, by notice to the indemnifying party, assume the exclusive right to defend, compromise, or settle such Claim, but the indemnifying party will not be bound by any determination of a Claim so defended or any compromise or settlement effected without its consent (which may not be unreasonably withheld).

13.4 Procedure for Indemnification -- Other Claims. A claim for indemnification for any matter not involving a third-party claim may be asserted by notice to the party from whom indemnification is sought.



14. Damage or Destruction.

14.1 Decision to Rebuild. In the event that the Sports Facility or any part thereof is damaged or destroyed by fire, flood or other similar or dissimilar cause whatsoever, the City shall promptly commence and thereafter diligently proceed to repair and rebuild the Sports Facility to its condition immediately prior to such damage or destruction, provided, however, if such damage or destruction involves the entire Sports Facility or any substantial part thereof and occurs less than five years prior to the end of the Term, the City may elect to terminate this Agreement unless The Phillies agree to (i) exercise the option to renew provided for in Section 3.3 hereof (in which event, if necessary, the one-year notice period for exercising such option shall be waived), or (ii) if the option to renew has already been exercised, The Phillies and the City agree to extend the Term by at least five years. In the event that such damage or destruction is of such an extent as would substantially and adversely affect The Phillies' activities at the Sports Facility, the City shall use its best efforts to provide to The Phillies the use of alternate first class MLB spring training facilities, in reasonable proximity to the Sports Facility, on a basis that preserves to The Phillies the net benefit of the economic terms of this Agreement and that affords business interruption protection to The Phillies against lost revenues. If the City meets the requirements of the next preceding sentence and has been and remains in substantial compliance with its obligations under the first sentence of this Section 14.1, then The Phillies shall use those alternate facilities during the period of interruption and, for each full Spring Training Season during the initial 20-year portion of the Term hereof that such use continues, that initial term shall be extended by one year.

14.2 Failure To Repair. If the City is obligated to repair or rebuild the Sports Facility under the provisions of this Section 14 and does not commence such repair or rebuilding within

ninety days after the occurrence of the damage or destruction, or if the City commences such repair or rebuilding but do not prosecute the same diligently to completion, then the City shall be deemed to be in Default under this Agreement and The Phillies shall have the rights and remedies set forth in Section 17.

14.3 Phillies Option to Rebuild or Repair. In the event the City fails to commence such repairs or rebuilding within 90 days of the occurrence of the casualty, The Phillies shall have the right, but not the obligation, to undertake such repairs or rebuilding. In the event The Phillies so undertake such repairs or rebuilding, The Phillies shall be entitled to reimbursement of the actual costs thereof by the City as incurred, within 45 days of all invoices therefor, with interest thereafter at the Default Rate.

15. Condemnation.

15.1 Total Taking. In the event the entire Sports Facility is appropriated or taken under the power of eminent domain, or sold under threat thereof (all of which will be referred to as a "condemnation"), by any public or quasi-public authority, The Phillies shall have the option to terminate this Agreement as of the date the condemning authority takes title or possession, whichever first occurs. The Phillies shall have no claim to the award in condemnation for the City's interest in the Site and Sports Facility; provided, however, that The Phillies shall have a claim to the portion of the award in condemnation that represents compensation for the taking of the interest of The Phillies under this Agreement, including without limitation its right to retain net revenues from the operation thereof.

15.2 Partial Taking. In the event that only a portion of the Sports Facility is condemned, this Agreement shall terminate as to the part so taken as of the date the condemning authority takes

title or possession, whichever first occurs; provided, however, that if so much of the Sports Facility is taken by such condemnation as would substantially and adversely affect The Phillies' operations at the Sports Facility, The Phillies shall have the option, to be exercised in writing within one hundred eighty days after the City shall have given The Phillies written notice of the condemnation (or in the absence of such notice, within one hundred eighty days after the condemning authority shall have taken possession), to terminate this Agreement as of the date the condemning authority takes such possession. If The Phillies does not give timely notice to terminate, this Agreement shall remain in full force and effect as to the remainder of the Sports Facility that is suitable for the use then being made of the Sports Facility by The Phillies; if and so long as The Phillies deem it advisable, The Phillies may utilize alternative facilities; and the City shall, to the extent of condemnation proceeds received by it, acquire or add adjacent property and construct additional Improvements with reasonable diligence, in order to restore the Sports Facility as nearly as possible to the condition immediately before the condemnation. Whether this Agreement terminates or continues in full force or effect, The Phillies shall have no claim to the award in condemnation for the City's interest in the Sports Facility; provided, however, that The Phillies shall have a claim to the portion of the award in condemnation that represents compensation for the taking of the interest of The Phillies under this Agreement, including without limitation its right to retain net revenues from the operation thereof.

15.3 Failure To Repair. If the City is obligated to make the Sports Facility suitable for use by The Phillies following a condemnation under the provisions of this Section 15 and does not commence to acquire or add adjacent property or construct additional Improvements necessary to do so within ninety days after the date of the condemnation, or if the City commences such

acquisition or construction but does not prosecute the same diligently to completion, the City shall be deemed in Default under this Agreement and The Phillies shall have the rights and remedies set forth in Section 17.

15.4 Phillies Option to Rebuild or Repair. In the event the City fails to commence such repairs or rebuilding within 90 days of the occurrence of the condemnation, The Phillies shall have the right, but not the obligation, to undertake such repairs or rebuilding. In the event The Phillies so undertake such repairs or rebuilding, The Phillies shall be entitled to reimbursement of the actual costs thereof by the City as incurred, within 45 days of all invoices therefor, with interest thereafter at the Default Rate.

16. Assignment.

16.1 Assignment by The Phillies. The Phillies shall not sell, assign, encumber, pledge, or otherwise transfer all or any portion of its interest in this Agreement without the prior written consent of the City, except as follows:

16.1.1 The Phillies shall have the right to transfer all of its rights and obligations under this Agreement to any Person that shall thereafter own the MLB franchise now held by The Phillies; provided, however, that such transferee shall assume the obligations of The Phillies under this Agreement; and provided, further, that MLB approves the transfer of such MLB franchise to such transferee and the City has been provided with satisfactory evidence of such assumption and approval.

16.1.2 The Phillies shall also have the right to transfer its interest in this Agreement freely to another MLB club; provided, however, that such transferee shall assume the obligations of The Phillies under this Agreement.

16.1.3 No transfer under this Section 16 shall release The Phillies from any pre-existing liabilities under this Agreement, including, but not limited to any indemnification obligations of The Phillies which arise prior to the date of such transfer.

16.2 Assignment by City. The City shall have the right to assign certain rights under this Agreement to a non-profit organization controlled by the City, provided that such assignment will not affect The Phillies rights and remedies against the City under this Agreement and the City shall at all times remain primarily liable for their obligations hereunder. Except as aforesaid, the City may not assign its rights and duties under this Agreement without the consent of The Phillies.

17. Default.

17.1 Default. If any party hereto (the "Defaulting Party") shall fail to perform any of its obligations under this Agreement, then the Party not in default (the "Non-Defaulting Party") shall provide notice of such failure to the Defaulting Party and afford the Defaulting Party a grace period to cure said failure, as follows:

17.1.1 Where a grace period is specifically provided for in any section of this Agreement, that specific grace period shall apply.

17.1.2 Where a grace period is not specifically provided for in any other section of this Agreement, the Defaulting Party shall afford the Non-Defaulting Party a grace period of: (i) five business days to cure monetary failure; and (ii) thirty days to cure any non-monetary default; provided, however, that if any non-monetary failure cannot be cured within such thirty day period, the Defaulting Party shall be afforded such additional time as shall be reasonably required to cure such failure, if the Defaulting Party has commenced the appropriate cure within said initial thirty day period and thereafter proceeds with reasonable diligence to cure said failure.

17.1.3 If any failure to perform shall not have been cured by the expiration of the applicable grace period, then a "Default" shall be deemed to have occurred and the Non-Defaulting Party shall have the rights and remedies set forth below.

17.1.4 Termination of this Agreement.

17.2 Non-Defaulting Party's Rights and Remedies. If a Default shall occur, the Non-Defaulting Party shall have the right (but not the obligation):

17.2.1 To cure such default on behalf of the Defaulting Party, in which event the Defaulting Party shall immediately reimburse Non-Defaulting Party for all sums paid by it to effect such cure, together with interest thereon at the Default Rate; and

17.2.2 To collect all sums paid by it to effect such cure, together with interest thereon at the Default Rate, by set off against all sums next-to-become-due to the Defaulting Party under this Agreement.

17.3 Cumulative Rights. The remedies heretofore described in this Section 17 shall be in addition to any other remedy the Non-Defaulting Party may have at law and in equity in the event of a Default, including without limitation:

17.3.1 An action to recover monies then due and owing from the Defaulting Party, together with interest thereon at the Default Rate from the date on which such monies were due;

17.3.2 An action for specific performance of non-monetary covenants and agreements on the part of the Defaulting Party; and/or

17.3.3 An action for recovery of all actual losses, costs and reasonable attorneys' fees incurred by the Defaulting Party in connection with the default.

17.4 Injunctive Relief. Without limiting any other remedies of the City on account of a Default by The Phillies hereunder, The Phillies further acknowledges that the City will be irreparably harmed if The Phillies violate this Agreement by the transfer, move or other relocation of The Phillies' spring training activities to, and/or the playing of Home Games at, any locations other than the Sports Facility during the Term otherwise than as provided or permitted by this Agreement. Accordingly, The Phillies hereby agree that in the event of such a violation or threatened violation of this Agreement, the City shall be entitled to seek and obtain, and The Phillies hereby consent to the entry of, a temporary restraining order, together with preliminary and permanent injunctive relief, from any court of competent relief to enjoin any such violation or threatened violation. The Phillies waive any requirement that the City post a bond or other security in connection with such injunctive relief. In the event of such attempted or actual transfer, move or other relocation of The Phillies' spring training activities to, or the playing of Home Games at, any location other than the Sports Facility, and City is not able to obtain the injunctive relief provided for in this Section 17.4, the City shall be entitled, at its option, to seek monetary damages.

17.5 Emergency. Nothing in this Section 17 shall be deemed to limit The Phillies' right to take action in emergencies pursuant to Section 9.7.

18. Legal Opinions.

18.1 By the City. Concurrently with the execution and delivery of this Agreement, the City has provided to The Phillies an opinion of its City Attorney advising The Phillies that (i) the City is a duly organized and existing municipal corporation of the State of Florida and is authorized to enter into and perform under this Agreement, (ii) execution of this Agreement by the City is duly authorized, (iii) all notices required by Florida law and all necessary action required for the execution

and delivery of this Agreement or otherwise required under applicable law have been obtained, and (iv) this Agreement is valid, binding and enforceable against the City in accordance with its terms, subject only to such exceptions as are set forth expressly in such opinion and are reasonably acceptable to The Phillies, as evidenced by its execution of this Agreement.

18.2 By The Phillies. Concurrently with the execution and delivery of this Agreement, The Phillies has provided to the City an opinion of its general counsel advising the City that (i) The Phillies is a duly organized and existing limited partnership of the Commonwealth of Pennsylvania and is authorized to enter into and perform under this Agreement, (ii) execution of this Agreement by The Phillies is duly authorized, and (iii) this Agreement is valid, binding and enforceable against The Phillies in accordance with its terms, subject only to such exceptions as are set forth expressly in such opinion and are reasonably acceptable to the City, as evidenced by its execution of this Agreement.

19. Miscellaneous.

19.1 Estoppel Certificates. Each party (as "responding party") shall at any time within fifteen days after written request from the other party ("requesting party") execute, acknowledge and deliver to the requesting party a statement in writing as of the date of such certification (i) certifying that this Agreement is unmodified and in full force and effect (or if modified, stating the nature of such modification and certifying that this Agreement, as so modified, is in full force and effect), (ii) acknowledging that there are not, to the responding party's knowledge without inspection, audit or investigation, any uncured defaults on the part of the requesting party (or specifying such defaults, if any are claimed), and (iii) providing such other information regarding this Agreement as may reasonably be requested by the requesting party. Any such statements may be conclusively relied



upon by any prospective purchaser or encumbrancer of The Phillies or of its interests herein and by any bond holders, underwriters and financiers of the City.

19.2 Consents. Whenever a party's approval, permission, concurrence, consent or satisfaction is required under this Agreement, such approval, permission, concurrence, consent or satisfaction shall not be unreasonably withheld or delayed, except as and to the extent expressly provided to the contrary in this Agreement; provided, however that neither party shall be required to waive a Default hereunder.

19.3 Additional Instruments. The parties agree to execute and deliver any instruments in writing, necessary to carry out any agreement, term, condition or assurance in this Agreement, whenever the occasion shall arise and reasonable request for such instrument shall be made. In addition, as soon as practicable following the Commencement Date hereunder, the parties shall execute a written supplement to this Agreement setting forth such Commencement Date. With respect to the City, any obligations pursuant to this Section 19.3 shall be subject to obtaining any required governmental approvals.

19.4 Force Majeure. A party shall not be in Default under this Agreement if and to the extent it is unable to fulfill any of its obligations under this Agreement because it is prevented, hindered or delayed in doing so by reason of a strike, lockouts, labor dispute, boycott, material or energy shortage, casualty loss, weather conditions, acts of God, order of any government officer or court (but excluding, as to the City, orders promulgated by the City themselves), national emergency or war (collectively, "Force Majeure").

19.5 Notices. Any notice required to be given hereunder shall be in writing and sent by either overnight courier service or United States certified or registered mail, postage prepaid, addressed to the parties as follows:

If to City:

City of Clearwater  
112 South Osceola Avenue, 3<sup>rd</sup> Floor  
Clearwater, Florida 33756  
Attention: City Manager

With a copy to Counsel for City:

Pam Akin, Esquire  
112 South Osceola Avenue, 3<sup>rd</sup> Floor  
Clearwater, Florida 33756

If to The Phillies:

Veterans Stadium  
P.O. Box 7575  
Philadelphia, PA 19101  
Attention: David P. Montgomery,  
President

and

Attention: William Y. Webb,  
Vice President, General  
Counsel and Secretary

Notices shall be deemed given when actually received or when delivery is refused. The address for notices to a party may be changed, from time to time, by notice from such party given as herein required.

19.6 No Joint Venture. The City and The Phillies do not intend by entering into this Agreement to create a partnership, joint venture or any relationship other than that of independent contractors and licensor and licensee. Nothing in this Agreement shall be construed to create such a partnership, joint venture or other relationship, nor shall it be construed to create any pledging of the credit of the City or the faith and credit of the City.

19.7 Governing Law. This Agreement shall be governed by, construed and enforced in accordance with the laws of the State of Florida, and the proper venue shall be in Pinellas County, Florida.

19.8 Construction of this Agreement. This Agreement shall not be construed for or against any party on the basis that such Party drafted any portion of this Agreement. In construing this Agreement, feminine or neuter pronouns shall be substituted for those masculine in form and vice versa, and plural terms shall be substituted for singular and singular for plural, in any place in which the context so requires.

19.9 Binding Effect. Subject to Section 16, the covenants, terms, conditions, provisions and undertakings in this Agreement, or in any renewals hereof, shall extend to and be binding upon the successors and assigns of the respective parties hereto as if they were in every case named and expressed, and wherever reference is made to either of the parties hereto, it shall be held to include and apply also to the successors and assigns of such party as if in each and every case so expressed.

19.10 Entire Agreement. This Agreement and the SFDA, together with the attached exhibits and simultaneous writings, contain the entire agreement and understanding between the parties relating to its subject matter. There are no oral understandings, terms or conditions, and

neither party has relied on any representation, express or implied, not contained in this Agreement or in simultaneous writings. All prior understandings, terms or conditions are deemed to merge in this Agreement, and this Agreement cannot be changed or supplemented orally, but only by an agreement in writing and signed by the party against whom enforcement of any waiver, change, modification or discharge is sought. Without limiting the generality of the foregoing, this Agreement and the SFDA replace and supersede that certain Clearwater Stadium Project Term Sheet dated September 8, 2000 by and between the City and The Phillies in its entirety and such Term Sheet is hereby terminated.

19.11 Severability. If any provision of this Agreement shall be declared invalid or unenforceable, the remainder of this Agreement shall continue in full force and effect.

19.12 Captions. The headings of this Agreement are for convenience only and shall not be deemed a part of this Agreement, nor shall they be deemed to affect the meaning or construction of any portion of this Agreement.

19.13 Time of Essence. Time is of the essence of this Agreement.

19.14 Interest on Delinquent Amounts. Any amounts owing from one party to the other party under this Agreement and not paid when due shall bear interest from and after the due date at the Default Rate until paid, provided however, that no such interest shall accrue on any City obligation to pay until the expiration of 45 days after the date such payment is due.

19.15 Waivers. No waiver of any provision hereof shall be deemed a waiver of any other provision hereof or of any subsequent right by any party under the same or any other provision.

19.16 Cumulative Remedies. No remedy or election hereunder shall be deemed exclusive, but shall, wherever possible, be cumulative with all other remedies at law or in equity.

19.17 Right of Offset. Each party hereto, without waiving its rights under Section 17, shall be entitled to set off against sums due from it hereunder to any other party any amounts owing to it (including Default Interest if any) by such other party.

19.18 Attorneys' Fees. If an action or proceeding is brought to enforce the terms hereof or declare rights hereunder, including without limitation Expedited ADR, the prevailing party in any such action or appeal therefrom shall be entitled to its reasonable attorneys' fees and costs, which shall include the costs of consultants and experts, to be paid by the losing party as fixed by the court or arbitrator(s) in the same or a separate action or proceeding.

19.19 Amendment. All waivers of the provisions of this Agreement must be in writing and signed by the appropriate authorities of the City or The Phillies. This Agreement may not be changed, modified or rescinded except in writing by the City and The Phillies, and any attempt at oral modification of this Agreement shall be void and of no effect.

19.20 Authority. Each party hereto hereby represents and warrants to the other that it has the authority to enter into this Agreement and to undertake and perform its respective obligations hereunder.

19.21 Exhibits. Exhibit A is attached hereto and incorporated by this reference thereto.

19.22 Liability Limitation. Except as otherwise provided herein, no individual who is a general partner of The Phillies, or a member of the City Commission or an officer, employee or agent of any party hereto shall be liable to any other party, or any successor in interest thereto, for any default by a party hereunder.

19.23 Certain Disputes. Any dispute between the parties arising under Sections 9 and 10 of this Agreement shall be resolved by Expedited ADR.

20. Conditions.

20.1 Conditions Precedent to Parties' Rights and Obligations. All of the parties' respective rights and obligations under this Agreement are expressly conditioned upon the occurrence of the following, each by the date respectively indicated:

20.1.1 Issuance of Certification from the Florida Office of Tourism regarding a "retained spring training franchise facility" shall have issued by January 2, 2001.

20.1.2 The specific site for the Sports Complex shall by February 15, 2001 have been agreed to by the parties and reflected upon a detailed site plan initialed by the parties, which shall become Exhibit B to this Agreement.

20.1.3 The parties shall, within 15 days following satisfaction of the conditions in Section 20.1.2, have: (i) executed and delivered a definitive SFDA; (ii) have agreed upon a detailed Scope of Work, an initialed copy of which shall become Exhibit C to this Agreement; and (iii) have executed and delivered a definitive lease for the Carpenter Complex, which will terminate the existing lease dated September 26, 1966, as amended, and which: (x) shall be for a term coextensive with the Term; (y) shall conform to the relevant allocation provisions of this Agreement; and (z) call for fixed rent in arrears at the annual rate of \$204,000 for 20 years from the start of the Term.

20.2 Waiver. Each of the conditions precedent specified in Sections 20.1 and 20.4 may only be waived in a writing duly executed and delivered by both parties; provided, however, that The Phillies may, by written notice to City, extend from time to time each of the dates specified in Section 20.1.

20.3 Satisfaction Date. The date on which the last of all of the conditions precedent specified in Section 20.1 has been duly satisfied or duly waived is herein referred to as the "Satisfaction Date."

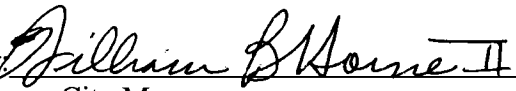
20.4 Further Condition Relating to Litigation. If on the Satisfaction Date any litigation other than bond validation proceedings is pending to restrain or enjoin the performance of this Agreement and/or of the SFDA and/or of any material aspect of either and/or to seek material damages in respect thereto and is neither withdrawn nor dismissed with prejudice by October 1, 2001, either party may (but need not) elect to terminate this Agreement by written notice given within 30 days thereafter.

21. Marketing Programs. The Phillies and the City hereby agree that The Phillies will provide trade out value in marketing programs to match the financial contributions made by Pinellas County toward the funding of the Sports Facility. These marketing trade out programs may include, but are not limited to destination advertising, tourism public relations campaigns, tourism direct sales activities and/or other marketing programs mutually agreed upon between the Pinellas County Convention and Visitors Bureau and The Phillies. Representatives of The Phillies and the Convention and Visitor's Bureau shall meet as often as they mutually determine to be needed (but at least annually) to agree to a specific program of destination marketing and/or ticket opportunities of the trade out program for the upcoming calendar year. This marketing trade out program shall be the sole responsibility of The Phillies.

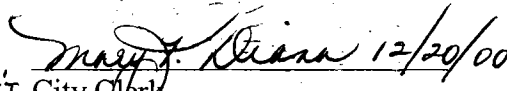
IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

THE CITY OF CLEARWATER, FLORIDA

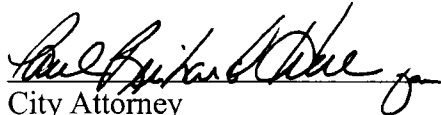
By:   
Brian Aungst, Mayor

By:   
City Manager

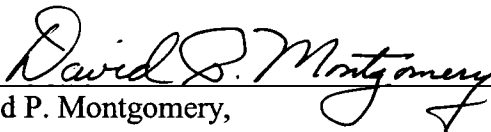
ATTEST:

 12/20/00  
ASST. City Clerk

Approved as to form and  
legal sufficiency

  
City Attorney

THE PHILLIES

By:   
David P. Montgomery,  
General Partner



## EXHIBIT A

All claims, demands, disputes, controversies and differences that may arise under this Agreement between the parties, concerning any controversies under the Sections of this Agreement making reference to the use of Expedited ADR shall be resolved by Alternative Dispute Resolution as set forth below:

1. Disputes submitted to Expedited ADR hereunder will be conducted before a "Panel" designated in the manner provided in Section 2 below. The decision of the Panel will be final and binding upon the parties as to all matters in dispute and will be enforceable by a court of competent jurisdiction. The rules of the American Arbitration Association will be used for guidance in establishing procedures for the arbitration, but their use will not be mandatory unless the parties are unable to agree on an alternative body of rules.

2. In the case of disputes involving construction matters at the Sports Facility, the Panel will consist of three persons selected by the parties from a list of twenty-one persons with at least ten years experience in the construction business furnished by the Florida Chapter of the American Arbitration Association. In the case of disputes involving operations at the Sports Facility, the Panel will consist of three persons selected by the parties from a list of eleven persons, each of whom must have at least ten years of experience in the stadium/arena management business furnished by the Florida Chapter of the American Arbitration Association. The Panel of three will be selected from such list by the mutual agreement of the parties. If, within three days following the day on which the list is furnished to the parties, the parties are unable to agree on the composition of the Panel, then representatives of the parties will meet promptly and the following procedures will be used: The Phillies will strike the name of a person on the list. Within fifteen minutes thereafter, the Public Bodies will strike a name from the list. At fifteen minute intervals thereafter, each party will strike a name from the list. If a party fails to strike a name within the allotted time period, it will forego its turn to strike a name. The last three names on the list will constitute the Panel.

3. Within thirty days following the appointment the Panel as provided for above, the Panel shall hold a hearing which hearing shall be held at Tampa, Florida, or at any other place agreed to by the parties involved.

4. The Public Bodies or The Phillies may join any other party to the arbitration which is needed for just adjudication. The standard for joinder of any other party shall be that provided under Rule 19 of the Florida Rules of Civil Procedure.

5. If the Panel determines that either party's position in the dispute was without merit, such party will pay the other party's reasonable attorneys' fees and costs related to the arbitration, including the costs and fees of the Panel, fees to the American Arbitration Association and other costs of such arbitration otherwise payable by such party in the arbitration proceedings. In all other

cases, the parties will share equally the costs of such arbitration and will pay their own attorneys' fees.

6. At least ten days prior to the hearing, the parties shall meet and exchange exhibits and pre-hearing statements and stipulate and agree on non-disputed facts. No exhibit shall be admitted unless listed on the pre-hearing statement and exchanged between the parties. No witness may be presented unless indicated on the pre-hearing statement or unless produced for rebuttal purposes. Prior to or at the hearing, each party shall submit a memorandum not to exceed five pages outlining the relevant issues for the Panel. At the hearing, the laws of evidence of the State of Florida shall apply, and the Panel shall allow each party to present that party's case, evidence and witnesses and render its award, including a provision for payment of attorneys' fees and costs of arbitration to be paid by one or both of the parties to this Agreement, as the Panel deems just.

## Economic Impact of the Philadelphia Spring Training in Clearwater, Florida 2014

Utilizing the data and methodology in the “2009 Major League Baseball Florida Spring Training Economic Impact Study Report”, June 2009 by the Florida Sports Foundation and the Bonn Marketing Research Group, Inc., the following represents the estimated Economic Impact to Clearwater just resulting from Direct Spending associated with the Philadelphia Phillies Spring Training. Please note this does not include the impact to labor income and employment in Clearwater as a result of Spring Training.

The attendees, for this purpose, are separated into five category types:

- **Out-of-State-Primary Purpose:** This indicates a visiting party from outside of Florida that came to the area expressly for the Philadelphia Phillies Spring Training.
- **Out-of-State–Other Purpose:** This indicates a visiting party from outside of Florida for that came to the area for another purpose, but attended Spring Training activities.
- **Non-County-Primary Purpose:** This indicates attendance from another County in Florida that visited expressly for Phillies Spring Training.
- **Non-County-Other Purpose:** This indicates attendance to Pinellas County for another purpose, but included Spring Training activities.
- **Local:** These include all Pinellas County residents.

Total attendance for the Philadelphia Phillies Spring Training was **121,915**.

The results are as follows:

Approximately 23.12% are Out-of-State Primary Purpose	28,187
Number of Out-of State Parties (Average party size= 3 people)	9,396
Cumulative number of nights stayed (Average stay is 7.53 nights)	70,749
Average expense for out-of-area expenses (\$371.28 per party) per day	\$ 26,267,591.25
Approximately 24.94% are Out-of-State Other Purpose	30,406
Number of Out-of State Parties (Average party size= 3.08 people)	9,872
Cumulative number of nights stayed (Average stay is 9.66 nights)	95,363
Average expense for out-of-area expenses (\$395.43 per party) per day	\$ 37,709,399.52
Approximately 24.22% are Non-County Primary Purpose	29,528
Number of Non-County Parties (Average party size= 2.81 people)	10,508
Cumulative number of nights stayed (Average stay is .39 nights)	4,098
Average expense for out-of-area expenses (\$171.73 per party) per day	\$ 703,778.08

Approximately 3.55% are Non-County Other Purpose	4,328
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Number of Non-County Parties (Average party size= 2.68 people)	1,615
Cumulative number of nights stayed (Average stay is 3.36 nights)	5,426
Average expense for out-of-area expenses (\$314.00 per party) per day	\$ 1,703,803.98
Approximate Number of Local Attendees	29,467
Estimated Direct Expenditures of Local Residents associated with Attendance (\$50)	\$ 1,473,250.00
<b>Estimated Total Direct Expenses by Attendees</b>	<b>\$ 67,857,922.83</b>

Using the total direct expenses above, the indirect and induced effect were estimated using the multiplier provided in the above reference report to estimate a total economic impact resulting from Direct Expenses. Indirect effect indicates the secondary impact caused by changing input of needs of directly affected industries, and Induced effect is caused by the changes in household spending due to additional employment generated by direct and indirect spending.

	<b>Direct Spending</b>	<b>Indirect</b>	<b>Induced</b>	<b>Total Economic Impact</b>	<b>Multiplier</b>
<b>Out-of-State Primary Purpose</b>	26,267,591.25	8,930,981.03	9,456,332.85	44,654,905.13	1.7
<b>Out-of-State Other Purpose</b>	37,709,399.52	12,821,195.84	13,575,383.83	64,105,979.18	1.7
<b>Non-County Primary Purpose</b>	703,778.08	256,879.00	256,879.00	1,217,536.09	1.73
<b>Non-County Other Purpose</b>	1,703,803.98	\$587,812.37	587,812.37	2,879,428.72	1.69
<b>Local Attendees</b>	1,473,350.00	508,305.75	508,305.75	2,489,961.50	1.69
	\$67,857,922.83	\$23,105,173.98	\$24,384,713.80	\$115,347,810.62	

The total Economic Impact Direct Spending is estimated to be **\$115,347,810.62** as a result the 2014 Philadelphia Phillies Spring Training.

## SPRING TRAINING FRANCHISE FACILITY LEGISLATION

### ELIGIBILITY REQUIREMENTS

1. A verified copy of signed agreement with the spring training franchise for the use of the facility for a term of at least 15 years.
  - A copy has been provided and is at least 15 years.
2. Financial commitment to provide 50% or more of the funds required by an agreement for the acquisition, construction or renovation of the spring training facility.
  - The total project cost just for construction was \$22,500,000. OTTED provided \$7,000,000.
3. Projected paid attendance, verified by OTTED, which demonstrate that the facility will attract a paid attendance of at least 50,000 annually.

Spring Training attendance was the following:

2004-113,037  
2005-104,693  
2006-105,382  
2007-121,519  
2008-114,715  
2009-133,620  
2010-136,523  
2011-143,226  
2012-157,892  
2013-142,806  
2014-121,915

Please note this doesn't include other paid attendance events held at the facility.

4. The facility is located in a county that is levying a tourist development tax.

Pinellas County levies a 5% tourist development tax.

5. A unit of local government, i.e., city, county, must be responsible for the acquisition, construction, management or operation of the new facility or holds title to the property on which the facility is located.

The City of Clearwater is responsible for the acquisition, construction, management or operation and holds title to the property.



## **SPRING TRAINING FRANCHISE FACILITY LEGISLATION**

### **CRITERIA PRIORITY RANKING (Subject to interpretation by OTTED)**

1. Use of the funds.
  - Priority given to the construction of a new facility.
2. Time MLB team has been in Florida.
  - Priority given to team in the same location the longest.  
(In the case of Phillies – 54 years)
3. Remaining term of lease.
  - Priority given to shortest term
4. Duration of the lease agreement.
  - At least 15 years
5. Amount of local match.
  - Priority given to local match with the largest percentage.
6. Net increase in total active recreation space owned by the unit of local government.
  - Priority given to the largest increase in total active recreation space.
7. Location of the facility.
  - Priority given to facility in a brownfield, enterprise zone, CRA or other redevelopment included in an Urban Infill Redevelopment Plan.
8. Projections on paid attendance at the facility and the effect on the economy of the local community.
9. Length of time the spring training facility has been used by one or more spring training franchises.
  - (Does not apply to Phillies)

**City of Dunedin  
(Toronto Blue Jays)**



**City of Dunedin  
(Toronto Blue Jays)**

**State and Local Funds Expended To Date**  
**City of Dunedin Spring Training Facilities**

**STATE AND LOCAL EXPENDITURES  
DUNEDIN SPRING TRAINING FACILITIES**

**REPORT TO FDEO 2014**

The information in this summary is taken from the City of Dunedin's Annual Adopted Budget documents for Fiscal Years 2000 – 2014.

State Revenues Received	OTTED/FDEO Funding	2000-2014	\$4,900,000
Local Revenues Received	Pinellas County	2000-2014	\$2,100,000
Local Expenditures	City of Dunedin	2000-2014	\$10,025,291

State revenue summary is based on an award of \$7,000,000 paid over a 20-year period.

Local revenue summary is based on a Pinellas County award of \$3,000,000 paid over a 20-year period.

## STADIUM FUND

### **Departmental Mission Statement**

To serve the residents of Dunedin with professional sports and entertainment and to act as an economic engine for the Downtown Merchants and local businesses.

### **Current Services Summary**

Parks Division Staff provides in-kind maintenance prior to Spring Training each year as required by the License Agreement with the Toronto Blue Jays. Work includes pressure washing, painting and repair and replacement of field lights. Parks staff also provides custodial services during Spring Training games and clean-up services after Spring Training games.

### **Budget Analysis**

The budget is consistent with previous years. We again budgeted for staff to take overtime for Spring Training stadium cleaning instead of comp time due to Parks workload. Professional Services was increased due to hiring consultants to assist with retaining the Blue Jays in Dunedin. This budget also follows the terms and conditions associated with the Blue Jays License Agreement.

### **Budget Highlights, Service Changes and Proposed Efficiencies**

The Dunedin Stadium Fund was established in FY 1990 as a mechanism to accurately monitor the revenues, expenses and debt service payments associated with Dunedin Stadium expansion and operations.

The primary sources of income to the City for FY 2014 are a percentage of ticket sales, food and beverage concession sales, parking fees, name rights sponsorship fees and an annual License Agreement payment during the Toronto Blue Jays Spring Training Season.

- Blue Jays pay the City a fixed amount of \$125,000 each year.
- City receives 5% of ticket sales for the first 3,800 fans in attendance for each game.
- City receives 15% of ticket sales in excess of 3,800 fans at each game.
- City receives 50 cents per attendee in excess of 3,800 fans per game for concession sharing. (City receives no concession sharing for the first 3,800 fans per game).
- City receives all of the parking lot revenue during Spring Training in the City lots, Library, Hale Senior Activity Center and Curtis Fundamental Elementary School. The Blue Jays receive all parking lot revenue from the Stadium lot.
- City receives \$26,000 in naming rights from Florida Auto Exchange each year.

FY 2014 is the twelfth year of the fifteen-year agreement.

Contributions from the State and Pinellas County are used to pay debt service related to the construction of the Stadium. The agreement with the Blue Jays, and State and County support expire in 2017, while debt service continues through the year 2021.

### **FY 2013 Goals and Objectives Update**

**1. Implement Capital Improvement Projects as outlined in the Six-Year Capital Improvement Projects Plan for both Dunedin Stadium and Englebert Recreation Complex.**

- 807 Stadium seats were replaced with flip-type seating.
- Stadium lights were replaced and re-aimed.
- Englebert roof was reconstructed.
- Stadium ADA lift was installed.
- Englebert building was re-sealed.
- Stadium water heaters were replaced.
- Stadium grandstands concrete was repaired.

### **FY 2014 Goals and Objectives**

1. Continue to implement Capital Improvements Projects as outlined in the Capital Improvement Projects Plan for both Dunedin Stadium and Englebert Recreation Complex.
2. Continue to work towards retaining the Toronto Blue Jays in Dunedin for Spring Training/Minor League baseball for an additional 15 to 20 years.

**DUNEDIN STADIUM FUND SUMMARY**

	FY2012 ACTUAL	AMENDED FY2013 BUDGET	ADOPTED FY2014 BUDGET	PLANNED FY2015 BUDGET	VARIANCE FY14 V. FY15 OVER(UND.)	PERCENT INCR./ (DECR.)
<b>BEGINNING RESERVES</b>	\$ 104,997	\$ 12,011	\$ 67,389	\$ 182,527	\$ 55,378	461%
<b>REVENUES:</b>						
State/County Funding	\$ 500,004	\$ 500,000	\$ 500,000	\$ 500,000	\$ -	0%
Sports Franchise Fees	297,980	297,980	297,980	297,980	-	0%
Charges for Services	328,388	288,215	291,000	291,000	2,785	1%
Interest/Investments	163	-	368	963	368	0%
Miscellaneous Revenue	18,067	-	-	-	-	0%
Transfers	581,308	616,604	508,839	491,319	(107,765)	-17%
<b>TOTAL REVENUES</b>	<u>1,725,910</u>	<u>1,702,799</u>	<u>1,598,187</u>	<u>1,581,262</u>	<u>(104,612)</u>	<u>-6%</u>
<b>TOTAL REVENUES/BEGINNING RESERVES</b>	<u>\$ 1,830,907</u>	<u>\$ 1,714,810</u>	<u>\$ 1,665,576</u>	<u>\$ 1,763,789</u>	<u>\$ (49,234)</u>	<u>-3%</u>
<b>EXPENDITURES:</b>						
Personal Services - Salaries	\$ 29,448	\$ 29,262	\$ 30,851	\$ 30,851	\$ 1,589	5%
Personal Services - Benefits	\$ 7,188	\$ 2,239	\$ 7,997	\$ 7,997	5,758	257%
Operating Expenditures	238,966	221,110	272,466	229,466	51,356	23%
Capital Outlay	240,880	255,000	44,000	184,250	(211,000)	-83%
Debt Service	1,075,184	1,014,810	1,002,735	1,002,735	(12,075)	-1%
Transfers	227,230	125,000	125,000	125,000	-	0%
<b>TOTAL EXPENDITURES</b>	<u>1,818,896</u>	<u>1,647,421</u>	<u>1,483,049</u>	<u>1,580,299</u>	<u>(164,372)</u>	<u>-10%</u>
<b>ENDING RESERVES</b>	<u>12,011</u>	<u>67,389</u>	<u>182,527</u>	<u>183,490</u>	<u>115,138</u>	<u>171%</u>
<b>TOTAL EXPENDITURES/ENDING RESERVES</b>	<u>\$ 1,830,907</u>	<u>\$ 1,714,810</u>	<u>\$ 1,665,576</u>	<u>\$ 1,763,789</u>	<u>\$ (49,234)</u>	<u>-3%</u>

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**STADIUM FUND**

Acct. No.	Object Name	FY 2012 Actual	FY 2013 Amended	FY 2014 Adopted	FY 2015 Planned	Change From FY 2013 to FY 2014	Change From FY 2014 to FY 2015
<i>Intergovernmental Revenues</i>							
334.7006	GRANT - FLORIDA	500,004	500,000	500,000	500,000	0	0
337.7001	SPORTS FRANCHISE FEES	297,980	297,980	297,980	297,980	0	0
<b>Intergovernmental Revenues</b>		<b>797,984</b>	<b>797,980</b>	<b>797,980</b>	<b>797,980</b>	<b>0</b>	<b>0</b>
<i>Charges for Services</i>							
347.5103	NAMING RIGHTS	23,091	20,000	26,000	26,000	6,000	0
347.5151	REVENUE-BLUE JAYS	275,546	240,000	240,000	240,000	0	0
347.5933	PARKING FEES	29,751	28,215	25,000	25,000	-3,215	0
<b>Charges for Services</b>		<b>328,388</b>	<b>288,215</b>	<b>291,000</b>	<b>291,000</b>	<b>2,785</b>	<b>0</b>
<i>Miscellaneous Revenue</i>							
361.1000	INTEREST-INVESTMENTS	0	0	368	963	368	595
361.3000	NET INV FMV CHANGE	163	0	0	0	0	0
369.9027	OTHER MISC REVENUE	18,067	0	0	0	0	0
<b>Miscellaneous Revenue</b>		<b>18,230</b>	<b>0</b>	<b>368</b>	<b>963</b>	<b>368</b>	<b>595</b>
<i>Transfers</i>							
381.0101	TRFS FROM 001 GEN FUND	381,308	366,604	508,839	491,319	142,235	-17,520
381.0134	TRANS FROM FUND 334	200,000	250,000	0	0	-250,000	0
<b>Transfers</b>		<b>581,308</b>	<b>616,604</b>	<b>508,839</b>	<b>491,319</b>	<b>-107,765</b>	<b>-17,520</b>
<b>111</b>	<b>STADIUM FUND</b>						
	<b>TOTAL</b>	<b>1,725,910</b>	<b>1,702,799</b>	<b>1,598,187</b>	<b>1,581,262</b>	<b>-104,612</b>	<b>-16,925</b>

## STADIUM FUND

Acct. No.	Object Name	FY 2012 Actual	FY 2013 Amended	FY 2014 Adopted	FY 2015 Planned	Change From FY 2013 to FY 2014	Change From FY 2014 to FY 2015	
<i>Personal Services - Salaries</i>								
1301	OTHER SALARIES & WAGES	802	0	1,000	1,000	1,000	0	
1401	OVERTIME	28,646	29,262	29,851	29,851	589	0	
Personal Services - Salaries		29,448	29,262	30,851	30,851	1,589	0	
<i>Personal Services - Benefits</i>								
2100	FICA TAXES	2,201	2,239	2,360	2,360	121	0	
2201	RETIREMENT CONTRIBUTIONS	1,756	0	1,700	1,700	1,700	0	
2310	LIFE & HEALTH INSURANCE	3,231	0	3,937	3,937	3,937	0	
Personal Services - Benefits		7,188	2,239	7,997	7,997	5,758	0	
<i>Operating Expenditures/Expenses</i>								
3110	PROFESSIONAL SERVICES	185	100	43,500	3,500	43,400	-40,000	
3405	OTHER CONTRACTUAL SERV	22,378	25,124	29,424	26,424	4,300	-3,000	
3422	WASTE	1,348	3,352	3,352	3,352	0	0	
4110	COMMUNICATIONS SERVICES	1,008	1,008	1,008	1,008	0	0	
4130	POSTAGE, FREIGHT, SHIPPING	27	0	0	0	0	0	
4580	ISF-INSURANCE	154,553	154,553	154,553	154,553	0	0	
4610	REPAIR & MAINTENANCE SRVC	2,516	10,000	10,000	10,000	0	0	
4710	PRINTING & BINDING	0	0	1,000	1,000	1,000	0	
4810	PROMOTIONAL ACTIVITIES	565	2,700	2,500	2,500	-200	0	
4919	OTHER TAXES	46,606	17,073	18,129	18,129	1,056	0	
5210	OPERATING SUPPLIES	6,276	4,824	6,000	6,000	1,176	0	
5219	CUSTODIAL SUPPLIES	3,109	2,376	3,000	3,000	624	0	
5230	UNCAPITALIZED EQUIPMENT	395	0	0	0	0	0	
Operating Expenditures/Expenses		238,966	221,110	272,466	229,466	51,356	-43,000	
<i>Capital Outlay</i>								
3405	OTHER CONTRACTUAL SERV	599	0	0	0	0	0	
4610	REPAIR & MAINTENANCE SRVC	161,076	255,000	44,000	184,250	-211,000	140,250	
6201	BLDG-EXTERIOR	79,205	0	0	0	0	0	
Capital Outlay		240,880	255,000	44,000	184,250	-211,000	140,250	
<i>Debt Service</i>								
7101	PRINCIPAL	777,895	822,526	944,637	957,652	122,111	13,015	
7201	INTEREST EXP	297,289	192,284	58,098	45,083	-134,186	-13,015	
Debt Service		1,075,184	1,014,810	1,002,735	1,002,735	-12,075	0	
<i>Other Uses</i>								
9101	TFR TO 001 FUND (GENERAL)	227,230	125,000	125,000	125,000	0	0	
Other Uses		227,230	125,000	125,000	125,000	0	0	
<b>STADIUM FUND</b>		<b>TOTAL</b>	<b>1,818,896</b>	<b>1,647,421</b>	<b>1,483,049</b>	<b>1,580,299</b>	<b>-164,372</b>	<b>97,250</b>



FY 2013 & FY 2014 Operating and Capital Improvement Budget  
**Stadium Fund**

Project Number	Project Description	Amended		Adopted		Proposed		Planning Years							Project Total	
		FY 2012	FY 2013	FY 2013	FY 2014	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2019				
	Revenue Account Description															
	Transfer From the Penny Fund	\$ 200,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	\$	1,950,000
	Fund Balance	50,728														
	Total Funding	\$ 250,728	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	\$	1,950,000
480901	Stadium Small Grand Stand Capital Projects	8,212	26,680	26,680	27,189	28,800	30,478	115,118	200,070	193,262	\$	629,808				
481201	Handrail Replacement	111,725	25,890	25,890	54,377	57,600	-	-	-	-	-	249,591				
481203	Stadium Seat Replacement	41,596	101,383	101,383	-	-	-	-	-	-	-	142,979				
481301	ADA Lift Replacement	-	21,344	21,344	-	-	-	-	-	-	-	21,344				
481302	Gas Water Heater Replacement	-	32,016	32,016	-	-	-	-	-	-	-	32,016				
481303	Englebert Building Sealing	-	16,008	16,008	17,178	19,570	21,171	20,256	21,035	23,903	-	139,122				
481304	Englebert Building Renovations	15,599	26,680	26,680	27,189	28,800	30,478	28,610	28,895	32,834	-	219,084				
481401	Stadium Parking Lot	-	-	-	50,362	-	-	-	-	-	-	50,362				
481402	Englebert Roof Replacement	-	-	-	73,706	115,231	26,598	-	-	-	-	215,535				
481501	Englebert Restrooms	-	-	-	-	-	73,146	-	-	-	-	73,146				
481502	Englebert Parking	-	-	-	-	-	36,377	57,405	-	-	-	93,782				
481503	Englebert Air Conditioning	-	-	-	-	-	31,752	28,610	-	-	-	31,752				
481701	North Fence Replacement	27,339	-	-	-	-	-	28,610	-	-	-	28,610				
481205	Emergency Englebert Roof Repairs	-	-	-	-	-	-	-	-	-	-	27,339				
481206	Stadium Roof Repairs	46,257	-	-	-	-	-	-	-	-	-	46,257				
	Account Total	\$ 250,728	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	\$	2,000,728				
	Funding Over/(Under)	\$ -	(0)	(0)	(0)	(0)	(0)	0	(0)	(0)	(0)					

# STADIUM

111 STADIUM FUND

4801 STADIUM ADMINISTRATION

Acct. No.	Object Name	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Adopted	FY 2012 Amended	FY 2013 Adopted	FY 2014 Proposed	Change From FY 2012 to FY 2013	Change From FY 2012 to FY 2014
<i>Personal Services - Salaries</i>										
1301	OTHER SALARIES & WAGES	3,108	3,202	2,990	3,498	3,498	0	0	-3,498	0
1401	OVERTIME	16,880	10,258	13,697	15,819	15,819	29,262	20,267	13,443	-8,995
Personal Services - Salaries Total		19,988	13,460	16,687	19,317	19,317	29,262	20,267	9,945	-8,995
<i>Personal Services - Benefits</i>										
2100	FICA TAXES	1,482	847	1,245	1,530	1,530	2,239	1,550	709	-689
2201	RETIREMENT CONTRIBUTIONS	1,714	976	1,350	1,800	1,800	0	0	-1,800	0
2310	LIFE & HEALTH INSURANCE	2,920	1,146	2,500	2,500	2,500	0	0	-2,500	0
Personal Services - Benefits Total		6,116	2,969	5,095	5,830	5,830	2,239	1,550	-3,591	-689
<i>Operating Expenditures/Expenses</i>										
3130	MEDICAL	60	60	0	0	0	0	0	0	0
3405	OTHER CONTRACTUAL SERV	9,448	16,480	18,023	18,000	24,000	19,924	19,924	-4,076	0
3422	WASTE	2,880	3,352	3,027	3,352	3,352	3,352	3,352	0	0
4110	COMMUNICATION SERVICE	3,433	2,282	1,443	1,008	1,008	1,008	1,008	0	0
4130	POSTAGE,FREIGHT,SHIPPING	0	51	0	0	0	0	0	0	0
4580	ISF-INSURANCE	0	171,725	154,553	154,553	154,553	154,553	162,281	0	7,728
4610	REPAIR & MAINTENANCE SRVC	0	1,532	10,738	10,000	9,605	10,000	10,000	395	0
4810	PROMOTIONAL ACTIVITIES	0	3,507	0	8,000	2,000	8,000	8,000	6,000	0
4919	OTHER TAXES	18,530	20,090	18,129	18,129	18,129	17,073	17,073	-1,056	0
5210	OPERATING SUPPLIES	408	1,543	5,393	6,100	6,100	7,200	7,200	1,100	0
5230	UNCAPITALIZED EQUIPMENT	0	0	650	0	395	0	0	-395	0
Operating Expenditures/Expenses Total		34,759	220,622	211,956	219,142	219,142	221,110	228,838	1,968	7,728
<i>Other Uses</i>										
9101	TFR TO 001 FUND (GENERAL)	125,000	125,000	125,000	125,000	125,000	125,000	125,000	0	0
Other Uses Total		125,000	125,000	125,000	125,000	125,000	125,000	125,000	0	0
STADIUM ADMINISTRATION Total		185,863	362,051	358,738	369,289	369,289	377,611	375,655	8,322	-1,956

111 STADIUM FUND

4845 OPERATIONS

Acct. No.	Object Name	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Adopted	FY 2012 Amended	FY 2013 Adopted	FY 2014 Proposed	Change From FY 2012 to FY 2013	Change From FY 2012 to FY 2014
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# STADIUM

111 STADIUM FUND

4845 OPERATIONS

Acct. No.	Object Name	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Adopted	FY 2012 Amended	FY 2013 Adopted	FY 2014 Proposed	Change From FY 2012 to FY 2013	Change From FY 2012 to FY 2014
<i>Operating Expenditures/Expenses</i>										
3110	PROFESSIONAL SERVICES	54	0	0	0	0	0	0	0	0
3405	OTHER CONTRACTUAL SERV	5,094	0	0	0	0	0	0	0	0
3422	WASTE	2,880	0	0	0	0	0	0	0	0
4580	ISF-INSURANCE	152,964	0	0	0	0	0	0	0	0
4610	REPAIR & MAINTENANCE SRVC	20	0	0	0	0	0	0	0	0
5210	OPERATING SUPPLIES	2,585	0	975	0	0	0	0	0	0
	Operating Expenditures/Expenses Total	163,597	0	975	0	0	0	0	0	0
	OPERATIONS Total	163,597	0	975	0	0	0	0	0	0

111 STADIUM FUND

4846 STADIUM BLUE JAYS DEBT

Acct. No.	Object Name	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Adopted	FY 2012 Amended	FY 2013 Adopted	FY 2014 Proposed	Change From FY 2012 to FY 2013	Change From FY 2012 to FY 2014
<i>Operating Expenditures/Expenses</i>										
3110	PROFESSIONAL SERVICES	0	0	5,000	0	0	0	0	0	0
3405	OTHER CONTRACTUAL SERV	7,550	0	0	0	0	0	0	0	0
4130	POSTAGE,FREIGHT,SHIPPING	12	0	0	0	0	0	0	0	0
4810	PROMOTIONAL ACTIVITIES	3,664	0	0	0	0	0	0	0	0
5210	OPERATING SUPPLIES	301	0	0	0	0	0	0	0	0
	Operating Expenditures/Expenses Total	11,527	0	5,000	0	0	0	0	0	0
<i>Debt Service</i>										
7101	PRINCIPAL	15,526	16,302	139,368	0	0	0	0	0	0
7201	INTEREST EXP	8,560	7,784	3,895	0	0	0	0	0	0
	Debt Service Total	24,086	24,086	143,263	0	0	0	0	0	0
	STADIUM BLUE JAYS DEBT Total	35,613	24,086	148,263	0	0	0	0	0	0

111 STADIUM FUND

4847 STADIUM MAINTENANCE

Acct. No.	Object Name	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Adopted	FY 2012 Amended	FY 2013 Adopted	FY 2014 Proposed	Change From FY 2012 to FY 2013	Change From FY 2012 to FY 2014
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# STADIUM

111 STADIUM FUND

4847 STADIUM MAINTENANCE

Acct. No.	Object Name	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Adopted	FY 2012 Amended	FY 2013 Adopted	FY 2014 Proposed	Change From FY 2012 to FY 2013	Change From FY 2012 to FY 2014
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*Operating Expenditures/Expenses*

4610	REPAIR & MAINTENANCE SRVC	2,848	0	253	0	0	0	0	0	0
5230	UNCAPITALIZED EQUIPMENT	420	0	320	0	0	0	0	0	0
Operating Expenditures/Expenses Total		3,268	0	573	0	0	0	0	0	0

*Debt Service*

7101	PRINCIPAL	658,419	695,982	735,762	777,897	777,897	822,526	869,805	44,629	47,279
7201	INTEREST EXP	416,766	379,203	339,422	297,291	297,291	252,662	205,382	-44,629	-47,280
Debt Service Total		1,075,185	1,075,185	1,075,184	1,075,188	1,075,188	1,075,188	1,075,187	0	-1

STADIUM MAINTENANCE Total		1,078,453	1,075,185	1,075,757	1,075,188	1,075,188	1,075,188	1,075,187	0	-1
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111 STADIUM FUND

4881 STADIUM CIP - REPAIRS

Acct. No.	Object Name	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Adopted	FY 2012 Amended	FY 2013 Adopted	FY 2014 Proposed	Change From FY 2012 to FY 2013	Change From FY 2012 to FY 2014
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*Capital Outlay*

4610	REPAIR & MAINTENANCE SRVC	0	0	0	233,978	166,300	250,000	250,001	83,700	1
Capital Outlay Total		0	0	0	233,978	166,300	250,000	250,001	83,700	1
STADIUM CIP - REPAIRS Total		0	0	0	233,978	166,300	250,000	250,001	83,700	1

111 STADIUM FUND

4885 STADIUM - CIP

Acct. No.	Object Name	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Adopted	FY 2012 Amended	FY 2013 Adopted	FY 2014 Proposed	Change From FY 2012 to FY 2013	Change From FY 2012 to FY 2014
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*Capital Outlay*

3405	OTHER CONTRACTUAL SERV	0	0	0	15,599	15,599	0	40,795	-15,599	40,795
6201	BLDG-EXTEIOR	0	0	0	0	73,596	0	189,450	-73,596	189,450
Capital Outlay Total		0	0	0	15,599	89,195	0	230,245	-89,195	230,245
STADIUM - CIP Total		0	0	0	15,599	89,195	0	230,245	-89,195	230,245

111 STADIUM FUND Total		1,463,526	1,461,322	1,583,733	1,694,054	1,699,972	1,702,799	1,931,088	2,827	228,289
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331 STADIUM CAPITAL PROJECT FUND

4847 STADIUM MAINTENANCE

Acct. No.	Object Name	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Adopted	FY 2012 Amended	FY 2013 Adopted	FY 2014 Proposed	Change From FY 2012 to FY 2013	Change From FY 2012 to FY 2014
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# STADIUM

331 STADIUM CAPITAL PROJECT FUND										
4847 STADIUM MAINTENANCE										
Acct. No.	Object Name	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Adopted	FY 2012 Amended	FY 2013 Adopted	FY 2014 Proposed	Change From FY 2012 to FY 2013	Change From FY 2012 to FY 2014
<i>Operating Expenditures/Expenses</i>										
4610	REPAIR & MAINTENANCE SRVC	46,947	8,600	0	0	0	0	0	0	0
Operating Expenditures/Expenses Total		46,947	8,600	0	0	0	0	0	0	0
<i>Capital Outlay</i>										
6300	IMPRVMNTS OTHER THAN BLDG	84,522	84,232	93,905	0	0	0	0	0	0
Capital Outlay Total		84,522	84,232	93,905	0	0	0	0	0	0
STADIUM MAINTENANCE Total		131,469	92,832	93,905	0	0	0	0	0	0
331 STADIUM CAPITAL PROJECT FUND Total		131,469	92,832	93,905	0	0	0	0	0	0
334 ONE CENT SALES TAX FUND										
4800 STADIUM										
Acct. No.	Object Name	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Adopted	FY 2012 Amended	FY 2013 Adopted	FY 2014 Proposed	Change From FY 2012 to FY 2013	Change From FY 2012 to FY 2014
<i>Other Uses</i>										
9111	TRF TO 111 FUND (STADIUM)	0	75,000	0	250,000	200,000	250,000	250,000	50,000	0
9131	TRF TO 331 STADIUM CIP	145,000	0	95,000	0	0	0	0	0	0
Other Uses Total		145,000	75,000	95,000	250,000	200,000	250,000	250,000	50,000	0
STADIUM Total		145,000	75,000	95,000	250,000	200,000	250,000	250,000	50,000	0
334 ONE CENT SALES TAX FUND Total		145,000	75,000	95,000	250,000	200,000	250,000	250,000	50,000	0
552 SELF-INSURANCE FUND										
4845 OPERATIONS										
Acct. No.	Object Name	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Adopted	FY 2012 Amended	FY 2013 Adopted	FY 2014 Proposed	Change From FY 2012 to FY 2013	Change From FY 2012 to FY 2014
<i>Operating Expenditures/Expenses</i>										
4520	INS - CLAIMS PAID	1,642	164	4,211	0	0	0	0	0	0
Operating Expenditures/Expenses Total		1,642	164	4,211	0	0	0	0	0	0
OPERATIONS Total		1,642	164	4,211	0	0	0	0	0	0
552 SELF-INSURANCE FUND										
4847 STADIUM MAINTENANCE										
Acct. No.	Object Name	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Adopted	FY 2012 Amended	FY 2013 Adopted	FY 2014 Proposed	Change From FY 2012 to FY 2013	Change From FY 2012 to FY 2014

# STADIUM

552 SELF-INSURANCE FUND										
4847 STADIUM MAINTENANCE										
Acct. No.	Object Name	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Adopted	FY 2012 Amended	FY 2013 Adopted	FY 2014 Proposed	Change From FY 2012 to FY 2013	Change From FY 2012 to FY 2014
<i>Operating Expenditures/Expenses</i>										
4610	REPAIR & MAINTENANCE SRVC	0	0	24,000	0	0	0	0	0	0
Operating Expenditures/Expenses	Total	0	0	24,000	0	0	0	0	0	0
STADIUM MAINTENANCE	Total	0	0	24,000	0	0	0	0	0	0
552 SELF-INSURANCE FUND	Total	1,642	164	28,211	0	0	0	0	0	0
<b>STADIUM</b>	<b>Total</b>	<b>1,741,637</b>	<b>1,629,318</b>	<b>1,800,849</b>	<b>1,944,054</b>	<b>1,899,972</b>	<b>1,952,799</b>	<b>2,181,088</b>	<b>52,827</b>	<b>228,289</b>



**STADIUM**

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**STADIUM FUND**

**STADIUM ADMINISTRATION**

Division Line Item Budget		Actual	Actual	Adopted	Amended	Adopted	Change	% Change
Acct No.	Account Name	FY 2009	FY 2010	FY 2011	FY 2011	FY 2012	FY 2011 to 2012	FY 2011 to 2012
<i>Personal Services - Salaries</i>								
111-4801-575.13-01	OTHER SALARIES & WAGES	3,108	3,202	4,000	4,000	3,498	-502	-12.55%
111-4801-575.14-01	OVERTIME	16,880	10,258	16,000	16,000	15,819	-181	-1.13%
Total Personal Services - Salaries		19,988	13,460	20,000	20,000	19,317	-683	-3.42%
<i>Personal Services - Benefits</i>								
111-4801-575.21-00	FICA TAXES	1,482	847	1,530	1,530	1,530	0	0.00%
111-4801-575.22-01	RETIREMENT CONTRIBUTIONS	1,714	976	1,800	1,800	1,800	0	0.00%
111-4801-575.23-10	LIFE & HEALTH INSURANCE	2,920	1,146	2,500	2,500	2,500	0	0.00%
Total Personal Services - Benefits		6,116	2,969	5,830	5,830	5,830	0	0.00%
<i>Operating Expenditures/Expenses</i>								
111-4801-575.31-30	MEDICAL	60	60	0	0	0	0	0.00%
111-4801-575.34-05	OTHER CONTRACTUAL SERV	9,448	16,480	18,300	18,153	18,000	-153	-0.84%
111-4801-575.34-22	WASTE	2,880	3,352	0	0	3,352	3,352	0.00%
111-4801-575.41-10	COMMUNICATION SERVICE	3,433	2,282	0	0	1,008	1,008	0.00%
111-4801-575.41-30	POSTAGE,FREIGHT,SHIPPING	0	51	0	0	0	0	0.00%
111-4801-575.45-80	ISF-INSURANCE	0	171,725	154,553	154,553	154,553	0	0.00%
111-4801-575.46-10	REPAIR & MAINTENANCE SRVC	0	1,532	10,000	10,000	10,000	0	0.00%
111-4801-575.48-10	PROMOTIONAL ACTIVITIES	0	3,507	8,000	6,000	8,000	2,000	33.33%
111-4801-575.49-19	OTHER TAXES	18,530	20,090	20,090	20,090	18,129	-1,961	-9.76%
111-4801-575.52-10	OPERATING SUPPLIES	408	1,543	3,500	5,647	6,100	453	8.02%
Total Operating Expenditures/Expenses		34,759	220,622	214,443	214,443	219,142	4,699	2.19%
<i>Other Uses</i>								
111-4801-581.91-01	TFR TO 001 FUND (GENERAL)	125,000	125,000	125,000	125,000	125,000	0	0.00%
111-4801-581.91-31	TRF TO 331 STADIUM CIP	0	0	0	0	0	0	0.00%
Total Other Uses		125,000	125,000	125,000	125,000	125,000	0	0.00%
Total STADIUM ADMINISTRATION		185,863	362,051	365,273	365,273	369,289	4,016	1.10%



**STADIUM**

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STADIUM FUND

*OPERATIONS*

<i>Division Line Item Budget</i>		Actual	Actual	Adopted	Amended	Adopted	Change	% Change
Acct No.	Account Name	FY 2009	FY 2010	FY 2011	FY 2011	FY 2012	FY 2011 to 2012	FY 2011 to 2012
<i>Operating Expenditures/Expenses</i>								
111-4845-575.31-10	PROFESSIONAL SERVICES	54	0	0	0	0	0	0.00%
111-4845-575.34-05	OTHER CONTRACTUAL SERV	5,094	0	0	0	0	0	0.00%
111-4845-575.34-22	WASTE	2,880	0	0	0	0	0	0.00%
111-4845-575.41-30	POSTAGE,FREIGHT,SHIPPING	0	0	0	0	0	0	0.00%
111-4845-575.45-80	ISF-INSURANCE	152,964	0	0	0	0	0	0.00%
111-4845-575.46-10	REPAIR & MAINTENANCE SRVC	20	0	0	0	0	0	0.00%
111-4845-572.48-10	PROMOTIONAL ACTIVITIES	0	0	0	0	0	0	0.00%
111-4845-575.49-10	OTHER CURRENT CHARGES	0	0	0	0	0	0	0.00%
111-4845-575.52-10	OPERATING SUPPLIES	2,585	0	0	0	0	0	0.00%
111-4845-575.52-30	UNCAPITALIZED EQUIPMENT	0	0	0	0	0	0	0.00%
111-4845-575.54-10	BOOKS, PUBS, SUBSCRIPTION	0	0	0	0	0	0	0.00%
Total Operating Expenditures/Expenses		163,597	0	0	0	0	0	0.00%
Total OPERATIONS		163,597	0	0	0	0	0	0.00%





**STADIUM**

111

STADIUM FUND

STADIUM BLUE JAYS DEBT

Division Line Item Budget		Actual	Actual	Adopted	Amended	Adopted	Change	% Change
Acct No.	Account Name	FY 2009	FY 2010	FY 2011	FY 2011	FY 2012	FY 2011 to 2012	FY 2011 to 2012
<i>Operating Expenditures/Expenses</i>								
111-4846-517.31-10	PROFESSIONAL SERVICES	0	0	0	10,000	0	-10,000	-100.00%
111-4846-575.34-05	OTHER CONTRACTUAL SERV	7,550	0	0	0	0	0	0.00%
111-4846-575.41-30	POSTAGE,FREIGHT,SHIPPING	12	0	0	0	0	0	0.00%
111-4846-575.46-10	REPAIR & MAINTENANCE SRVC	0	0	0	0	0	0	0.00%
111-4846-575.48-10	PROMOTIONAL ACTIVITIES	3,664	0	0	0	0	0	0.00%
111-4846-575.52-10	OPERATING SUPPLIES	301	0	0	0	0	0	0.00%
Total Operating Expenditures/Expenses		11,527	0	0	10,000	0	-10,000	-100.00%
<i>Debt Service</i>								
111-4846-517.71-01	PRINCIPAL	15,526	16,302	17,118	158,223	0	-158,223	-100.00%
111-4846-517.72-01	INTEREST EXP	8,560	7,784	6,969	10,864	0	-10,864	-100.00%
Total Debt Service		24,086	24,086	24,087	169,087	0	-169,087	-100.00%
Total STADIUM BLUE JAYS DEBT		35,613	24,086	24,087	179,087	0	-179,087	-100.00%



# STADIUM

## 111 STADIUM FUND

### 7 STADIUM MAINTENANCE

Division Line Item Budget		Actual	Actual	Adopted	Amended	Adopted	Change	% Change
Acct No.	Account Name	FY 2009	FY 2010	FY 2011	FY 2011	FY 2012	FY 2011 to 2012	FY 2011 to 2012
<i>Operating Expenditures/Expenses</i>								
111-4847-575.44-10	RENT/LEASE-EQUIPEMENT	0	0	0	0	0	0	0.00%
111-4847-575.46-10	REPAIR & MAINTENANCE SRVC	2,848	0	0	0	0	0	0.00%
111-4847-575.52-10	OPERATING SUPPLIES	0	0	0	0	0	0	0.00%
111-4847-575.52-30	UNCAPITALIZED EQUIPMENT	420	0	0	0	0	0	0.00%
Total Operating Expenditures/Expenses		3,268	0	0	0	0	0	0.00%
<i>Debt Service</i>								
111-4847-517.71-01	PRINCIPAL	658,419	695,982	735,762	735,762	777,897	42,135	5.73%
111-4847-517.72-01	INTEREST EXP	416,766	379,203	179,423	179,423	297,291	117,868	65.69%
Total Debt Service		1,075,185	1,075,185	915,185	915,185	1,075,188	160,003	17.48%
Total STADIUM MAINTENANCE		1,078,453	1,075,185	915,185	915,185	1,075,188	160,003	17.48%



City of Dunedin, Florida FY 2012 Adopted Operating Budget  
Parks & Recreation Department - Stadium

**Departmental Mission and Statement and Operational Summary**

To serve the residents of Dunedin with professional sports and entertainment and to act as an economic engine for the Downtown Merchants and local businesses.

**Department Resource Summary**

	Actual 2007	Actual 2008	Actual 2009	Actual 2010	Adopted 2011	Amended 2011	Adopted 2012	Change FY 2011 to 2012	% Change FY 2011 to 2012
<i>Sources</i>									
INTERGOVERNMENTAL REVENUE	797,984	797,984	797,984	797,984	797,984	797,984	797,980	(4)	0.00%
CHARGES FOR SERVICES	199,126	339,143	276,367	251,573	250,000	250,000	276,000	26,000	10.40%
MISCELLANEOUS REVENUE	11,792	42	583	(691)	-	-	-	-	0.00%
OTHER NON-OPERATING SOURCES	299,203	299,203	313,203	359,203	299,203	394,203	381,308	(12,895)	-3.27%
Total Revenues	1,308,105	1,436,372	1,388,137	1,408,069	1,347,187	1,442,187	1,455,288	13,101	8.02%
Use of Reserves	174,409	124,778	75,389	53,253	-	17,358	-	-	-
Total Funding Sources	1,482,514	1,561,150	1,463,526	1,461,322	1,347,187	1,459,545	1,455,288	108,101	8.02%
<i>Uses</i>									
PERSONAL SERVICES (SALARIES)	-	-	19,988	13,460	20,000	20,000	19,317	(683)	-3.42%
PERSONAL SERVICES (BENEFITS)	-	-	6,116	2,969	5,830	5,830	5,830	-	0.00%
OPERATING EXPENDITURES	187,244	246,879	213,151	220,622	214,443	224,443	219,142	(5,301)	-2.36%
DEBT SERVICE	1,099,239	1,099,270	1,099,271	1,099,271	939,272	1,084,272	1,075,188	(9,084)	-0.84%
GRANTS AND AIDS	-	-	-	-	-	-	-	-	0.00%
OTHER USES	196,000	215,000	125,000	125,000	125,000	125,000	125,000	-	0.00%
Total Expenditures	1,482,483	1,561,149	1,463,526	1,461,322	1,304,545	1,459,545	1,444,477	(15,068)	-1.03%
Addition to Reserves	-	-	-	-	42,642	-	10,811	-	0.00%
Total Uses	1,482,483	1,561,149	1,463,526	1,461,322	1,347,187	1,459,545	1,455,288	(4,257)	-0.29%

Note: Revenue Estimates include an additional \$2,785 of estimated revenue not included in the originally adopted budget. Estimates will be amended on first amendment for FY 2012.

**Estimated Changes in Reserves**

Description	Changes
October 1, 2010 Reserve	\$ (8,088)
FY 2011 Reserve Addition/(Use)*	25,286
Estimated September 30, 2011 Reserve	\$ 17,198
FY 2012 Adopted Addition/(Use)	8,449
Estimated September 30, 2012 Reserve	\$ 25,647

During the close of FY 2011, the projected reserve level will be closely monitored. If, after closing the projected reserves are negative, a budget amendment will be recommended to balance the fund.

\*Includes Budget Amendments To-Date in FY 2011 and Estimates

**Budget Highlights, Service Changes and Proposed Efficiencies**

The Dunedin Stadium Fund was established in FY 1990 as a mechanism to accurately monitor the revenues, expenses and debt service payments associated with Dunedin Stadium expansion and operations.

The sources of income to the City for FY 2012 are a percentage of ticket sales, food and beverage concession sales, parking fees and an annual License Agreement payment during the Toronto Blue Jays Spring Training Season.

FY 2012 is the tenth year of the fifteen-year agreement.



### *Current Services Summary*

Parks Division Staff provides in-kind maintenance prior to Spring Training each year as required by the License Agreement with the Toronto Blue Jays. Work includes pressure washing and painting. Parks Staff also provides custodial services during Spring Training games and clean-up services after Spring Training games.

### *Budget Analysis*

The budget is consistent with previous years and follows the terms and conditions of the Blue Jays License Agreement.

### *FY 2012 Goals and Objectives*

1. Continue to implement Capital Improvements Projects as outlined in the Six-Year Capital Improvement Projects Plan for both Dunedin Stadium and Englebert Recreation Complex.

### *FY 2011 Goals and Objectives Update*

1. Pursue and secure a new Naming Rights sponsor for the stadium through the work of the Stadium Advisory Committee, local media, letters, brochures, phone calls and personal visits.

Status: Stadium Naming Rights Sponsorship was accomplished. The new name of the stadium is Florida Auto Exchange Stadium.

2. Implement Capital Improvement Projects as outlined in the Six-Year Capital Improvement Projects Plan for both Dunedin Stadium and Englebert Recreation Complex.

Status: Stadium grandstand improvements, air conditioning replacement, plumbing and kitchen upgrades have been completed.

### *Linkages to the Capital Program*

During the term of the License Agreement with the Toronto Blue Jays, the City shall maintain a fund for the purpose of capital replacement expenditures. The City will be responsible for all capital replacement costs in respect to the stadium and Englebert Complex.

### *Related Revenue*

- Grant Florida - State Grant \$500,004
- Sports Franchise Fees - State Grant \$297,980
- Naming Rights - Sponsorship with Florida Auto Exchange \$26,000
- Revenues - Blue Jays \$225,000
  - Percentage of ticket sales and percentage of concession sales - \$100,000
  - Payment to the City per License Agreement - \$125,000
  - Parking Fees - Parking revenues generated during Spring Training in City lots \$25,000
  - Transfer from General Fund \$381,308



**STADIUM FUND**

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4801 STADIUM ADMINISTRATION										
Division Budget Summary		Actual	Actual	Actual	Actual	Adopted	Amended	Adopted	Change	% Change
Expenditure Category		FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2011	FY 2012	FY 2011 to 2012	FY 2011 to 2012
Personal Services - Salaries		0	0	19,988	13,460	20,000	20,000	19,317	-683	-3.42%
Personal Services - Benefits		0	0	6,116	2,969	5,830	5,830	5,830	0	0.00%
Operating Expenditures/Expenses		21,627	30,637	34,759	220,622	214,443	214,443	219,142	4,699	2.19%
Other Uses		196,000	215,000	125,000	125,000	125,000	125,000	125,000	0	0.00%
<b>Total STADIUM ADMINISTRATION</b>		<b>217,627</b>	<b>245,637</b>	<b>185,863</b>	<b>362,051</b>	<b>365,273</b>	<b>365,273</b>	<b>369,289</b>	<b>4,016</b>	<b>1.10%</b>

4845 OPERATIONS										
Division Budget Summary		Actual	Actual	Actual	Actual	Adopted	Amended	Adopted	Change	% Change
Expenditure Category		FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2011	FY 2012	FY 2011 to 2012	FY 2011 to 2012
Operating Expenditures/Expenses		142,381	200,543	163,597	0	0	0	0	0	0.00%
<b>Total OPERATIONS</b>		<b>142,381</b>	<b>200,543</b>	<b>163,597</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>

4846 STADIUM BLUE JAYS DEBT										
Division Budget Summary		Actual	Actual	Actual	Actual	Adopted	Amended	Adopted	Change	% Change
Expenditure Category		FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2011	FY 2012	FY 2011 to 2012	FY 2011 to 2012
Operating Expenditures/Expenses		179	11,989	11,527	0	0	10,000	0	-10,000	-100.00%
Debt Service		24,085	24,085	24,086	24,086	24,087	169,087	0	-169,087	-100.00%
<b>Total STADIUM BLUE JAYS DEBT</b>		<b>24,264</b>	<b>36,074</b>	<b>35,613</b>	<b>24,086</b>	<b>24,087</b>	<b>179,087</b>	<b>0</b>	<b>-179,087</b>	<b>-100.00%</b>

4847 STADIUM MAINTENANCE										
Division Budget Summary		Actual	Actual	Actual	Actual	Adopted	Amended	Adopted	Change	% Change
Expenditure Category		FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2011	FY 2012	FY 2011 to 2012	FY 2011 to 2012
Operating Expenditures/Expenses		23,057	3,710	3,268	0	0	0	0	0	0.00%
Debt Service		1,075,154	1,075,185	1,075,185	1,075,185	915,185	915,185	1,075,188	160,003	17.48%
<b>Total STADIUM MAINTENANCE</b>		<b>1,098,211</b>	<b>1,078,895</b>	<b>1,078,453</b>	<b>1,075,185</b>	<b>915,185</b>	<b>915,185</b>	<b>1,075,188</b>	<b>160,003</b>	<b>17.48%</b>
<b>Total STADIUM FUND</b>		<b>1,482,483</b>	<b>1,561,149</b>	<b>1,463,526</b>	<b>1,461,322</b>	<b>1,304,545</b>	<b>1,459,545</b>	<b>1,444,477</b>	<b>-15,068</b>	<b>-1.03%</b>



**STADIUM FUND**

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<i>Fund Level Line Item Budget</i>		Actual	Actual	Actual	Actual	Adopted	Amended	Adopted	Change	% Change
Acct No.	Account Name	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2011	FY 2012	FY 2011 to 2012	FY 2011 to 2012
<i>Personal Services - Salaries</i>										
1301	OTHER SALARIES & WAGES	0	0	3,108	3,202	4,000	4,000	3,498	-502	-12.55%
1401	OVERTIME	0	0	16,880	10,258	16,000	16,000	15,819	-181	-1.13%
<b>Total</b>	<b>Personal Services - Salaries</b>	<b>0</b>	<b>0</b>	<b>19,988</b>	<b>13,460</b>	<b>20,000</b>	<b>20,000</b>	<b>19,317</b>	<b>-683</b>	<b>-3.42%</b>
<i>Personal Services - Benefits</i>										
2100	FICA TAXES	0	0	1,482	847	1,530	1,530	1,530	0	0.00%
2201	RETIREMENT CONTRIBUTIONS	0	0	1,714	976	1,800	1,800	1,800	0	0.00%
2310	LIFE & HEALTH INSURANCE	0	0	2,920	1,146	2,500	2,500	2,500	0	0.00%
<b>Total</b>	<b>Personal Services - Benefits</b>	<b>0</b>	<b>0</b>	<b>6,116</b>	<b>2,969</b>	<b>5,830</b>	<b>5,830</b>	<b>5,830</b>	<b>0</b>	<b>0.00%</b>
<i>Operating Expenditures/Expenses</i>										
3110	PROFESSIONAL SERVICES	0	0	54	0	0	10,000	0	-10,000	-100.00%
3130	MEDICAL	0	0	60	60	0	0	0	0	0.00%
3405	OTHER CONTRACTUAL SERV	0	11,360	22,092	16,480	18,300	18,153	18,000	-153	-0.84%
3422	WASTE	0	2,912	5,760	3,352	0	0	3,352	3,352	0.00%
4110	COMMUNICATION SERVICE	2,700	2,742	3,433	2,282	0	0	1,008	1,008	0.00%
4130	POSTAGE,FREIGHT,SHIPPING	11	79	12	51	0	0	0	0	0.00%
4410	RENT/LEASE-EQUIPEMENT	1,883	0	0	0	0	0	0	0	0.00%
4580	ISF-INSURANCE	126,039	182,745	152,964	171,725	154,553	154,553	154,553	0	0.00%
4610	REPAIR & MAINTENANCE SRVC	21,071	5,948	2,868	1,532	10,000	10,000	10,000	0	0.00%
4810	PROMOTIONAL ACTIVITIES	12,272	9,960	3,664	3,507	8,000	6,000	8,000	2,000	33.33%
4910	OTHER CURRENT CHARGES	0	5,272	0	0	0	0	0	0	0.00%
	OTHER TAXES	12,567	18,864	18,530	20,090	20,090	20,090	18,129	-1,961	-9.76%
	OPERATING SUPPLIES	9,541	6,997	3,294	1,543	3,500	5,647	6,100	453	8.02%
5230	UNCAPITALIZED EQUIPMENT	160	0	420	0	0	0	0	0	0.00%
5410	BOOKS, PUBS, SUBSCRIPTION	1,000	0	0	0	0	0	0	0	0.00%
<b>Total</b>	<b>Operating Expenditures/Expenses</b>	<b>187,244</b>	<b>246,879</b>	<b>213,151</b>	<b>220,622</b>	<b>214,443</b>	<b>224,443</b>	<b>219,142</b>	<b>-5,301</b>	<b>-2.36%</b>
<i>Debt Service</i>										
7101	PRINCIPAL	603,495	637,732	673,945	712,284	752,880	893,985	777,897	-116,088	-12.99%
7201	INTEREST EXP	495,744	461,538	425,326	386,987	186,392	190,287	297,291	107,004	56.23%
<b>Total</b>	<b>Debt Service</b>	<b>1,099,239</b>	<b>1,099,270</b>	<b>1,099,271</b>	<b>1,099,271</b>	<b>939,272</b>	<b>1,084,272</b>	<b>1,075,188</b>	<b>-9,084</b>	<b>-0.84%</b>
<i>Other Uses</i>										
9101	TFR TO 001 FUND (GENERAL)	125,000	125,000	125,000	125,000	125,000	125,000	125,000	0	0.00%
9131	TRF TO 331 STADIUM CIP	71,000	90,000	0	0	0	0	0	0	0.00%
<b>Total</b>	<b>Other Uses</b>	<b>196,000</b>	<b>215,000</b>	<b>125,000</b>	<b>125,000</b>	<b>125,000</b>	<b>125,000</b>	<b>125,000</b>	<b>0</b>	<b>0.00%</b>
<b>Total</b>	<b>STADIUM FUND</b>	<b>1,482,483</b>	<b>1,561,149</b>	<b>1,463,526</b>	<b>1,461,322</b>	<b>1,304,545</b>	<b>1,459,545</b>	<b>1,444,477</b>	<b>-15,068</b>	<b>-1.03%</b>



**STADIUM**

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**STADIUM FUND**

4801 STADIUM ADMINISTRATION										
Division Line Item Budget		Actual	Actual	Actual	Actual	Adopted	Amended	Adopted	Change	% Change
Acct No.	Account Name	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2011	FY 2012	FY 2011 to 2012	FY 2011 to 2012
<i>Personal Services - Salaries</i>										
1301	OTHER SALARIES & WAGES	0	0	3,108	3,202	4,000	4,000	3,498	-502	-12.55%
1401	OVERTIME	0	0	16,880	10,258	16,000	16,000	15,819	-181	-1.13%
<b>Total</b>	<b>Personal Services - Salaries</b>	<b>0</b>	<b>0</b>	<b>19,988</b>	<b>13,460</b>	<b>20,000</b>	<b>20,000</b>	<b>19,317</b>	<b>-683</b>	<b>-3.42%</b>
<i>Personal Services - Benefits</i>										
2100	FICA TAXES	0	0	1,482	847	1,530	1,530	1,530	0	0.00%
2201	RETIREMENT CONTRIBUTIONS	0	0	1,714	976	1,800	1,800	1,800	0	0.00%
2310	LIFE & HEALTH INSURANCE	0	0	2,920	1,146	2,500	2,500	2,500	0	0.00%
<b>Total</b>	<b>Personal Services - Benefits</b>	<b>0</b>	<b>0</b>	<b>6,116</b>	<b>2,969</b>	<b>5,830</b>	<b>5,830</b>	<b>5,830</b>	<b>0</b>	<b>0.00%</b>
<i>Operating Expenditures/Expenses</i>										
3130	MEDICAL	0	0	60	60	0	0	0	0	0.00%
3405	OTHER CONTRACTUAL SERV	0	8,760	9,448	16,480	18,300	18,153	18,000	-153	-0.84%
3422	WASTE	0	0	2,880	3,352	0	0	3,352	3,352	0.00%
4110	COMMUNICATION SERVICE	2,700	2,742	3,433	2,282	0	0	1,008	1,008	0.00%
4130	POSTAGE,FREIGHT,SHIPPING	0	30	0	51	0	0	0	0	0.00%
580	ISF-INSURANCE	0	0	0	171,725	154,553	154,553	154,553	0	0.00%
510	REPAIR & MAINTENANCE SRVC	0	0	0	1,532	10,000	10,000	10,000	0	0.00%
4810	PROMOTIONAL ACTIVITIES	0	0	0	3,507	8,000	6,000	8,000	2,000	33.33%
4919	OTHER TAXES	12,567	18,864	18,530	20,090	20,090	20,090	18,129	-1,961	-9.76%
5210	OPERATING SUPPLIES	6,360	241	408	1,543	3,500	5,647	6,100	453	8.02%
<b>Total</b>	<b>Operating Expenditures/Expenses</b>	<b>21,627</b>	<b>30,637</b>	<b>34,759</b>	<b>220,622</b>	<b>214,443</b>	<b>214,443</b>	<b>219,142</b>	<b>4,699</b>	<b>2.19%</b>
<i>Other Uses</i>										
9101	TFR TO 001 FUND (GENERAL)	125,000	125,000	125,000	125,000	125,000	125,000	125,000	0	0.00%
9131	TRF TO 331 STADIUM CIP	71,000	90,000	0	0	0	0	0	0	0.00%
<b>Total</b>	<b>Other Uses</b>	<b>196,000</b>	<b>215,000</b>	<b>125,000</b>	<b>125,000</b>	<b>125,000</b>	<b>125,000</b>	<b>125,000</b>	<b>0</b>	<b>0.00%</b>
<b>Total</b>	<b>STADIUM ADMINISTRATION</b>	<b>217,627</b>	<b>245,637</b>	<b>185,863</b>	<b>362,051</b>	<b>365,273</b>	<b>365,273</b>	<b>369,289</b>	<b>4,016</b>	<b>1.10%</b>



**STADIUM**

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**STADIUM FUND**

4845 OPERATIONS

Division Line Item Budget		Actual	Actual	Actual	Actual	Adopted	Amended	Adopted	Change	% Change
Acct No.	Account Name	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2011	FY 2012	FY 2011 to 2012	FY 2011 to 2012
<i>Operating Expenditures/Expenses</i>										
3110	PROFESSIONAL SERVICES	0	0	54	0	0	0	0	0	0.00%
3405	OTHER CONTRACTUAL SERV	0	0	5,094	0	0	0	0	0	0.00%
3422	WASTE	0	2,912	2,880	0	0	0	0	0	0.00%
4130	POSTAGE,FREIGHT,SHIPPING	11	25	0	0	0	0	0	0	0.00%
4580	ISF-INSURANCE	126,039	182,745	152,964	0	0	0	0	0	0.00%
4610	REPAIR & MAINTENANCE SRVC	27	2,238	20	0	0	0	0	0	0.00%
4810	PROMOTIONAL ACTIVITIES	12,272	1,370	0	0	0	0	0	0	0.00%
4910	OTHER CURRENT CHARGES	0	5,272	0	0	0	0	0	0	0.00%
5210	OPERATING SUPPLIES	2,872	5,981	2,585	0	0	0	0	0	0.00%
5230	UNCAPITALIZED EQUIPMENT	160	0	0	0	0	0	0	0	0.00%
5410	BOOKS, PUBS, SUBSCRIPTION	1,000	0	0	0	0	0	0	0	0.00%
<b>Total</b>	<b>Operating Expenditures/Expenses</b>	<b>142,381</b>	<b>200,543</b>	<b>163,597</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
<b>Total</b>	<b>OPERATIONS</b>	<b>142,381</b>	<b>200,543</b>	<b>163,597</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>





**STADIUM**

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**STADIUM FUND**

4846 STADIUM BLUE JAYS DEBT		Actual	Actual	Actual	Actual	Adopted	Amended	Adopted	Change	% Change
Division Line Item Budget		FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2011	FY 2012	FY 2011 to 2012	FY 2011 to 2012
Acct No.	Account Name									
<i>Operating Expenditures/Expenses</i>										
3110	PROFESSIONAL SERVICES	0	0	0	0	0	10,000	0	-10,000	-100.00%
3405	OTHER CONTRACTUAL SERV	0	2,600	7,550	0	0	0	0	0	0.00%
4130	POSTAGE,FREIGHT,SHIPPING	0	24	12	0	0	0	0	0	0.00%
4610	REPAIR & MAINTENANCE SRVC	179	0	0	0	0	0	0	0	0.00%
4810	PROMOTIONAL ACTIVITIES	0	8,590	3,664	0	0	0	0	0	0.00%
5210	OPERATING SUPPLIES	0	775	301	0	0	0	0	0	0.00%
Total	Operating Expenditures/Expenses	179	11,989	11,527	0	0	10,000	0	-10,000	-100.00%
<i>Debt Service</i>										
7101	PRINCIPAL	14,082	14,786	15,526	16,302	17,118	158,223	0	-158,223	-100.00%
7201	INTEREST EXP	10,003	9,299	8,560	7,784	6,969	10,864	0	-10,864	-100.00%
Total	Debt Service	24,085	24,085	24,086	24,086	24,087	169,087	0	-169,087	-100.00%
Total	STADIUM BLUE JAYS DEBT	24,264	36,074	35,613	24,086	24,087	179,087	0	-179,087	-100.00%



**STADIUM**

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**STADIUM FUND**

4847 STADIUM MAINTENANCE										
Division Line Item Budget		Actual	Actual	Actual	Actual	Adopted	Amended	Adopted	Change	% Change
Acct No.	Account Name	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2011	FY 2012	FY 2011 to 2012	FY 2011 to 2012
<i>Operating Expenditures/Expenses</i>										
4410	RENT/LEASE-EQUIPEMENT	1,883	0	0	0	0	0	0	0	0.00%
4610	REPAIR & MAINTENANCE SRVC	20,865	3,710	2,848	0	0	0	0	0	0.00%
5210	OPERATING SUPPLIES	309	0	0	0	0	0	0	0	0.00%
5230	UNCAPITALIZED EQUIPMENT	0	0	420	0	0	0	0	0	0.00%
<b>Total Operating Expenditures/Expenses</b>		<b>23,057</b>	<b>3,710</b>	<b>3,268</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
<i>Debt Service</i>										
7101	PRINCIPAL	589,413	622,946	658,419	695,982	735,762	735,762	777,897	42,135	5.73%
7201	INTEREST EXP	485,741	452,239	416,766	379,203	179,423	179,423	297,291	117,868	65.69%
<b>Total Debt Service</b>		<b>1,075,154</b>	<b>1,075,185</b>	<b>1,075,185</b>	<b>1,075,185</b>	<b>915,185</b>	<b>915,185</b>	<b>1,075,188</b>	<b>160,003</b>	<b>17.48%</b>
<b>Total STADIUM MAINTENANCE</b>		<b>1,098,211</b>	<b>1,078,895</b>	<b>1,078,453</b>	<b>1,075,185</b>	<b>915,185</b>	<b>915,185</b>	<b>1,075,188</b>	<b>160,003</b>	<b>17.48%</b>

# Department of Parks & Recreation - Stadium

## Fund Summary

The Dunedin Stadium Fund was established in FY 1990 as a mechanism to accurately monitor the revenues, expenses and debt service payments associated with Dunedin Stadium expansion and operations.

The primary sources of income for FY 2011 are ticket sales and parking concessions during the Toronto Blue Jays Spring Training.

FY 2011 is the ninth year of the fifteen year agreement.

## Mission

To serve the residents of Dunedin with another form of sports and entertainment and to act as an economic engine for local businesses.

## Departmental Resource Summary

	Actual 2007	Actual 2008	Actual 2009	Adopted 2010	Proposed 2011	Change 2010 to 2011	% Change 2011 to 2010
<b>Sources</b>							
INTERGOVERNMENTAL REVENUE	\$ 797,984	797,984	797,984	797,984	797,984	-	0.00%
CHARGES FOR SERVICES	199,125	339,143	276,367	300,000	250,000	(50,000)	-16.67%
MISCELLANEOUS REVENUE	11,792	3,540	583	-	-	-	0.00%
OTHER SOURCES	299,203	299,203	313,203	359,203	299,203	(60,000)	-16.70%
Total Revenues	\$ 1,308,104	1,439,869	1,388,137	1,457,187	1,347,187	(110,000)	-7.55%
Use of Reserves	174,380	121,281	75,390	-	-	-	-
Total Funding Sources	\$ 1,482,484	1,561,150	1,463,527	1,457,187	1,347,187	(110,000)	-7.55%
<b>Uses</b>							
PERSONAL SERVICES (SALARIES)	\$ -	-	19,988	18,000	20,000	2,000	11.11%
PERSONAL SERVICES (BENEFITS)	-	-	6,116	-	5,830	5,830	0.00%
OPERATING EXPENSES	187,244	246,880	213,153	211,525	214,443	2,918	1.38%
DEBT SERVICE	1,099,240	1,099,270	1,099,270	1,099,272	939,272	(160,000)	-14.56%
OTHER USES	196,000	215,000	125,000	125,000	125,000	-	0.00%
Total Expenses	\$ 1,482,484	1,561,150	1,463,527	1,453,797	1,304,545	(149,252)	-10.27%
Addition to Reserves	-	-	-	3,390	42,642	-	-
Total Uses	\$ 1,482,484	1,561,150	1,463,527	1,457,187	1,347,187	(110,000)	-7.55%

## Estimated Changes in Reserves

Description	Changes
October 1, 2009 Reserve	\$ 2,813
FY 2010 Reserve Addition/(Use)*	3,390
Estimated September 30, 2010 Reserve	\$ 6,203
FY 2011 Proposed Addition/(Use)	42,642
Estimated September 30, 2011 Reserve	\$ 48,845

The FY 2011 budget is planned to add an additional \$42,642 to the Stadium Fund Reserves.

## Budget Highlights and Analysis

- The budget is consistent with previous years and follows the terms and conditions of the Blue Jays Agreement. Overtime was increased slightly to meet the demands of the City's support of the Blue Jays.

\*Reflects the proposed mid-year budget adjustment.

- Total estimated expenditures are decreasing by 10.27 percent or \$149,252 from Adopted FY 2010. This increase is largely due to a reduction in interest cost for debt service.

- Total revenue is anticipated to reduce by \$110,000 during FY 2011. This is due to the reduction of naming rights revenue of \$50,000 and a reduction in transfers



# Department of Parks & Recreation - Stadium

## FY 2011 Goals and Objectives

- Pursue securing of a Naming Rights sponsor.
- Implement FY 2011 Capital Improvement Projects as outlined in the Six-Year Capital Improvement Projects Plan for both Dunedin Stadium and Englebert Recreation Complex.

## FY 2010 Goals and Objectives Update

- Secure a new Naming Rights sponsor.
  - ✓ Currently pursuing a naming rights sponsor through work of the Stadium Advisor Committee, local media, letters, brochures, phone calls and personal visits.
- Research concert and event opportunities for Dunedin Stadium:
  - ✓ Local concert promoters have been contacted to discuss the feasibility and interest of providing activities other than baseball. At this point, there has been little interest.

## Stadium Fund Revenue Line Item

Account	Description	Actual 2007	Actual 2008	Actual 2009	Adopted 2010	Adopted 2011	Change 2010 to 2011	%Change 2011 to 2010
<i>Intergovernmental Revenue</i>								
7006	GRANT - FLORIDA	\$ 500,004	500,004	500,004	500,004	500,004	-	0.00%
7001	SPORTS FRANCHISE FEES	297,980	297,980	297,980	297,980	297,980	-	0.00%
	Total Intergovernmental Revenue	\$ 797,984	797,984	797,984	797,984	797,984	-	0.00%
<i>Charges for Services</i>								
5101	BLUE JAY CONCESSION	2,444	3,215	-	-	-	-	0.00%
5103	NAMING RIGHTS	80,000	90,000	-	50,000	-	(50,000)	-100.00%
5151	REVENUE-BLUE JAYS	96,180	223,832	246,876	225,000	225,000	-	0.00%
5933	PARKING FEES	20,502	22,096	29,491	25,000	25,000	-	0.00%
	Total Charges for Services	\$ 199,125	339,143	276,367	300,000	250,000	(50,000)	-16.67%
<i>Miscellaneous Revenue</i>								
1000	INTEREST EARNINGS	\$ 11,598	3,498	546	-	-	-	0.00%
3000	NET INVESTMENT FMV CHANGE	163	-	-	-	-	-	0.00%
9027	OTHER MISC REVENUE	30	33	37	-	-	-	0.00%
9900	OTHER MISCELLANEOUS REVENUE	1	9	-	-	-	-	0.00%
	Total Miscellaneous Revenue	\$ 11,792	3,540	583	-	-	-	0.00%
<i>Other Sources</i>								
0101	TRANS FROM FUND 001	299,203	299,203	313,203	299,203	299,203	-	0.00%
0152	TRANS FROM FUND 552	-	-	-	60,000	-	(60,000)	-100.00%
	Total Other Sources	\$ 299,203	299,203	313,203	359,203	299,203	(60,000)	-16.70%
	Fund Total	\$ 1,308,104	1,439,869	1,388,137	1,457,187	1,347,187	(110,000)	-7.55%

Note: Accrual entries have been eliminated for budget purposes.

**Department of Parks & Recreation - Stadium**

**Stadium Fund Expenditure Line Item**

Account	Description	Actual 2007	Actual 2008	Actual 2009	Adopted 2010	Adopted 2011	Change 2010 to 2011	%Change 2011 to 2010
<b>Salaries</b>								
1301	OTHER WAGES AND SALARIES	\$ -	-	3,108	3,000	4,000	1,000	33.33%
1401	OVERTIME	-	-	16,880	15,000	16,000	1,000	6.67%
	Total Personal Services (Salaries)	\$ -	-	19,988	18,000	20,000	2,000	11.11%
<b>Personal Services (Benefits)</b>								
2100	FICA	\$ -	-	1,482	-	1,530	1,530	0.00%
2201	RETIREMENT CONTRIBUTIONS	-	-	1,714	-	1,800	1,800	0.00%
2310	LIFE & HEALTH INSURANCE	-	-	2,920	-	2,500	2,500	0.00%
	Total Personal Services (Benefits)	\$ -	-	6,116	-	5,830	5,830	0.00%
	Total Personal Services	\$ -	-	26,104	18,000	25,830	7,830	43.50%
<b>Operating Expenses</b>								
3110	PROFESSIONAL SERVICES	\$ -	-	54	-	-	-	0.00%
3130	SUBSTANCE ABUSE	-	-	60	-	-	-	0.00%
3405	OTHER CONTRACTUAL SERV	-	11,360	22,092	18,300	18,300	-	0.00%
3422	IDB SOLID WASTE	-	2,912	5,761	-	-	-	0.00%
4110	COMMUNICATION SERVICE	2,700	2,742	3,433	-	-	-	0.00%
4130	POSTAGE,FREIGHT,SHIPPING	11	79	12	-	-	-	0.00%
4410	RENT/LEASE-EQUIPMENT	1,883	-	-	-	-	-	0.00%
4580	ISF-INSURANCE	126,039	182,745	152,964	171,725	154,553	(17,172)	-10.00%
4610	R&M SERVICES	21,071	5,948	2,868	10,000	10,000	-	0.00%
4810	PROMOTIONAL ACTIVITIES	12,272	9,960	3,664	8,000	8,000	-	0.00%
4910	OTHER CURRENT CHARGES	-	5,272	-	-	-	-	0.00%
4919	OTHER TAXES	12,567	18,864	18,530	-	20,090	20,090	0.00%
5210	OPERATING SUPPLIES	9,542	6,997	3,295	3,500	3,500	-	0.00%
5230	UNCAPITALIZED EQUIPMENT	160	-	420	-	-	-	0.00%
5410	BOOKS, PUBS, SUBSCR, MEMB	1,000	-	-	-	-	-	0.00%
	Total Operating Expenses	\$ 187,244	246,880	213,153	211,525	214,443	2,918	1.38%
	Total Expenses	\$ 187,244	246,880	239,257	229,525	240,273	10,748	4.68%
<b>Debt Service</b>								
7101	PRINCIPAL	\$ 603,496	637,732	673,944	674,721	752,880	78,159	11.58%
7201	INTEREST EXP	495,744	461,538	425,326	424,551	186,392	(238,159)	-56.10%
	Total Debt Service	\$ 1,099,240	1,099,270	1,099,270	1,099,272	939,272	(160,000)	-14.56%
<b>Other Uses</b>								
9101	TFR TO 001 FUND (GENERAL)	\$ 125,000	125,000	125,000	125,000	125,000	-	0.00%
9131	TRF TO 331 FUND	71,000	90,000	-	-	-	-	0.00%
	Total Other Uses	\$ 196,000	215,000	125,000	125,000	125,000	-	0.00%
	Total Non Operating Expenses	\$ 1,295,240	1,314,270	1,224,270	1,224,272	1,064,272	(160,000)	-13.07%
	Fund Total	\$ 1,482,484	1,561,150	1,463,527	1,453,797	1,304,545	(149,252)	-10.27%

Note: Accrual entries have been eliminated for budget purposes.

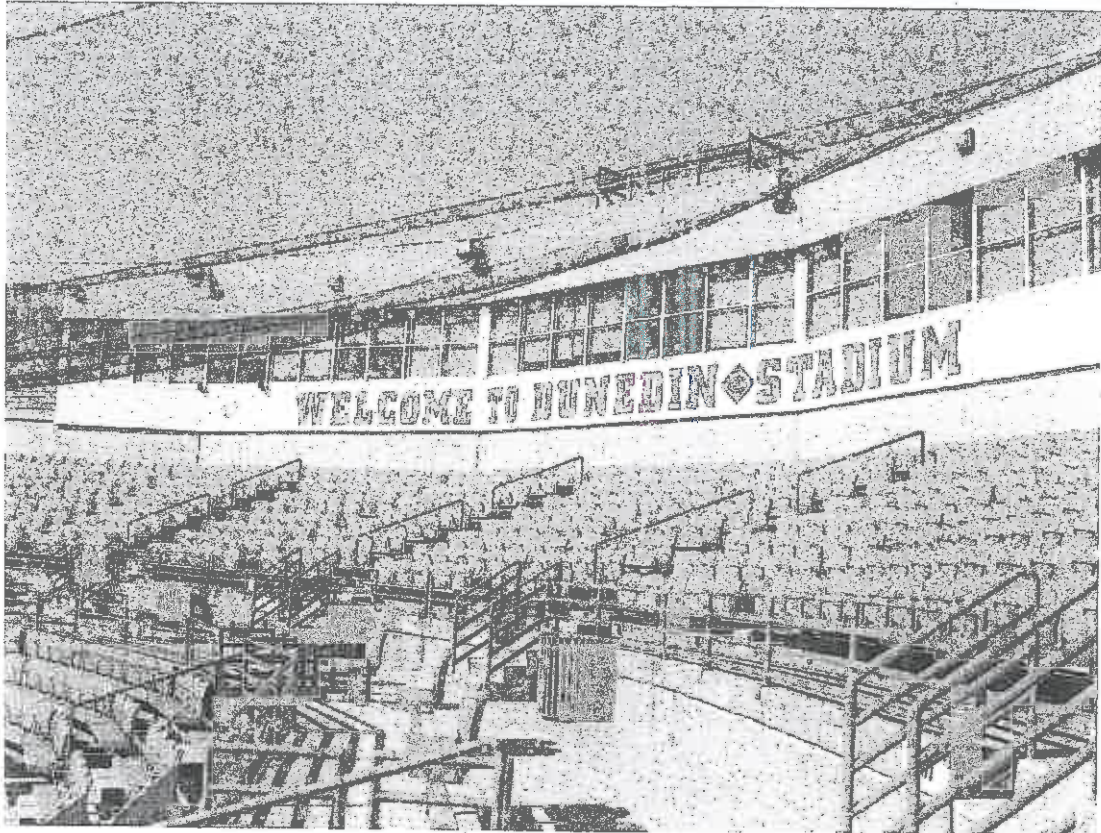


## DUNEDIN STADIUM FUND SUMMARY

The Dunedin Stadium Fund was established in FY 1990 as a mechanism to accurately monitor the revenues, expenses and debt service payments associated with Dunedin Stadium expansion and operations.

The primary sources of income for FY 2010 will come from ticket sales and parking concessions during the Toronto Blue Jays Spring Training.

This will be the sixth year under the new fifteen-year agreement.



**DUNEDIN STADIUM FUND SUMMARY**

	FY2008 ACTUAL	ADOPTED		PROPOSED	VARIANCE		PERCENT INCR./ (DECR.)
		FY2009 BUDGET	REVISED FY2009 BUDGET	FY2010 BUDGET	ADOPTED FY2010 BUDGET	ADOPTED OVER(UND.) REVISED	
<b>BEGINNING RESERVES</b>	197,819	76,540	78,203	3,846	3,846	(74,357)	-95%
<b>Subtotal</b>	197,819	76,540	78,203	3,846	3,846	(74,357)	0%
<b>DUNEDIN STADIUM FUND REVENUES</b>							
State/County Funding	797,984	797,984	797,984	797,984	797,984	-	0%
Revenue-Blue Jays Ticket Sales	223,832	100,000	100,000	100,000	100,000	-	0%
Parking Concession	25,311	25,000	25,000	25,000	25,000	-	0%
Stadium Gen. Projects	-	-	-	-	-	-	0%
Transfer from General Fund	299,203	299,203	299,203	299,203	299,203	-	0%
Transfer from Self Insurance Fund	-	-	-	60,000	60,000	60,000	
Transfer from Debt Service Fund	-	-	-	-	-	-	0%
Naming Rights	90,000	-	-	50,000	50,000	50,000	100%
Use Agreement with Blue Jays	-	125,000	125,000	125,000	125,000	-	100%
<b>Subtotal</b>	1,436,330	1,347,187	1,347,187	1,457,187	1,457,187	110,000	8%
<b>MISCELLANEOUS REVENUES</b>							
Interest Earned	3,498	-	-	-	-	-	0%
Other Miscellaneous	42	-	-	-	-	-	0%
<b>Subtotal</b>	3,540	-	-	-	-	-	0%
<b>TOTAL REVENUES</b>	1,439,870	1,347,187	1,347,187	1,457,187	1,457,187	110,000	8%
<b>TOTAL REVENUES/BEGINNING RESERVES</b>	1,637,689	1,423,727	1,425,390	1,461,033	1,461,033	35,643	3%
<b>DUNEDIN STADIUM FUND EXPENDITURES</b>							
Stadium Operations	270,964	199,357	199,357	229,525	229,525	30,168	15%
<b>Subtotal</b>	270,964	199,357	199,357	229,525	229,525	30,168	15%
<b>DEBT SERVICE PAYMENTS</b>							
Transfer to General Fund	125,000	125,000	125,000	125,000	125,000	-	0%
Transfer to Parks & Rec CIP Fund	90,000	-	-	-	-	-	0%
Debt Service Payment	1,075,185	1,097,187	1,097,187	1,099,272	1,099,272	2,085	0%
<b>Subtotal</b>	1,290,185	1,222,187	1,222,187	1,224,272	1,224,272	2,085	0%
<b>TOTAL EXPENDITURES</b>	1,561,149	1,421,544	1,421,544	1,453,797	1,453,797	32,253	2%
<b>ENDING RESERVES</b>	76,540	2,183	3,846	7,236	7,236	3,390	88%
<b>TOTAL EXPENDITURES/ENDING RESERVES</b>	1,637,689	1,423,727	1,425,390	1,461,033	1,461,033	35,643	3%



DEPT: PARKS AND RECREATION

DIVISION: STADIUM

FUND: STADIUM

MAJOR CLASSIFICATION:	ACTUAL FY2008	ADOPTED FY2009	REVISED FY2009	PROPOSED FY2010	ADOPTED FY2010	PERCENT INC/(DECR) REVISED FY2009
Salaries	-	-	-	-	-	
Benefits	-	-	-	-	-	0%
Operating Expenses	246,879	199,357	199,357	229,525	229,525	0%
Operating Capital/Debt Serv.	-	-	-	-	-	15%
<b>TOTAL MAJOR CLASSIFICATION</b>	<b>246,879</b>	<b>199,357</b>	<b>199,357</b>	<b>229,525</b>	<b>229,525</b>	<b>0%</b>

**BUDGET HIGHLIGHTS**

The Budget is consistent with previous years and follows the terms of the Toronto Blue Jays Agreement.

**PROGRESS MADE TOWARD FY 2009 GOALS AND OBJECTIVES**

GOAL	STATUS
1. Secure a new Naming Rights sponsor.	Currently pursuing and in discussion with potential sponsors.
2. Continue to research concert and event opportunities for Dunedin Stadium.	The department is in the process of contacting local event promoters to discuss the feasibility and interest in the stadium location for events.

**FY 2010 GOALS AND OBJECTIVES**

1. Secure a new Naming Rights sponsor.
2. Continue to research concert and event opportunities for Dunedin Stadium.





## FY 2010 Adopted Budget

Dept./Div.: DUNEDIN STADIUM - ADMINISTRATION 4801

ACCT.#	DESCRIPTION	FY 2008 ACTUAL ADMIN	ADOPTED FY 2009 BUDGET ADMIN	REVISED FY 2009 BUDGET ADMIN	ADOPTED FY 2010 BUDGET ADMIN (4801)	VARIANCE ADOPTED OVER/(UND) REVISED	PERCENT DIFF.
<b>SALARIES</b>							
1201	Regular Salaries	-	-	-	-	-	0%
1301	Other Salaries	-	-	-	3,000	3,000	10%
1401	Overtime	-	-	-	15,000	15,000	100%
<b>SALARIES TOTAL</b>		-	-	-	18,000	18,000	0%
<b>BENEFITS</b>							
2100	FICA	-	-	-	-	-	0%
2201	Retirement	-	-	-	-	-	0%
2310	Life/Health Insurance	-	-	-	-	-	0%
2480	Workers Compensation	-	-	-	-	-	0%
<b>BENEFITS TOTAL</b>		-	-	-	-	-	0%
<b>OPERATING EXPENSES</b>							
3110	Professional Services	-	-	-	-	-	0%
3405	Other Contractual Service	14,272	17,000	17,000	18,300	1,300	8%
3481	Building Maintenance Contracts	-	-	-	-	-	0%
4010	Training & Education	-	-	-	-	-	0%
4110	Telephones	2,742	3,063	3,063	-	(3,063)	-100%
4120	Radios	-	-	-	-	-	0%
4130	Postage	79	-	-	-	-	0%
4310	Electricity	-	-	-	-	-	0%
4330	Utilities	-	-	-	-	-	0%
4410	Rentals & Leases	-	-	-	-	-	0%
4420	Rentals & Leases - Building	-	2,580	2,580	-	(2,580)	-100%
4580	Insurance	182,745	152,964	152,964	171,725	18,761	12%
4610	Repair & Maintenance Services	5,948	-	-	10,000	10,000	100%
4710	Printing & Binding	-	-	-	-	-	0%
4810	Promotional	9,960	8,000	8,000	8,000	-	0%
4910	Other Current Charges	24,136	12,000	12,000	-	(12,000)	-100%
5110	Office Supplies	-	-	-	-	-	0%
5210	Operating Supplies	5,997	3,000	3,000	3,500	500	17%
5230	Uncapitalized Equipment	-	-	-	-	-	0%
5410	Books/Pubs/Subscrip/Members	-	750	750	-	(750)	-100%
<b>OPERATING EXPENSES TOTAL</b>		245,879	199,357	199,357	211,525	12,168	6%
<b>TOTAL BUDGET</b>		246,879	199,357	199,357	229,525	30,168	15%



CAPITAL BUDGET PROJECTIONS FOR FY 2009

Project Number	Dept./ Division	Name of Project	Total Est. Project Cost	FY 2007 ACTUAL	ADOPTED FY 2008 BUDGET	REVISED FY 2008 BUDGET	FY 2009 BUDGET
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**STADIUM CAPITAL PROJECT FUND**

REVENUES:

Carry-Over Funds: (1)							2,527
Transfer from operations (p. 154)			71,000		75,000	75,000	-
Transfer from One Cent						-	145,000
<b>Total Revenues/Carry-Over Funds:</b>							<u>147,527</u>

EXPENDITURES:

480801	PKS	STADIUM RESTROOMS	75,000	1,525	75,000	75,425	
		Account # 331-4847-575-6201					
		Repair					
480802	PW/ENG	STADIUM SEAT REPLACEMENT	138,334	-	-	138,334	
		Account # 331-4847-575-6300					
		Seat Replacement					
480108	PKS	ROOF REPAIR/ENGLEBERT		93,928			25,000
		Account # 331-4847-575-4610					
		Repair					
480107	PKS	STADIUM CAPITAL REPLACEMENT		32,592			
		Account # 331-4847-575-6401					
		Refrigerator and accessories					
480901	PW/ENG	KNOLOGY GRANDSTAND IMPROVEMENTS	205,000	-	-	-	45,000
		Account # 331-4847-575-6300					
		Steps, walkways, handrails & roof repairs					
480902	PW/ENG	KNOLOGY AIR CONDITIONING REPLCMNT					15,000
		Account # 331-4847-575-6300					
		Replacement of AC units throughout Stadium					
480903	PW/ENG	KNOLOGY ELECTRICAL					40,000
		Account # 331-4847-575-6300					
		Ground wiring replacement					
480904	PW/ENG	KNOLOGY PARKING LOT DRAINAGE					20,000
		Account # 331-4847-575-6300					
		Repair low areas of parking lot					
		<b>Total Expenses:</b>		<u>128,045</u>	<u>75,000</u>	<u>213,759</u>	<u>145,000</u>
		Unobligated Reserves:					2,527
		% of Total Projects:					<u>2%</u>
		<b>Total Expenditures/Reserves:</b>					<u>147,527</u>

(1) Carry-Over Funds reduced \$124,087 per FY 2008 Mid-Year Adjustment.



## CAPITAL BUDGET PROJECTIONS FOR FY 2010

sect	Dept./	Total Est.	FY.2008	ADOPTED	REVISED	ADOPTED
Number	Division	Project Cost	ACTUAL	FY 2009	FY 2009	FY 2010
	Name of Project			BUDGET	BUDGET	BUDGET

**STADIUM CAPITAL PROJECT FUND**

## REVENUES:

Carry-Over Funds: (1)				2,527	46,589	48,589
Transfer from operations (p.247)				-	-	-
Transfer from One Cent (p.275)				145,000	145,000	75,000
Total Revenues/Carry-Over Funds:				<u>147,527</u>	<u>191,589</u>	<u>123,589</u>

## EXPENDITURES:

480801	PKS	STADIUM RESTROOMS	75,000	33,900			
		Account # 331-4847-575-6201					
		Repair					
480802	PW/ENG	STADIUM SEAT REPLACEMENT	138,334	138,333			
		Account # 331-4847-575-6300					
		Seat Replacement					
480108	PKS	ROOF REPAIR/ENGLEBERT			25,000	25,000	
		Account # 331-4847-575-4610					
		Repair					
480107	PKS	STADIUM CAPITAL REPLACEMENT					
		Account # 331-4847-575-6401					
		Refrigerator and accessories					
480901	PKS	ENGLEBERT BUILDING RENOVATIONS		15,000			15,000
		Account# 331-4847-575-6300					
		Reseal split face block					
480902	PKS	ENGLEBERT ELECTRICAL REPAIRS		25,000			25,000
		Account# 331-4847-575-6300					
		Electrical Repairs					
480901	PW/ENG	DUNEDIN STADIUM GRANDSTAND IMPROVE	205,000		45,000	45,000	45,000
		Account # 331-4847-575-6300					
		Steps, walkways, handrails & roof repairs					
480902	PW/ENG	DUNEDIN STADIUM AC REPLCMNT			15,000	15,000	15,000
		Account # 331-4847-575-6300					
		Replacement of AC units throughout Stadium					
480903	PW/ENG	DUNEDIN STADIUM ELECTRICAL			40,000	40,000	
		Account # 331-4847-575-6300					
		Ground wiring replacement					
480904	PW/ENG	DUNEDIN STADIUM PRKNG LOT DRAINAGE			20,000	20,000	20,000
		Account # 331-4847-575-6300					
		Repair low areas of parking lot					
		Total Expenses:		212,233	145,000	145,000	120,000
		Unobligated Reserves:			2,527	46,589	3,589
		% of Total Projects:			2%	32%	3%
		Total Expenditures/Reserves:			<u>147,527</u>	<u>191,589</u>	<u>123,589</u>

\*\*\* Carry-Over Funds increased \$44,062 per FY 2009 Mid-Year Adjustment.



Adopted FY 2012 Operating and Capital Improvement Budget  
**Stadium Capital Projects Fund**

Fund III

Project Number	Project Name	Unappropriated Planning Years											
		Funding to Date Amended FY 2011	Adopted FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018 - 2022	FY 2023 - 2027	FY 2028 - 2032		
<b>Funding Sources</b>													
381.01-01	Transfer From the General Fund	35,000	-	-	-	-	-	-	-	-	46,350	349,041	349,041
381.01-34	Transfer From the Penny Fund	95,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	302,691	-	-
389.99-99	Previous Year Funding - Reserves	42,580	-	-	-	-	-	-	-	-	-	-	-
	Total Funding Sources	172,580	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	349,041	349,041	349,041
<b>Uses</b>													
480901	Dunesin Stadium Grandstand Maintenance	85,606	51,996	26,045	26,325	28,313	57,885	52,885	264,425	264,425	-	-	264,425
480902	Dunesin Stadium Air Conditioning Replacement	7,000	-	-	-	-	46,308	-	-	-	-	-	-
480904	Stadium Parking Lot Drainage	30,000	-	-	-	-	-	-	-	-	-	-	-
481101	Dunesin Stadium Kitchen Upgrade	6,510	-	-	-	-	-	-	-	-	-	-	-
481102	Dunesin Stadium Plumbing	-	15,599	15,627	15,795	16,988	17,366	15,866	31,731	31,731	-	-	31,731
481202	Englebert Building Renovations	-	-	26,045	-	-	-	-	-	-	-	-	-
Planning	Englebert Air Conditioning	15,000	129,988	26,045	-	-	-	-	-	-	-	-	-
481201	Dunesin Stadium Handrails	3,240	-	-	-	-	-	-	-	-	-	-	-
481001	Dumpster Enclosure	-	-	26,045	-	-	-	-	-	-	-	-	-
Planning	Dunesin Stadium Roof Repairs	-	-	20,836	-	-	-	-	-	-	-	-	-
Planning	Englebert Fencing	-	-	-	189,540	-	-	-	-	-	-	-	-
Planning	Reconstruction Englebert Building Roof	-	-	-	-	192,525	-	-	-	-	-	-	-
481203	Dunesin Stadium Grandstand Roof Replacement	-	41,596	99,762	-	-	-	-	-	-	-	-	-
481204	Stadium Seat Replacements - South Stands	-	10,399	10,418	10,530	11,325	11,577	10,577	52,885	52,885	-	-	52,885
	Stadium/Englebert Ballfield Lighting Replacement	147,356	249,577	244,823	242,190	249,150	133,136	79,328	349,041	349,041	-	-	349,041
	Total Uses	25,224	423	5,177	7,810	850	116,865	170,673	-	-	-	-	-
	Annual Funding Over/(Under) Uses	25,224	25,647	30,824	38,634	39,484	156,349	327,021	-	-	-	-	-
	Balance	25,224	25,647	30,824	38,634	39,484	156,349	327,021	-	-	-	-	-

DUNEDIN STADIUM FUND SUMMARY

	FY2007 ACTUAL	ADOPTED FY2008 BUDGET	REVISED FY2008 BUDGET	PROPOSED FY2009 BUDGET	ADOPTED FY2009 BUDGET	VARIANCE	PERCENT
						ADOPTED OVER(UND.) REVISED	INCR./ (DECR.)
<b>BEGINNING RESERVES</b>	376,307	178,121	199,484	76,540	76,540	(122,944)	-62%
<b>Subtotal</b>	376,307	178,121	199,484	76,540	76,540	(122,944)	0%
<b>DUNEDIN STADIUM FUND REVENUES</b>							
State/County Funding	797,984	797,984	797,984	797,984	797,984	-	0%
Revenue-Blue Jays Ticket Sales	96,180	82,500	82,500	100,000	100,000	17,500	21%
Parking Concession	20,502	22,650	22,650	25,000	25,000	2,350	10%
Stadium Gen. Projects	-	-	-	-	-	-	0%
Transfer from General Fund	299,203	299,203	299,203	299,203	299,203	-	0%
Transfer from Debt Service Fund	-	-	-	-	-	-	0%
Naming Rights	80,000	90,000	90,000	-	-	(90,000)	-100%
Use Agreement with Blue Jays	-	125,000	125,000	125,000	125,000	-	100%
<b>Subtotal</b>	1,293,869	1,417,337	1,417,337	1,347,187	1,347,187	(70,150)	-5%
<b>MISCELLANEOUS REVENUES</b>							
Interest Earned	11,761	-	-	-	-	-	0%
Other Miscellaneous	31	-	-	-	-	-	0%
<b>Subtotal</b>	11,792	-	-	-	-	-	0%
<b>TOTAL REVENUES</b>	1,305,661	1,417,337	1,417,337	1,347,187	1,347,187	(70,150)	-5%
<b>TOTAL REVENUES/BEGINNING RESERVES</b>	1,681,968	1,595,458	1,616,821	1,423,727	1,423,727	(193,094)	-12%
<b>DUNEDIN STADIUM FUND EXPENDITURES</b>							
ing Operations	21,627	13,385	13,385	11,863	11,863	(1,522)	-11%
Stadium Operations	165,438	200,709	215,709	173,494	173,494	(42,215)	-20%
General projects	179	14,000	14,000	14,000	14,000	-	0%
Stadium Maintenance	-	-	-	-	-	-	0%
<b>Subtotal</b>	187,244	228,094	243,094	199,357	199,357	(43,737)	-18%
<b>DEBT SERVICE PAYMENTS</b>							
Transfer to General Fund	125,000	125,000	125,000	125,000	125,000	-	0%
Transfer to Stadium Capital Fund	71,000	75,000	75,000	-	-	(75,000)	-100%
Debt Service Payment	1,099,240	1,097,187	1,097,187	1,097,187	1,097,187	-	0%
<b>Subtotal</b>	1,295,240	1,297,187	1,297,187	1,222,187	1,222,187	(75,000)	-6%
<b>TOTAL EXPENDITURES</b>	1,482,484	1,525,281	1,540,281	1,421,544	1,421,544	(118,737)	-8%
<b>ENDING RESERVES</b>	199,484	70,177	76,540	2,183	2,183	(74,357)	-97%
<b>TOTAL EXPENDITURES/ENDING RESERVES</b>	1,681,968	1,595,458	1,616,821	1,423,727	1,423,727	(193,094)	-12%



DEPT: PARKS AND RECREATION

DIVISION: STADIUM

FUND: STADIUM

MAJOR CLASSIFICATION:	ACTUAL FY2007	ADOPTED FY2008	REVISED FY2008	PROPOSED FY2009	ADOPTED FY2009	PERCENT INC/(DECR) REVISED FY2008
Salaries	-	-	-	-	-	0%
Benefits	-	-	-	-	-	0%
Operating Expenses	187,244	228,094	243,094	199,357	199,357	-18%
Operating Capital/Debt Serv.	1,295,240	1,297,187	1,297,187	1,222,187	1,222,187	-6%
<b>TOTAL MAJOR CLASSIFICATION</b>	<b>1,482,484</b>	<b>1,525,281</b>	<b>1,540,281</b>	<b>1,421,544</b>	<b>1,421,544</b>	<b>-8%</b>

Budget Detail on Page 288

**BUDGET HIGHLIGHTS**

The Budget is consistent with previous years and follows the terms of the Toronto Blue Jays Agreement.

**PROGRESS MADE TOWARD FY 2008 GOALS AND OBJECTIVES****GOAL****STATUS**

1. Complete cost estimate for 10-year CIP program.	The Engineering Department has completed a cost analysis for the Ten Year CIP program for the Stadium and Englebert Complex.
2. Work with the Toronto Blue Jays and Knology to promote non-baseball events at the stadium.	Volunteer Coordinator has been assigned to assist with special events and to research appropriate events for the Stadium.

**FY 2009 GOALS AND OBJECTIVES**

1. Secure a new Naming Rights sponsor.
2. Continue to research concert and event opportunities for Dunedin Stadium.



## FY 2009 Adopted Budget

Dept./Div.: DUNEDIN STADIUM - 4801, 4845, 4846, 4847

ACCT.#	DESCRIPTION	FY 2007 ACTUAL STADIUM	ADOPTED FY 2008 BUDGET STADIUM	REVISED FY 2008 BUDGET STADIUM	ADOPTED FY 2009 ADMIN DIVISION (4801)	ADOPTED FY 2009 OPERATIONS DIVISION (4845)	ADOPTED FY 2009 STADIUM DIVISION (4846)
<b>SALARIES</b>							
1201	Regular	-	-	-	-	-	-
1301	Other (Temporary)	-	-	-	-	-	-
1401	Overtime	-	-	-	-	-	-
<b>SALARIES TOTAL</b>							
<b>BENEFITS</b>							
2100	FICA	-	-	-	-	-	-
2201	Retirement	-	-	-	-	-	-
2310	Life/Health Insurance	-	-	-	-	-	-
2480	Workers Compensation	-	-	-	-	-	-
<b>BENEFITS TOTAL</b>							
<b>OPERATING EXPENSES</b>							
3110	Professional Services	-	-	-	-	-	-
3405	Other Contractual Service	-	17,000	17,000	9,000	3,000	5,000
3481	Building Maintenance Contracts	-	-	-	-	-	-
4010	Training & Education	-	-	-	-	-	-
4110	Telephones	2,700	2,019	2,019	2,863	200	-
4120	Radios	-	-	-	-	-	-
4130	Postage	11	-	-	-	-	-
4310	Electricity	-	-	-	-	-	-
4330	Utilities	-	-	-	-	-	-
4410	Rentals & Leases	-	-	-	-	-	-
4420	Rentals & Leases - Building	1,883	2,580	2,580	-	2,580	-
4580	Insurance	126,039	182,745	182,745	-	152,964	-
4610	Repair & Maintenance Services	21,071	-	-	-	-	-
4710	Printing & Binding	-	-	-	-	-	-
4810	Promotional	12,272	6,000	6,000	-	-	8,000
4910	Other Current Charges	12,567	12,000	27,000	-	12,000	-
5110	Office Supplies	-	-	-	-	-	-
5210	Operating Supplies	9,541	5,000	5,000	-	2,000	1,000
5230	Uncapitalized Equipment	160	-	-	-	-	-
5410	Books/Pubs/Subscrip/Members	1,000	750	750	-	750	-
<b>OPERATING EXPENSES TOTAL</b>		<b>187,244</b>	<b>228,094</b>	<b>243,094</b>	<b>11,863</b>	<b>173,494</b>	<b>14,000</b>
<b>TOTAL BUDGET</b>		<b>187,244</b>	<b>228,094</b>	<b>243,094</b>	<b>11,863</b>	<b>173,494</b>	<b>14,000</b>





ADOPTED FY 2009 BUDGET STADIUM TOTAL	VARIANCE ADOPTED OVER/(UND) REVISED	PERCENT DIFF.
-	-	0%
-	-	0%
-	-	0%
-	-	0%
-	-	0%
-	-	0%
-	-	0%
-	-	0%
-	-	0%
17,000	-	0%
-	-	0%
3,063	1,044	52%
-	-	0%
-	-	0%
-	-	0%
2,580	-	0%
152,964	(29,781)	-16%
-	-	0%
8,000	2,000	33%
12,000	(15,000)	-56%
-	-	0%
3,000	(2,000)	-40%
-	-	0%
750	-	0%
199,357	(43,737)	-18%
199,357	(43,737)	-18%

Exhibits



## DUNEDIN STADIUM FUND SUMMARY

The Dunedin Stadium Fund was established in FY 1990 as a mechanism to accurately monitor the revenues, expenses and debt service payments associated with Dunedin Stadium expansion and operations.

The primary sources of income for FY 2008 will come from ticket sales and parking concessions during the Toronto Blue Jays Spring Training.

This will be the fourth year under the new fifteen-year agreement.





## DUNEDIN STADIUM FUND SUMMARY

	FY2006 ACTUAL	ADOPTED FY2007 BUDGET	REVISED FY2007 BUDGET	PROPOSED FY2008 BUDGET	ADOPTED FY2008 BUDGET	VARIANCE ADOPTED OVER(UND.) REVISED	PERCENT INCR./ (DECR.)
<b>BEGINNING RESERVES</b>							
Subtotal	327,815	379,593	373,864	178,121	178,121	(195,743)	-52%
	327,815	379,593	373,864	178,121	178,121	(195,743)	0%
<b>DUNEDIN STADIUM FUND REVENUES</b>							
State/County Funding	797,984	797,984	797,984	797,984	797,984		0%
Revenue-Blue Jays Ticket Sales	74,611	80,000	80,000	82,500	82,500	2,500	3%
Parking Concession	19,834	22,000	22,000	22,650	22,650	650	3%
Stadium Gen. Projects							
Transfer from General Fund	299,203	299,203	299,203	299,203	299,203		0%
Transfer from Debt Service Fund							
Naming Rights	70,000	80,000	80,000	90,000	90,000	10,000	13%
Use Agreement with Blue Jays	125,000			125,000	125,000		100%
Subtotal	1,386,632	1,279,187	1,279,187	1,417,337	1,417,337	138,150	11%
<b>MISCELLANEOUS REVENUES</b>							
Interest Earned	16,699						
Other Miscellaneous	31						0%
Subtotal	16,730						0%
<b>TOTAL REVENUES</b>	1,403,362	1,279,187	1,279,187	1,417,337	1,417,337	138,150	11%
<b>TOTAL REVENUES/BEGINNING RESERVES</b>	1,731,177	1,658,780	1,653,051	1,595,458	1,595,458	(57,593)	-3%
<b>DUNEDIN STADIUM FUND EXPENDITURES</b>							
Parking Operations	25,514	13,600	13,600	13,385	13,385	(215)	-2%
Stadium Operations	86,164	158,143	158,143	200,709	200,709	42,566	27%
General projects	13,951	10,000	10,000	14,000	14,000	4,000	40%
Stadium Maintenance	8,514						
Subtotal	134,143	181,743	181,743	228,094	228,094	46,351	26%
<b>DEBT SERVICE PAYMENTS</b>							
Transfer to General Fund	125,000	125,000	125,000	125,000	125,000		
Transfer to Stadium Capital Fund			71,000	75,000	75,000		0%
Debt Service Payment	1,099,270	1,097,187	1,097,187	1,097,187	1,097,187		0%
Subtotal	1,224,270	1,222,187	1,293,187	1,297,187	1,297,187	4,000	0%
<b>TOTAL EXPENDITURES</b>	1,358,413	1,403,930	1,474,930	1,525,281	1,525,281	50,351	3%
<b>ENDING RESERVES</b>	372,764	254,850	178,121	70,177	70,177	(107,944)	-61%
<b>TOTAL EXPENDITURES/ENDING RESERVES</b>	1,731,177	1,658,780	1,653,051	1,595,458	1,595,458	(57,593)	-3%



DEPT: LEISURE SERVICES

DIVISION: STADIUM

FUND: STADIUM

MAJOR CLASSIFICATION:	ACTUAL FY2006	ADOPTED FY2007	REVISED FY2007	PROPOSED FY2008	ADOPTED FY2008	PERCENT INC/(DECR) REVISED FY2007
Salaries	-	-	-	-	-	0%
Benefits	-	-	-	-	-	0%
Operating Expenses	134,143	181,743	181,743	228,094	228,094	26%
Operating Capital/Debt Serv.	1,099,270	1,097,187	1,097,187	1,097,187	1,097,187	0%
<b>TOTAL MAJOR CLASSIFICATION</b>	<b>1,233,413</b>	<b>1,278,930</b>	<b>1,278,930</b>	<b>1,325,281</b>	<b>1,325,281</b>	<b>4%</b>

Budget Detail on Page 228

**BUDGET HIGHLIGHTS**

Budget reflects existing operations.

Blue Jays provide most of the maintenance of the facility under License Agreement.

City still provides incidental painting, safety inspections, minor plumbing and electrical maintenance.

City operates off-site parking for Spring Training baseball games.

**PROGRESS MADE TOWARD FY 2007 GOALS AND OBJECTIVES**

1. City offered the July 3rd Concert and Fireworks for fourth year.
2. Relay for Life was held at the Stadium, along with the Kiwanis Pancake Breakfast for the second year.
3. Staff and the Stadium Advisory Committee began identifying 10-Year CIP costs assessment and plans for restroom upgrades.
4. Implemented golf and baseball promotion in partnership with St. Andrews Links and Knology.

**FY 2008 GOALS AND OBJECTIVES**

1. Complete cost estimate for 10-Year CIP program.
2. Work with the Toronto Blue Jays and Knology to promote non-baseball events at the Stadium.



FY 2008 Adopted Budget

Dept./Div.: 4801, 4845, 4846, 4847, - DUNEDIN STADIUM SUMMARY

ACCT.#	DESCRIPTION	FY2006 ACTUAL	ADOPTED FY2007 BUDGET	REVISED FY2007 BUDGET	ADOPTED FY2008 REVISED	VARIANCE ADOPTED OVER/(UND) REVISED	PERCENT DIFF.
<b>SALARIES</b>							
1201	Regular	-	-	-	-	-	0%
1301	Other (Temporary)	-	-	-	-	-	0%
1401	Overtime	-	-	-	-	-	0%
1901	Allocated Labor	-	-	-	-	-	0%
<b>SALARIES TOTAL</b>		-	-	-	-	-	0%
<b>BENEFITS</b>							
2100	FICA	-	-	-	-	-	0%
2201	Retirement	-	-	-	-	-	0%
2310	Life/Health Insurance	-	-	-	-	-	0%
2480	Workers Compensation	-	-	-	-	-	0%
<b>BENEFITS TOTAL</b>		-	-	-	-	-	0%
<b>OPERATING EXPENSES</b>							
3110	Professional Services	-	-	-	-	-	0%
3405	Other Contractual Service	6,756	17,000	17,000	17,000	-	0%
3481	Building Maintenance Contracts	-	-	-	-	-	0%
4010	Training & Education	-	-	-	-	-	0%
4110	Telephones	2,858	2,019	2,124	2,019	(105)	-5%
4120	Radios	-	-	-	-	-	0%
4130	Postage	10	-	-	-	-	0%
4310	Electricity	-	-	-	-	-	0%
4330	Utilities	-	-	-	-	-	0%
4410	Rentals & Leases	3,128	-	-	-	-	0%
4420	Rentals & Leases - Building	-	2,580	2,580	2,580	-	0%
4580	Insurance	77,573	77,873	126,039	182,745	56,706	45%
4610	Repair & Maintenance Services	9,213	-	-	-	-	0%
4710	Printing & Binding	-	-	-	-	-	0%
4810	Promotional	4,129	6,000	17,000	6,000	(11,000)	-65%
4910	Other Current Charges	12,549	12,000	12,000	12,000	-	0%
5110	Office Supplies	-	-	-	-	-	0%
5210	Operating Supplies	16,814	-	-	5,000	5,000	100%
4680	Custodial Services	-	5,000	5,000	-	(5,000)	-100%
5230	Uncapitalized Equipment	363	-	-	-	-	0%
5410	Books/Pubs/Subscrip/Members	750	750	-	750	750	100%
<b>OPERATING EXPENSES TOTAL</b>		134,143	123,222	181,743	228,094	46,351	26%
<b>CAPITAL OUTLAYS</b>							
6210	Capital Building Projects	-	-	-	-	-	100%
6410	Office Equipment	-	-	-	-	-	0%
6470	Other Equipment	-	-	-	-	-	0%
<b>CAPITAL OUTLAYS TOTAL</b>		-	-	-	-	-	100%
<b>DEBT SERVICE</b>							
7101	Principal	-	-	-	-	-	0%
7201	Interest	-	-	-	-	-	0%
<b>DEBT SERVICE TOTAL</b>		-	-	-	-	-	0%
<b>TOTAL BUDGET</b>		134,143	123,222	181,743	228,094	46,351	26%



FY 2008 Adopted Budget  
 Dept./Div.: 4801, 4845, 4846, 4847, - DUNEDIN STADIUM

ACCT.#	DESCRIPTION	REVISED FY2007 TOTAL	FY2008 4801	FY2008 4845	FY2008 4846	FY2008 4847	FY2008 TOTAL	VARIANCE	PERCENT DIFF.
<b>SALARIES</b>									
1201	Regular	-	-	-	-	-	-	-	0%
1301	Other (Temporary)	-	-	-	-	-	-	-	0%
1401	Overtime	-	-	-	-	-	-	-	0%
1901	Allocated Labor	-	-	-	-	-	-	-	0%
<b>SALARIES TOTAL</b>									0%
<b>BENEFITS</b>									
2100	FICA	-	-	-	-	-	-	-	0%
2201	Retirement	-	-	-	-	-	-	-	0%
2310	Life/Health Insurance	-	-	-	-	-	-	-	0%
2480	Workers Compensation	-	-	-	-	-	-	-	0%
<b>BENEFITS TOTAL</b>									0%
<b>OPERATING EXPENSES</b>									
3110	Professional Services	-	-	-	-	-	-	-	0%
3405	Other Contractual Service	-	-	-	-	-	-	-	0%
3481	Building Maintenance Contracts	17,000	9,000	3,000	5,000	-	17,000	-	0%
4010	Training & Education	-	-	-	-	-	-	-	0%
4110	Telephones	-	-	-	-	-	-	-	0%
4120	Radios	2,124	1,805	214	-	-	2,019	(105)	-5%
4130	Postage	-	-	-	-	-	-	-	0%
4310	Electricity	-	-	-	-	-	-	-	0%
4330	Utilities	-	-	-	-	-	-	-	0%
4410	Rentals & Leases	-	-	-	-	-	-	-	0%
4420	Rental & Leases - Building	-	-	-	-	-	-	-	0%
4580	Insurance	2,580	-	2,580	-	-	2,580	-	0%
4610	Repair & Maintenance Services	126,039	-	182,745	-	-	182,745	56,706	45%
4710	Printing & Binding	-	-	-	-	-	-	-	0%
4810	Promotional	-	-	-	-	-	-	-	0%
4910	Other Current Charges	17,000	-	-	6,000	-	6,000	(11,000)	-65%
4919	Other Taxes	12,000	-	12,000	-	-	12,000	-	0%
5110	Office Supplies	-	-	-	-	-	-	-	0%
5210	Operating Supplies	-	-	-	-	-	-	-	0%
4680	Custodial Services	5,000	-	2,000	3,000	-	5,000	-	0%
5230	Uncapitalized Equipment	-	-	-	-	-	-	-	0%
5410	Books/Pubs/Subscrip/Members	-	-	750	-	-	750	-	0%
<b>OPERATING EXPENSES TOTAL</b>		181,743	10,805	203,289	14,000	-	228,094	46,351	26%
<b>CAPITAL OUTLAYS</b>									
6210	Capital Building Projects	-	-	-	-	-	-	-	100%
6410	Office Equipment	-	-	-	-	-	-	-	0%
6470	Other Equipment	-	-	-	-	-	-	-	0%
<b>CAPITAL OUTLAYS TOTAL</b>									0%
<b>DEBT SERVICE</b>									
7260	Interest Gen. Fund	-	-	-	-	-	-	-	0%
<b>DEBT SERVICE TOTAL</b>									0%
<b>TOTAL BUDGET</b>		181,743	10,805	203,289	14,000	-	228,094	4	



## DUNEDIN STADIUM FUND SUMMARY

The Dunedin Stadium Fund was established in FY 1990 as a mechanism to accurately monitor the revenues, expenses and debt service payments associated with Dunedin Stadium expansion and operations.

The primary sources of income for FY 2009 will come from ticket sales and parking concessions during the Toronto Blue Jays Spring Training.

This will be the fifth year under the new fifteen-year agreement.





CAPITAL BUDGET PROJECTIONS FOR FY 2008

Project Number	Dept./ Division	Name of Project	Total Est. Project Cost	FY 2006 ACTUAL	ADOPTED FY 2007 BUDGET	REVISED FY 2007 BUDGET	FY 2008 BUDGET
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STADIUM CAPITAL PROJECT FUND

REVENUES:

Est. FY 2007 Carry-Over Funds: (1)	250,373
Est. FY 2008 Funds:	
Transfer from operations	71,000
<b>Total FY 2008 Revenues:</b>	<u><u>325,373</u></u>

EXPENDITURES:

480801	LS/PKS	STADIUM RESTROOMS	75,000				75,000
	Account #	331-4847-575-6201					
		Repair					
		FY 2008 Expenses:					75,000
		Unobligated Reserves:					250,373
		% of Total Projects:					334%
							<u><u>325,373</u></u>

Total:

(1) Carry-Over Funds increased \$71,000 per FY 2007 Mid-Year Adjustment.



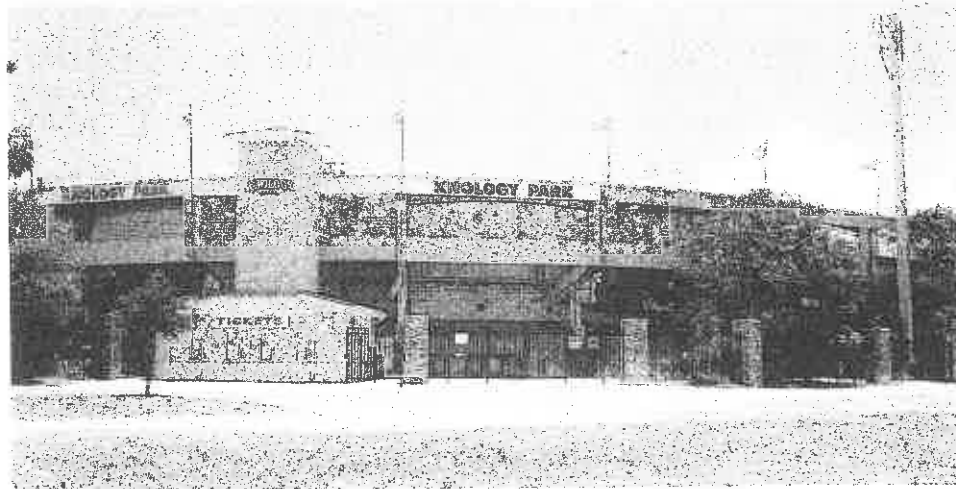


### DUNEDIN STADIUM FUND SUMMARY

The Dunedin Stadium Fund was established in FY 1989/90 as a mechanism to accurately monitor the revenues, expenses and debt service payments associated with Dunedin Stadium expansion and operations.

The primary sources of income for FY 2006/07 will come from ticket sales and parking concessions during the Toronto Blue Jays Spring Training.

This will be the fourth year under the new fifteen-year agreement.





**DUNEDIN STADIUM FUND SUMMARY**

					VARIANCE		PERCENT
	FY2005	ADOPTED	REVISED	PROPOSED	ADOPTED	ADOPTED	
	ACTUAL	FY2006	FY2006	FY2007	FY2007	OVER(UND.)	
	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	REVISED	INCR/ (DECR.)
<b>BEGINNING RESERVES</b>	75,331	128,233	327,815	379,593	379,593	51,778	0%
<b>Subtotal</b>	75,331	128,233	327,815	379,593	379,593	51,778	0%
<b>DUNEDIN STADIUM FUND REVENUES</b>							
State/County Funding	756,317	797,984	797,984	797,984	797,984	-	0%
Revenue-Blue Jays Ticket Sales	78,309	85,000	85,000	80,000	80,000	(5,000)	-6%
Parking Concession	18,454	20,000	20,000	22,000	22,000	2,000	10%
Stadium Gen. Projects	-	-	-	-	-	-	0%
Transfer from General Fund	274,269	299,203	299,203	299,203	299,203	-	0%
Transfer from Debt Service Fund	291,840	-	-	-	-	-	0%
Naming Rights	60,000	70,000	70,000	80,000	80,000	10,000	14%
Use Agreement with Blue Jays	125,000	125,000	125,000	-	-	(125,000)	0%
<b>Subtotal</b>	1,604,189	1,397,187	1,397,187	1,279,187	1,279,187	(118,000)	-8%
<b>MISCELLANEOUS REVENUES</b>							
Interest Eamed	968	-	-	-	-	-	0%
her Miscellaneous	1,027	-	-	-	-	-	0%
<b>Subtotal</b>	1,995	-	-	-	-	-	0%
<b>TOTAL REVENUES</b>	1,606,184	1,397,187	1,397,187	1,279,187	1,279,187	(118,000)	-8%
<b>TOTAL REVENUES/BEGINNING RESERVES</b>	1,681,515	1,525,420	1,725,002	1,658,780	1,658,780	(66,222)	-4%
<b>DUNEDIN STADIUM FUND EXPENDITURES</b>							
Parking Operations	23,638	10,805	10,805	13,600	13,600	2,795	26%
Stadium Operations	84,120	98,417	98,417	143,143	158,143	59,726	61%
General projects	16,763	14,000	14,000	10,000	10,000	(4,000)	0%
Stadium Maintenance	4,909	-	-	-	-	-	0%
<b>Subtotal</b>	129,430	123,222	123,222	166,743	181,743	58,521	47%
<b>DEBT SERVICE PAYMENTS</b>							
Transfer to General Fund	125,000	125,000	125,000	125,000	125,000	-	0%
Debt Service Payment	1,099,270	1,097,187	1,097,187	1,097,187	1,097,187	-	0%
<b>Subtotal</b>	1,224,270	1,222,187	1,222,187	1,222,187	1,222,187	-	0%
<b>TOTAL EXPENDITURES</b>	1,353,700	1,345,409	1,345,409	1,388,930	1,403,930	58,521	4%
<b>ENDING RESERVES</b>	327,815	180,011	379,593	269,850	254,850	(124,743)	0%
<b>TOTAL EXPENDITURES/ENDING RESERVE</b>	1,681,515	1,525,420	1,725,002	1,658,780	1,658,780	(66,222)	0%



DEPT: LEISURE SERVICES

DIVISION: STADIUM

FUND: STADIUM

MAJOR CLASSIFICATION:	ACTUAL FY2005	BUDGET FY2006	REVISED FY2006	PROPOSED FY2007	ADOPTED FY2007	PERCENT INC/(DECR) REVISED FY2006
Salaries	625	-	-	-	-	0%
Benefits	147	-	-	-	-	0%
Operating Expenses	128,658	123,222	123,222	166,743	181,743	47%
Operating Capital/Debt Serv.	1,099,270	1,097,187	1,097,187	1,097,187	1,097,187	0%
<b>TOTAL MAJOR CLASSIFICATION</b>	<b>1,228,700</b>	<b>1,220,409</b>	<b>1,220,409</b>	<b>1,263,930</b>	<b>1,278,930</b>	<b>5%</b>

Budget Detail on Page 213

### BUDGET HIGHLIGHTS

Budget reflects existing operations.

Blue Jays provide most of the maintenance of the facility under License Agreement.

City still provides incidental painting, safety inspections, minor plumbing and electrical maintenance.

City operates off site parking for spring training baseball games.

### PROGRESS MADE TOWARD FY 2006 GOALS AND OBJECTIVES

City offered July 3rd concert & fireworks for 3rd year.

Department assisted with Diversity concert.

Relay for Life was moved to the Stadium, along with Kiwanis Pancake Breakfast.

A CIP list was developed with the Stadium Advisory Committee to project future expenditures from the Capital Replacement Fund.

### FY 2007 GOALS AND OBJECTIVES

1. Identify costs for capital replacement items.
2. Develop new ticket sales promotion to increase Spring Training attendance.



## FY 2007 Adopted Budget

Dept./Div.: 4801, 4845, 4846, 4847, - DUNEDIN STADIUM SUMMARY

ACCT.#	DESCRIPTION	FY2005 ACTUAL	ADOPTED FY2006 BUDGET	REVISED FY2006 BUDGET	ADOPTED FY2007 REVISED	VARIANCE ADOPTED OVER/(UND) REVISED	PERCENT DIFF.
<b>SALARIES</b>							
1201	Regular	-	-	-	-	-	
1301	Other (Temporary)	-	-	-	-	-	0%
1401	Overtime	-	-	-	-	-	0%
1901	Allocated Labor	625	-	-	-	-	0%
<b>SALARIES TOTAL</b>							
		625	-	-	-	-	0%
<b>BENEFITS</b>							
2100	FICA	60	-	-	-	-	
2201	Retirement	76	-	-	-	-	0%
2310	Life/Health Insurance	11	-	-	-	-	0%
2480	Workers Compensation	-	-	-	-	-	0%
<b>BENEFITS TOTAL</b>							
		147	-	-	-	-	0%
<b>OPERATING EXPENSES</b>							
3110	Professional Services	-	-	-	-	-	
3405	Other Contractual Service	-	-	-	-	-	0%
3481	Building Maintenance Contracts	15,104	17,000	17,000	17,000	-	0%
4010	Training & Education	-	-	-	-	-	0%
4110	Telephones	-	-	-	-	-	0%
4120	Radios	2,233	2,019	2,019	2,124	105	0%
4130	Postage	-	-	-	-	-	0%
4310	Electricity	-	-	-	-	-	0%
4330	Utilities	-	-	-	-	-	0%
4410	Rentals & Leases	-	-	-	-	-	0%
4420	Rentals & Leases - Building	845	-	-	-	-	0%
4580	Insurance	2,510	2,580	2,580	2,580	-	0%
4610	Repair & Maintenance Services	77,668	77,873	77,873	126,039	48,166	62%
4710	Printing & Binding	4,809	-	-	-	-	0%
4810	Promotional	-	-	-	-	-	0%
4910	Other Current Charges	5,240	6,000	6,000	17,000	11,000	0%
5110	Office Supplies	11,914	12,000	12,000	12,000	-	0%
5210	Operating Supplies	-	-	-	-	-	0%
4680	Custodial Services	7,585	-	-	-	-	0%
5230	Uncapitalized Equipment	-	5,000	5,000	5,000	-	0%
5410	Books/Pubs/Subscrip/Members	-	-	-	-	-	0%
<b>OPERATING EXPENSES TOTAL</b>							
		128,658	123,222	123,222	181,743	58,521	47%
<b>CAPITAL OUTLAYS</b>							
6210	Capital Building Projects	-	-	-	-	-	
6410	Office Equipment	-	-	-	-	-	0%
6470	Other Equipment	-	-	-	-	-	0%
<b>CAPITAL OUTLAYS TOTAL</b>							
		-	-	-	-	-	0%
<b>DEBT SERVICE</b>							
7101	Principal	-	-	-	-	-	
7201	Interest	-	-	-	-	-	0%
<b>DEBT SERVICE TOTAL</b>							
		-	-	-	-	-	0%
<b>TOTAL BUDGET</b>							
		129,430	123,222	123,222	181,743	58,521	47%



FY 2007 Adopted Budget

Dept./Div.: RISK SAFETY - 552-1612

ACCT.#	DESCRIPTION	FY2005 ACTUAL	ADOPTED FY2006 BUDGET	REVISED FY2006 BUDGET	ADOPTED FY2007 BUDGET	VARIANCE ADOPTED OVER/(UND) REVISED	PERCENT DIFF.
<b>SALARIES</b>							
1201	Regular	80,562	61,492	61,492	63,800	2,308	4%
1301	Other (Temporary)	-	-	-	-	-	0%
1401	Overtime	699	2,000	2,000	2,000	-	0%
1501	Special Pay (Contract)	-	-	-	-	-	0%
<b>SALARIES TOTAL</b>		81,261	63,492	63,492	65,800	2,308	4%
<b>BENEFITS</b>							
2100	FICA	5,895	4,857	4,857	5,034	177	4%
2201	Retirement	4,536	4,971	4,971	5,152	181	4%
2310	Life/Health Insurance	6,585	7,339	7,339	7,785	446	6%
2480	Workers Compensation	-	873	873	940	67	8%
<b>BENEFITS TOTAL</b>		17,016	18,040	18,040	18,911	871	5%
<b>OPERATING EXPENSES</b>							
3110	Professional Services	1,999	10,000	10,000	10,000	-	0%
3111	Legal Services	-	30,000	30,000	30,000	-	0%
3130	WC Drug Testing	50	3,300	3,300	3,300	-	0%
3141	CDL Drug Testing	-	7,000	7,000	7,000	-	0%
3405	Other Contractual	-	2,000	2,000	2,000	-	0%
3481	Building Maintenance Contracts	855	852	852	852	-	0%
4010	Training & Education	1,912	10,000	10,000	10,000	-	0%
4110	Telephones	602	1,147	1,147	864	(283)	-25%
4120	Radios	-	110	110	110	-	0%
4130	Postage	489	400	400	400	-	0%
4310	Electricity	-	230	230	230	-	0%
4330	Utilities	-	500	500	500	-	0%
4410	Rentals & Leases	167	870	870	870	-	0%
4480	ISF-Vehicle	4,645	4,766	4,766	5,011	245	5%
4510	Premiums Paid	1,137,330	1,467,200	1,467,200	1,827,500	360,300	25%
4520	Claims/Reserve	206,914	190,000	195,018	200,000	4,982	3%
4540	Workers Compensation Claims	302,476	250,000	250,000	300,000	50,000	20%
4580	Insurance	-	1,254	1,254	1,335	81	6%
4610	Repair & Maintenance Services	-	100	100	100	-	0%
4680	Custodial Services	445	445	445	445	-	0%
4710	Printing & Binding	120	1,700	1,700	1,700	-	0%
4810	Promotional Activities	20	1,000	1,000	1,000	-	0%
4912	Licenses and Fees	-	-	-	-	-	0%
5110	Office Supplies	430	700	700	700	-	0%
5210	Operating Supplies	344	1,700	1,700	1,700	-	0%
5222	Uniform Cleaning/expense	-	250	250	250	-	0%
5230	Uncapitalized Equipment	266	1,300	1,300	1,300	-	0%
5410	Books/Pubs/Subscrip/Members	2,583	4,500	4,500	4,500	-	0%
<b>OPERATING EXPENSES TOTAL</b>		1,661,647	1,991,324	1,996,342	2,411,667	415,325	21%
<b>CAPITAL OUTLAYS</b>							
5450	Communication Equipment	2,867	-	-	-	-	0%
5470	Equipment	-	-	-	-	-	0%
<b>CAPITAL OUTLAYS TOTAL</b>		2,867	-	-	-	-	0%
<b>NON-OPERATING</b>							
9000	Transfer to 001 Fund	-	-	-	-	-	0%
<b>NON-OPERATING TOTAL</b>		-	-	-	-	-	0%
<b>TOTAL BUDGET</b>		1,762,791	2,072,856	2,077,874	2,496,378	418,504	20%



DEPT: LEISURE SERVICES

DIVISION: STADIUM

FUND: STADIUM

MAJOR CLASSIFICATION:	ACTUAL 2003/04	BUDGET 2004/05	REVISED 2004/05	PROPOSED 2005/06	ADOPTED 2005/06	PERCENT INC/ (DECR) REVISED 2004/05
Salaries	1,689	-	-	-	-	
Benefits	296	-	-	-	-	0%
Operating Expenses	149,068	113,098	113,098	123,222	123,222	0%
Operating Capital/Debt Service	24,086	1,097,187	1,097,187	1,097,187	1,097,187	9%
<b>TOTAL MAJOR CLASSIFICATION</b>	<b>175,139</b>	<b>1,210,285</b>	<b>1,210,285</b>	<b>1,220,409</b>	<b>1,220,409</b>	<b>0%</b>
Budget Detail on Page 194						

BUDGET HIGHLIGHTS

Budget reflects standard operation of stadium.

PROGRESS MADE TOWARD FY 2004/05 GOALS AND OBJECTIVES

Monthly concert series was begun but discontinued due to lack of staff and low attendance.  
Relay for Life and the Kiwanis Pancake Breakfast were moved to Knology Park.

FY 2005/06 GOALS AND OBJECTIVES

Continue to explore ways to offer non-baseball events at stadium.  
Assessment and recommendation to maintain Capital Replacement Fund.



FY 2005/06 Adopted Budget

Dept./Div.: 4801, 4845, 4846, 4847, - Dunedin Stadium Summary

ACCT.#	DESCRIPTION	FY2003/04 ACTUAL	ORIGINAL	FY2004/05	ADOPTED	VARIANCE	PERCENT DIFF.
			FY2004/05 BUDGET	REVISED BUDGET	FY2005/06 REVISED	ADOPTED OVER REVISED	
<b>SALARIES</b>							
1201	Regular	-	-	-	-	-	0%
1301	Other (Temporary)	42	-	-	-	-	0%
1401	Overtime	1,647	-	-	-	-	0%
1901	Allocated Labor	-	-	-	-	-	0%
<b>SALARIES TOTAL</b>		1,689	-	-	-	-	0%
<b>BENEFITS</b>							
2100	FICA	124	-	-	-	-	0%
2201	Retirement	147	-	-	-	-	0%
2310	Life/Health Insurance	25	-	-	-	-	0%
2480	Workers Compensation	-	-	-	-	-	0%
<b>BENEFITS TOTAL</b>		296	-	-	-	-	0%
<b>OPERATING EXPENSES</b>							
3110	Professional Services	-	-	-	-	-	0%
3405	Other Contractual Service	18,423	18,450	18,450	17,000	(1,450)	-8%
3481	Building Maintenance Contracts	-	-	-	-	-	0%
4010	Training & Education	-	-	-	-	-	0%
4110	Telephones	1,888	-	-	2,019	2,019	0%
4120	Radios	-	-	-	-	-	0%
4130	Postage	-	-	-	-	-	0%
4310	Electricity	-	-	-	-	-	0%
4330	Utilities	-	-	-	-	-	0%
4410	Rentals & Leases	-	-	-	-	-	0%
4420	Rentals & Leases - Building	2,460	1,680	1,680	2,580	900	54%
4580	Insurance	81,032	77,668	77,668	77,873	205	0%
4610	Repair & Maintenance Services	14,888	-	-	-	-	0%
4710	Printing & Binding	-	-	-	-	-	0%
4810	Promotional	5,498	3,000	3,000	6,000	3,000	100%
4910	Other Current Charges	17,484	10,300	10,300	12,000	1,700	17%
5110	Office Supplies	-	-	-	-	-	0%
5210	Operating Supplies	6,645	-	-	-	-	0%
4680	Custodial Services	-	2,000	2,000	5,000	3,000	150%
5230	Uncapitalized Equipment	-	-	-	-	-	0%
5410	Books/Pubs/Subscrip/Members	750	-	-	750	750	0%
<b>OPERATING EXPENSES TOTAL</b>		149,068	113,098	113,098	123,222	10,124	9%
<b>CAPITAL OUTLAYS</b>							
6210	Capital Building Projects	-	-	-	-	-	0%
6410	Office Equipment	-	-	-	-	-	0%
6470	Other Equipment	-	-	-	-	-	0%
<b>CAPITAL OUTLAYS TOTAL</b>		-	-	-	-	-	0%
<b>DEBT SERVICE</b>							
7101	Principal	12,165	-	-	-	-	0%
7201	Interest	11,921	-	-	-	-	0%
<b>DEBT SERVICE TOTAL</b>		24,086	-	-	-	-	0%
<b>TOTAL BUDGET</b>		175,139	113,098	113,098	123,222	10,124	9%

FY 2005/06 Adopted Budget

Dept./Div 4801, 4845, 4846, 4847, - Dunedin Stadium

ACCT.#	DESCRIPTION	ADOPTED					FY05/06 TOTAL	VARIANCE	PERCENT DIFF.
		FY04/05 TOTAL	FY05/06 4801	FY05/06 4845	FY05/06 4846	FY05/06 4847			
<b>SALARIES</b>									
1201	Regular	-	-	-	-	-	-	-	0%
1301	Other (Temporary)	-	-	-	-	-	-	-	0%
1401	Overtime	-	-	-	-	-	-	-	0%
1901	Allocated Labor	-	-	-	-	-	-	-	0%
<b>SALARIES TOTAL</b>		-	-	-	-	-	-	-	0%
<b>BENEFITS</b>									
2100	FICA	-	-	-	-	-	-	-	0%
2201	Retirement	-	-	-	-	-	-	-	0%
2310	Life/Health Insurance	-	-	-	-	-	-	-	0%
2480	Workers Compensation	-	-	-	-	-	-	-	0%
<b>BENEFITS TOTAL</b>		-	-	-	-	-	-	-	0%
<b>OPERATING EXPENSES</b>									
3110	Professional Services	-	-	-	-	-	-	-	0%
3405	Other Contractual Service	18,450	9,000	3,000	5,000	-	17,000	(1,450)	-8%
3481	Building Maintenance Contracts	-	-	-	-	-	-	-	0%
4010	Training & Education	-	-	-	-	-	-	-	0%
4110	Telephones	-	1,805	214	-	-	2,019	2,019	0%
4120	Radios	-	-	-	-	-	-	-	0%
4130	Postage	-	-	-	-	-	-	-	0%
4310	Electricity	-	-	-	-	-	-	-	0%
4330	Utilities	-	-	-	-	-	-	-	0%
4410	Rentals & Leases	-	-	-	-	-	-	-	0%
4420	Rental & Leases - Building	1,680	-	2,580	-	-	2,580	900	54%
4580	Insurance	77,668	-	77,873	-	-	77,873	205	0%
4610	Repair & Maintenance Services	-	-	-	-	-	-	-	0%
4710	Printing & Binding	-	-	-	-	-	-	-	0%
4810	Promotional	3,000	-	-	6,000	-	6,000	3,000	100%
4910	Other Current Charges	10,300	-	12,000	-	-	12,000	1,700	17%
4919	Other Taxes	-	-	-	-	-	-	-	0%
5110	Office Supplies	-	-	-	-	-	-	-	0%
5210	Operating Supplies	2,000	-	2,000	3,000	-	5,000	3,000	150%
4680	Custodial Services	-	-	-	-	-	-	-	0%
5230	Uncapitalized Equipment	-	-	-	-	-	-	-	0%
5410	Books/Pubs/Subscrip/Members	-	-	750	-	-	750	750	0%
<b>OPERATING EXPENSES TOTAL</b>		113,098	10,805	98,417	14,000	-	123,222	10,124	9%
<b>CAPITAL OUTLAYS</b>									
6210	Capital Building Projects	-	-	-	-	-	-	-	0%
6410	Office Equipment	-	-	-	-	-	-	-	0%
6470	Other Equipment	-	-	-	-	-	-	-	0%
<b>CAPITAL OUTLAYS TOTAL</b>		-	-	-	-	-	-	-	0%
<b>DEBT SERVICE</b>									
7260	Interest Gen. Fund	-	-	-	-	-	-	-	0%
<b>DEBT SERVICE TOTAL</b>		-	-	-	-	-	-	-	0%
<b>TOTAL BUDGET</b>		113,098	10,805	98,417	14,000	-	123,222	10,124	9%





DUNEDIN STADIUM FUND SUMMARY

The Dunedin Stadium Fund was established in FY 89/90 as a mechanism to accurately monitor the revenues, expenses and debt service payments associated with Dunedin Stadium expansion and operations.

The primary source of income for FY 2005/06 will come from ticket sales and parking concessions during the Toronto Blue Jays Spring Training.

This will be the third year under the new fifteen-year agreement.

*New Graphics*



**DUNEDIN STADIUM FUND REVENUE & EXPENDITURE SUMMARY**

	FY2003/04 ACTUAL	FY2004/05 BUDGET	REVISED	PROPOSED	ADOPTED	VARIANCE	
			FY2004/05 BUDGET	FY2005/06 BUDGET	FY2005/06 BUDGET	ADOPTED OVER (UND.) REVISED	PERCENT INCR./ (DECR.)
<b>DUNEDIN STADIUM FUND</b>							
Beginning Cash Reserves	14,577	4,339	75,331	128,233	128,233	52,902	0%
<b>Subtotal</b>	14,577	4,339	75,331	128,233	128,233	52,902	0%
<b>DUNEDIN STADIUM FUND REVENUES</b>							
Debt Proceeds	-	797,984	797,984	797,984	797,984	-	0%
Revenue-Blue Jays Ticket Sales	87,253	85,000	85,000	85,000	85,000	-	0%
Parking Concession	20,341	21,000	21,000	20,000	20,000	(1,000)	-5%
Stadium Gen. Projects	7,027	-	-	-	-	-	0%
Transfer from General Fund	-	299,203	299,203	299,203	299,203	-	0%
Naming Rights	40,000	60,000	60,000	70,000	70,000	10,000	0%
Use Agreement with Blue Jays	125,000	125,000	125,000	125,000	125,000	-	0%
<b>Subtotal</b>	279,621	1,388,187	1,388,187	1,397,187	1,397,187	9,000	1%
<b>MISCELLANEOUS REVENUES</b>							
Interest Earned	1,226	-	-	-	-	-	0%
Other Miscellaneous	46	-	-	-	-	-	0%
<b>Subtotal</b>	1,272	-	-	-	-	-	0%
<b>TOTAL STADIUM FUND REVENUES</b>	295,470	1,392,526	1,463,518	1,525,420	1,525,420	61,902	4%
<b>DUNEDIN STADIUM FUND EXPENDITURES</b>							
Parking Operations	29,761	8,400	8,400	10,805	10,805	2,405	29%
Stadium Operations	88,361	94,648	94,648	98,417	98,417	3,769	4%
General projects	29,165	4,650	4,650	14,000	14,000	9,350	0%
Stadium Maintenance	3,767	5,400	5,400	-	-	(5,400)	-100%
<b>Subtotal</b>	151,054	113,098	113,098	123,222	123,222	10,124	9%
<b>DEBT SERVICE PAYMENTS</b>							
Transfer to General Fund	45,000	125,000	125,000	125,000	125,000	-	0%
Debt Service Payment	24,085	1,097,187	1,097,187	1,097,187	1,097,187	-	0%
<b>Subtotal</b>	69,085	1,222,187	1,222,187	1,222,187	1,222,187	-	0%
Ending Cash Reserves	75,331	57,241	128,233	180,011	180,011	51,778	0%
<b>TOTAL STADIUM FUND EXPENSES</b>	295,470	1,392,526	1,463,518	1,525,420	1,525,420	61,902	4%



### DUNEDIN STADIUM FUND SUMMARY

The Dunedin Stadium Fund was established in FY 89/90 as a mechanism to accurately monitor the revenues, expenses and debt service payments associated with Dunedin Stadium expansion and operations.

The primary source of income for FY 2004/05 will come from ticket sales, and parking concessions during the Toronto Blue Jays Spring Training.

This will be the third year under the new fifteen-year agreement.





## DUNEDIN STADIUM FUND REVENUE &amp; EXPENDITURE SUMMARY

	FY02/03 ACTUAL	FY2003/04 BUDGET	REVISED	PROPOSED	ADOPTED	VARIANCE	
			FY2003/04	FY2004/05	FY2004/05	ADOPTED	PERCENT
			BUDGET	BUDGET	BUDGET	OVER (UND.)	INCR./
						REVISED	(DECR.)
<b>DUNEDIN STADIUM FUND</b>							
Beginning Cash Reserves	473	-	14,577	4,339	4,339	(10,238)	0%
<b>Subtotal</b>	473	-	14,577	4,339	4,339	(10,238)	0%
<b>DUNEDIN STADIUM FUND REVENUES</b>							
Debt Proceeds	-	797,984	797,984	797,984	797,984	-	0%
Revenue-Blue Jays Ticket Sales	56,303	82,238	77,000	85,000	85,000	8,000	10%
Parking Concession	13,099	21,000	21,000	21,000	21,000	-	0%
Stadium Gen. Projects	-	10,000	10,000	-	-	(10,000)	-100%
Transfer from General Fund	46,939	299,203	299,203	299,203	299,203	-	0%
Naming Rights	-	-	40,000	60,000	60,000	20,000	
Use Agreement with Blue Jays	-	125,000	125,000	125,000	125,000	-	0%
<b>Subtotal</b>	116,341	1,335,425	1,370,187	1,388,187	1,388,187	18,000	1%
<b>MISCELLANEOUS REVENUES</b>							
Interest Earned	-	-	-	-	-	-	0%
Other Miscellaneous	21	-	-	-	-	-	0%
<b>Subtotal</b>	21	-	-	-	-	-	0%
<b>TOTAL STADIUM FUND REVENUES</b>	116,335	1,335,425	1,384,764	1,392,526	1,392,526	7,762	1%
<b>DUNEDIN STADIUM FUND EXPENDITURES</b>							
Parking Operations	8,656	13,050	13,050	8,400	8,400	(4,650)	-36%
Stadium Operations	57,754	91,284	91,284	94,648	94,648	3,364	4%
General projects	5,119	-	-	4,650	4,650	4,650	0%
Stadium Maintenance	8,938	5,400	5,400	5,400	5,400	-	0%
<b>Subtotal</b>	80,467	109,734	109,734	113,098	113,098	3,364	3%
<b>DEBT SERVICE PAYMENTS</b>							
Transfer to General Fund	-	128,504	173,504	125,000	125,000	(48,504)	-28%
Debt Service Payment	21,791	1,097,187	1,097,187	1,097,187	1,097,187	-	0%
<b>Subtotal</b>	21,791	1,225,691	1,270,691	1,222,187	1,222,187	(48,504)	-4%
<b>Operating Subtotal</b>	102,258	1,335,425	1,380,425	1,335,285	1,335,285	(45,140)	-3%
Ending Cash Reserves	14,577	-	4,339	57,241	57,241	52,902	0%
<b>TOTAL STADIUM FUND EXPENSES</b>	116,835	1,335,425	1,384,764	1,392,526	1,392,526	7,762	1%



DEPT: LEISURE SERVICES

DIVISION: STADIUM

FUND: STADIUM

MAJOR CLASSIFICATION:	ACTUAL 2002/03	BUDGET 2003/04	REVISED 2003/04	PROPOSED 2004/05	ADOPTED 2004/05	PERCENT INC/(DECR) REVISED FY2003/04
Salaries	1,156	-	-	-	-	0%
Benefits	167	-	-	-	-	0%
Operating Expenses	77,294	109,734	109,734	113,098	113,098	3%
Operating Capital/Debt Service	23,641	1,097,187	1,097,187	1,097,187	1,097,187	0%
<b>TOTAL MAJOR CLASSIFICATION</b>	<b>102,258</b>	<b>1,206,921</b>	<b>1,206,921</b>	<b>1,210,285</b>	<b>1,210,285</b>	<b>0%</b>
Budget Detail on Page 195						

BUDGET HIGHLIGHTS

Budget reflects historic needs for spring training and planned events at stadium.

PROGRESS MADE TOWARD FY 03/04 GOALS AND OBJECTIVES

1. A naming rights contract was executed for the stadium.
2. Concert series being developed for stadium.

FY 2004/05 GOALS AND OBJECTIVES

1. Offer monthly concert series at stadium.
2. Continue to develop Knology partnership to promote additional events.



## FY 2004/05 Adopted Budget

Dept./Div. 4801, 4845, 4846, 4847, - Dunedin Stadium Summary

ACCT.#	DESCRIPTION	FY02/03 ACTUAL	ORIGINAL FY03/04 BUDGET	FY03/04 REVISED BUDGET	ADOPTED FY04/05 REVISED	VARIANCE	
						ADOPTED OVER REVISED	PERCENT DIFF.
SALARIES							
1201	Regular	-	-	-	-	-	0%
1301	Other (Temporary)	-	-	-	-	-	0%
1401	Overtime	1,156	-	-	-	-	0%
1901	Allocated Labor	-	-	-	-	-	0%
SALARIES TOTAL		1,156	-	-	-	-	0%
BENEFITS							
2100	FICA	87	-	-	-	-	0%
2201	Retirement	75	-	-	-	-	0%
2310	Life/Health Insurance	5	-	-	-	-	0%
2480	Workers Compensation	-	-	-	-	-	0%
BENEFITS TOTAL		167	-	-	-	-	0%
OPERATING EXPENSES							
3110	Professional Services	-	-	-	-	-	0%
3405	Other Contractual Service	9,916	18,450	18,450	18,450	-	0%
3481	Building Maintenance Contracts	-	-	-	-	-	0%
4010	Training & Education	-	-	-	-	-	0%
4110	Telephones	5,656	-	-	-	-	0%
4120	Radios	-	-	-	-	-	0%
	Postage	20	-	-	-	-	0%
4310	Electricity	-	-	-	-	-	0%
4330	Utilities	-	-	-	-	-	0%
4410	Rentals & Leases	135	-	-	-	-	0%
4420	Rentals & Leases - Building	2,460	1,680	1,680	1,680	-	0%
4580	Insurance	27,355	81,032	81,032	77,668	(3,364)	-4%
4610	Repair & Maintenance Services	8,866	-	-	-	-	0%
4710	Printing & Binding	-	-	-	-	-	0%
4810	Promotional	2,355	-	-	3,000	3,000	0%
4910	Other Current Charges	13,920	8,572	8,572	10,300	1,728	0%
5110	Office Supplies	-	-	-	-	-	0%
5210	Operating Supplies	5,611	-	-	-	-	0%
4680	Custodial Services	-	-	-	2,000	2,000	0%
5230	Uncapitalized Equipment	-	-	-	-	-	0%
5410	Books/Pubs/Subscrip/Members	1,000	-	-	-	-	0%
OPERATING EXPENSES TOTAL		77,294	109,734	109,734	113,098	3,364	3%
CAPITAL OUTLAYS							
6210	Capital Building Projects	-	-	-	-	-	0%
6410	Office Equipment	-	-	-	-	-	0%
6470	Other Equipment	1,850	-	-	-	-	0%
CAPITAL OUTLAYS TOTAL		1,850	-	-	-	-	0%
DEBT SERVICE							
7101	Principal	11,586	-	-	-	-	0%
7201	Interest	10,205	-	-	-	-	0%
DEBT SERVICE TOTAL		21,791	-	-	-	-	0%
TOTAL BUDGET		102,258	109,734	109,734	113,098	3,364	3%



## FY 2004/05 Adopted Budget

Dept./Div 4801, 4845, 4846, 4847, - Dunedin Stadium

ACCT.#	DESCRIPTION	ADOPTED					TOTAL	VARIANCE	PERCENT DIFF.
		FY03/04 TOTAL	FY04/05 4801	FY04/05 4845	FY04/05 4846	FY04/05 4847			
<b>SALARIES</b>									
1201	Regular	-	-	-	-	-	-	-	0%
1301	Other (Temporary)	-	-	-	-	-	-	-	0%
1401	Overtime	-	-	-	-	-	-	-	0%
1901	Allocated Labor	-	-	-	-	-	-	-	0%
<b>SALARIES TOTAL</b>		-	-	-	-	-	-	-	0%
<b>BENEFITS</b>									
2100	FICA	-	-	-	-	-	-	-	0%
2201	Retirement	-	-	-	-	-	-	-	0%
2310	Life/Health Insurance	-	-	-	-	-	-	-	0%
2480	Workers Compensation	-	-	-	-	-	-	-	0%
<b>BENEFITS TOTAL</b>		-	-	-	-	-	-	-	0%
<b>OPERATING EXPENSES</b>									
3110	Professional Services	-	-	-	-	-	-	-	0%
3405	Other Contractual Service	18,450	8,400	-	4,650	5,400	18,450	-	0%
3481	Building Maintenance Contracts	-	-	-	-	-	-	-	0%
4010	Training & Education	-	-	-	-	-	-	-	0%
4110	Telephones	-	-	-	-	-	-	-	0%
4120	Radios	-	-	-	-	-	-	-	0%
4130	Postage	-	-	-	-	-	-	-	0%
4310	Electricity	-	-	-	-	-	-	-	0%
4330	Utilities	-	-	-	-	-	-	-	0%
4410	Rentals & Leases	-	-	-	-	-	-	-	0%
4420	Rental & Leases - Building	1,680	-	1,680	-	-	1,680	-	0%
4580	Insurance	81,032	-	77,668	-	-	77,668	(3,364)	-4%
4610	Repair & Maintenance Services	-	-	-	-	-	-	-	0%
4710	Printing & Binding	-	-	-	-	-	-	-	0%
4810	Promotional	-	-	3,000	-	-	3,000	3,000	0%
4910	Other Current Charges	8,572	-	10,300	-	-	10,300	1,728	0%
5110	Office Supplies	-	-	-	-	-	-	-	0%
5210	Operating Supplies	-	-	2,000	-	-	2,000	2,000	0%
4680	Custodial Services	-	-	0	-	-	-	-	0%
5230	Uncapitalized Equipment	-	-	0	-	-	-	-	0%
5410	Books/Pubs/Subscrip/Members	-	-	0	-	-	-	-	0%
<b>OPERATING EXPENSES TOTAL</b>		109,734	8,400	94,648	4,650	5,400	113,098	3,364	3%
<b>CAPITAL OUTLAYS</b>									
6210	Capital Building Projects	-	-	-	-	-	-	-	0%
6410	Office Equipment	-	-	-	-	-	-	-	0%
6470	Other Equipment	-	-	-	-	-	-	-	0%
<b>CAPITAL OUTLAYS TOTAL</b>		-	-	-	-	-	-	-	0%
<b>DEBT SERVICE</b>									
7260	Interest Gen. Fund	-	-	-	-	-	-	-	0%
<b>DEBT SERVICE TOTAL</b>		-	-	-	-	-	-	-	0%
<b>TOTAL BUDGET</b>		109,734	8,400	94,648	4,650	5,400	113,098	3,364	3%

**DUNEDIN STADIUM FUND SUMMARY**

The Dunedin Stadium Fund was established in FY 89/90 as a mechanism to accurately monitor the revenues, expenses and debt service payments associated with Dunedin Stadium expansion and operations.

The primary source of income for FY 2003/04 will come from ticket sales, and parking concessions during the Toronto Blue Jays Spring Training.

This will be the second year under the new fifteen-year agreement.







## DUNEDIN STADIUM FUND REVENUE &amp; EXPENDITURE SUMMARY

	FY01/02 ACTUAL	FY0002/03 BUDGET	REVISED	PROPOSED	ADOPTED	VARIANCE	
			FY0002/03 BUDGET	FY0003/04 BUDGET	FY0003/04 BUDGET	ADOPTED OVER (UND.) REVISED	PERCENT (INCR./ DECR.)
<b>DUNEDIN STADIUM FUND</b>							
Beginning Cash Reserves	0	0	17,510	0	0	(17,510)	0%
<b>Subtotal</b>	0	0	17,510	0	0	(17,510)	0%
<b>DUNEDIN STADIUM FUND REVENUES</b>							
Debt Proceeds	0	1,097,187	1,097,187	1,097,187	1,097,187	0	0%
Revenue-Blue Jays Ticket Sales	97,453	82,238	82,238	82,238	82,238	0	0%
Parking Concession	19,987	21,000	21,000	21,000	21,000	0	0%
Stadium Gen. Projects	0	10,000	10,000	10,000	10,000	0	0%
Advance from Blue Jays	250,000	0	0	125,000	125,000	125,000	0%
<b>Subtotal</b>	367,440	1,210,425	1,210,425	1,335,425	1,335,425	125,000	10%
<b>MISCELLANEOUS REVENUES</b>							
Interest Earned	0	0	0	0	0	0	0%
Other Miscellaneous	16	5,000	5,000	0	0	(5,000)	0%
<b>Subtotal</b>	16	5,000	5,000	0	0	(5,000)	-100%
<b>TOTAL STADIUM FUND REVENUES</b>	367,456	1,215,425	1,232,935	1,335,425	1,335,425	102,490	8%
<b>DUNEDIN STADIUM FUND EXPENDITURES</b>							
Parking Operations	20,684	13,092	13,092	13,050	13,050	(42)	0%
Stadium Operations	39,725	37,595	37,595	91,284	91,284	53,689	143%
General projects	755	0	0	0	0	0	0%
Stadium Maintenance	13,321	5,400	5,400	5,400	5,400	0	0%
<b>Subtotal</b>	74,485	56,087	56,087	109,734	109,734	53,647	96%
<b>DEBT SERVICE PAYMENTS</b>							
Transfer to General Fund	25,461	62,151	79,661	128,504	128,504	48,843	61%
Debt Service Payment	0	1,097,187	1,097,187	1,097,187	1,097,187	0	0%
Transfer to Stadium Capital	250,000	0	0	0	0	0	0%
<b>Subtotal</b>	275,461	1,159,338	1,176,848	1,225,691	1,225,691	48,843	4%
<b>Operating Subtotal</b>	349,946	1,215,425	1,232,935	1,335,425	1,335,425	102,490	8%
Ending Cash Reserves	17,510	0	0	0	0	0	0%
<b>TOTAL STADIUM FUND EXPENSES</b>	367,456	1,215,425	1,232,935	1,335,425	1,335,425	102,490	8%



DEPT: LEISURE SERVICES

DIVISION: STADIUM

FUND: STADIUM

MAJOR CLASSIFICATION:	ACTUAL 2001/02	BUDGET 2002/03	REVISED 2002/03	PROPOSED 2003/04	ADOPTED 2003/04	PERCENT INC/DECR ADJUSTED FY2002/03
Salaries	0	0	0	0	0	0%
Benefits	360	0	0	0	0	0%
Operating Expenses	70,061	56,087	56,087	109,734	109,734	96%
Operating Capital/Debt Service	29,524	0	0	0	0	0%
<b>TOTAL MAJOR CLASSIFICATION</b>	<b>99,945</b>	<b>56,087</b>	<b>56,087</b>	<b>109,734</b>	<b>109,734</b>	<b>96%</b>

Budget Detail on Page 191

**BUDGET HIGHLIGHTS**

The FY 2003/04 budget reflects the second year of operations under the new contract. The ball club is responsible for most of the maintenance and operations of the facility. Operating expenses budgeted relate to the off-site parking concession and minimal monthly maintenance required under the new agreement. The large percentage increase is due to a 300 plus percent increase in property insurance.

**PROGRESS MADE TOWARD FY 02/03 GOALS AND OBJECTIVES**

1. Oktoberfest was put on through an agreement with a private concessionaire/event promoter. Attendance was lower than past years, possibly due to missing a year during construction. The promoter lost money, but the City suffered no financial loss.
2. Off site parking was staffed by a paid volunteer group and City staff supervision. Revenues were in accordance with game attendance, which was not high.
3. The Stadium Naming Rights Task Force was appointed by the City Commission and the Task Force implemented a marketing program, which continues, to find a naming rights buyer for the stadium.

**FY 2003/04 GOALS AND OBJECTIVES**

1. Secure a naming rights buyer for the stadium.
2. Explore additional public uses for the stadium such as the 2003 fireworks and music show.

**DUNEDIN STADIUM FUND SUMMARY**

The Dunedin Stadium Fund was established in FY 89/90 as a mechanism to accurately monitor the revenues, expenses and debt service payments associated with Dunedin Stadium expansion and operations.

The primary source of income for FY 2002/03 will come from ticket sales, and parking concessions during the Toronto Blue Jays Spring Training.

This will be the first year under the new fifteen-year agreement.





## DUNEDIN STADIUM FUND REVENUE &amp; EXPENDITURE SUMMARY

	FY00/01 ACTUAL	FY2001/02 BUDGET	REVISED	PROPOSED	ADOPTED	VARIANCE	
			FY2001/02 BUDGET	FY2002/03 BUDGET	FY2002/03 BUDGET	ADOPTED OVER (UND.) REVISED	PERCENT (INCR./ DECR.)
<b>DUNEDIN STADIUM FUND</b>							
Beginning Cash Reserves	0	0	0	0	0	0	0%
<b>Subtotal</b>	0	0	0	0	0	0	0%
<b>DUNEDIN STADIUM FUND REVENUES</b>							
Concession/Novelties	0	0	0	0	0	0	0%
Revenue-Blue Jays Ticket Sales	89,611	80,000	80,000	82,238	82,238	2,238	3%
Parking Concession	23,223	39,000	39,000	21,000	21,000	(18,000)	-46%
Stadium Gen. Projects	93,171	110,000	110,000	10,000	10,000	(100,000)	-91%
Advance from General Fund	0	10,525	10,525	0	0	(10,525)	0%
<b>Subtotal</b>	206,005	239,525	239,525	113,238	113,238	(126,287)	-53%
<b>MISCELLANEOUS REVENUES</b>							
Interest Earned	0	0	0	0	0	0	0%
Loss on Investment	0	0	0	0	0	0	0%
Other Miscellaneous	4,482	5,000	5,000	5,000	5,000	0	0%
<b>Subtotal</b>	4,482	5,000	5,000	5,000	5,000	0	0%
<b>TOTAL STADIUM FUND REVENUES</b>	210,487	244,525	244,525	118,238	118,238	(126,287)	-52%
<b>DUNEDIN STADIUM FUND EXPENDITURES</b>							
Parking Operations	14,794	27,302	27,302	13,092	13,092	(14,210)	-52%
Concession/novelties	16,512	26,123	26,123	37,595	37,595	11,472	44%
General projects	86,854	80,494	80,494	0	0	(80,494)	-100%
Stadium Maintenance	15,834	23,656	23,656	5,400	5,400	(18,256)	-77%
<b>Subtotal</b>	133,994	157,575	157,575	56,087	56,087	(101,488)	-64%
<b>DEBT SERVICE PAYMENTS</b>							
Transfer to General Fund	90,794	86,950	86,950	62,151	62,151	(24,799)	-29%
<b>Subtotal</b>	90,794	86,950	86,950	62,151	62,151	(24,799)	-29%
<b>Operating Subtotal</b>	224,788	244,525	244,525	118,238	118,238	(126,287)	-52%
Ending Cash Reserves	0	0	0	0	0	0	0%
<b>TOTAL STADIUM FUND EXPENSES</b>	224,788	244,525	244,525	118,238	118,238	(126,287)	-52%



DEPT: LEISURE SERVICES

DIVISION: STADIUM

FUND: STADIUM

MAJOR CLASSIFICATION:	ACTUAL 00/01	BUDGET 2001/02	REVISED 2001/02	PROPOSED 2002/03	ADOPTED 2002/03	PERCENT INC/DECR ADJUSTED FY2001/02
Salaries	7,582	24,000	24,000	0	0	-100%
Benefits	1,668	3,297	3,297	0	0	-100%
Operating Expenses	124,744	130,278	130,278	56,087	56,087	-57%
Operating Capital/Debt Service	90,794	86,950	86,950	0	0	-100%
<b>TOTAL MAJOR CLASSIFICATION</b>	<b>224,788</b>	<b>244,525</b>	<b>244,525</b>	<b>56,087</b>	<b>56,087</b>	<b>-77%</b>
Budget Detail on Page 184						

**BUDGET HIGHLIGHTS**

The FY 2002/03 budget reflects operation under the new contract with the Blue Jays, under which the ball club is responsible for most of the maintenance and operation of the facility. Operating expenses budgeted relate to the off-site parking concession and minimal monthly maintenance required of the City under the new agreement.

**PROGRESS MADE TOWARD FY 01/02 GOALS AND OBJECTIVES**

1. The entire parking concession was operated by a volunteer group, which was compensated on a per-game basis and supervised by a Recreation staff member whose facility (Senior Center) is typically closed during spring training games.
2. Oktoberfest was cancelled due to construction at the stadium. Arrangements are in place to offer the event in 2002 in a partnership with the Blue Jays and at a greatly-reduced City staff level.

**FY 2002/03 GOALS AND OBJECTIVES**

1. Implement and assess the Oktoberfest arrangement with Blue Jays and City volunteer organizations.
2. Maximize revenues from remaining available (off-site) parking under new contract.
3. Implement marketing program to secure a naming rights sponsor for the stadium.



DUNEDIN STADIUM FUND SUMMARY

The Dunedin Stadium Fund was established in FY 89/90 as a mechanism to accurately monitor the revenues, expenses and debt service payments associated with Dunedin Stadium expansion and operations.

The primary source of income for FY 2001/02 will come from ticket sales, parking concessions during the Toronto Blue Jays Spring Training, special events, rentals and leases run in the stadium during the non-baseball season and vending during special events not held in the stadium.

The stadium serves as a food vendor at four (4) off-site special events: Art Harvest, Highland Games, Mardi Gras, and Spring Antiques Fair. The Fourth of July Celebration is coordinated in conjunction with the CRA as an annual event for the citizens of Dunedin.



## ANNUAL BUDGET 2001/2002



## DUNEDIN STADIUM FUND REVENUE &amp; EXPENDITURE SUMMARY

	FY99/00 ACTUAL	FY00/01 BUDGET	REVISED	PROPOSED	ADOPTED	VARIANCE	PERCENT
			FY00/01 BUDGET	FY2001/02 BUDGET	FY2001/02 BUDGET	PROPOSED OVER (UND.) REVISED	(INCR./ DECR.)
<b>DUNEDIN STADIUM FUND</b>							
Beginning Cash Reserves	78,408	42,896	42,896	0	0	(42,896)	0%
<b>Subtotal</b>	78,408	42,896	42,896	0	0	0	0%
<b>DUNEDIN STADIUM FUND REVENUES</b>						(42,896)	0%
Concession/Novelties	764	0	0	0	0	0	0%
Revenue-Blue Jays Ticket Sales	76,763	67,000	67,000	80,000	0	0	0%
Parking Concession	39,837	30,125	30,125	39,000	0	13,000	19%
Stadium Gen. Projects	110,781	120,000	120,000	110,000	0	8,875	29%
Advance from General Fund	0	19,210	19,210	0	0	(10,000)	-8%
<b>Subtotal</b>	306,553	236,335	236,335	229,000	0	(19,210)	0%
<b>MISCELLANEOUS REVENUES</b>						(7,335)	-3%
Interest Earned	50	0	0	0	0	0	0%
Loss on Investment	0	0	0	0	0	0	0%
Other Miscellaneous	0	1,200	1,200	5,000	0	3,800	0%
<b>Subtotal</b>	50	1,200	1,200	5,000	0	3,800	0%
<b>TOTAL STADIUM FUND REVENUES</b>	385,011	280,431	280,431	234,000	0	(46,431)	-17%
<b>DUNEDIN STADIUM FUND EXPENDITURES</b>							
Parking Operations	23,937	23,191	23,191	27,302	0	4,111	18%
Concession/novelties	39,247	26,667	26,667	26,123	0	(544)	-2%
General projects	111,357	92,056	92,056	80,494	0	(11,562)	-13%
Stadium Maintenance	11,723	50,217	50,217	23,656	0	(26,561)	-53%
<b>Subtotal</b>	186,264	192,131	192,131	157,575	0	(34,556)	-18%
<b>DEBT SERVICE PAYMENTS</b>							
Accrued Interest -General Fund Loan	107,568	88,300	88,300	86,950	0	(1,350)	-2%
<b>Subtotal</b>	107,568	88,300	88,300	86,950	0	(1,350)	-2%
<b>Operating Subtotal</b>	293,832	280,431	280,431	244,525	0	(35,906)	-13%
Ending Cash Reserves	12,771	0	0	(10,525)	0	(10,525)	0%
<b>TOTAL STADIUM FUND EXPENSES</b>	306,603	280,431	280,431	234,000	0	(46,431)	-17%



DEPT: LEISURE SERVICES

DIVISION: STADIUM

FUND: STADIUM

MAJOR CLASSIFICATION:	ACTUAL 99/00	BUDGET 00/01	REVISED 00/01	PROPOSED 2001/02	ADOPTED 2001/02	PERCENT INC/DECR ADJUSTED 00/01
Salaries	61,155	45,610	45,610	24,000	0	-47%
Benefits	6,102	5,581	5,581	3,297	0	-41%
Operating Expenses	119,009	140,940	140,940	130,278	0	-8%
Operating Capital/Debt Service	107,568	88,300	88,300	86,950	0	-2%
<b>TOTAL MAJOR CLASSIFICATION</b>	<b>293,834</b>	<b>280,431</b>	<b>280,431</b>	<b>244,525</b>	<b>0</b>	<b>-13%</b>

FY 2001/02 BUDGET HIGHLIGHTS

FY 2001/02 reduced budget reflects construction at the stadium which will limit revenue opportunities during the fiscal year. Expenditures to maintain spring training parking operations are included, but could be reduced if the new Blue Jay contract takes effect during the fiscal year.

PROGRESS MADE TOWARD FY 00/01 GOALS AND OBJECTIVES

The new Blue Jay agreement, pending construction, and the elimination of the stadium operation and associated staff curtailed much activity in the second half of FY 2000/01. Oktoberfest was held, and the annual Marketfest as well. Spring training parking was conducted using regular Leisure Department staff.

FY 2001/02 GOALS AND OBJECTIVES

Develop new system for conducting parking operation, either through a contractual arrangement or with supervised community group.

Partner with Blue Jays concessionaire to offer Oktoberfest with lessened impact on Leisure Services staff.





FY 2001/02 Proposed Budget

Dept./Di 4801, 4845, 4846, 4847, - Dunedin Stadium Summary

ACCT.#	DESCRIPTION	FY99/00 ACTUAL	ORIGINAL	FY00/01	PROPOSED	VARIANCE	PERCENT DIFF.
			FY00/01 BUDGET	REVISED BUDGET	FY01/02 REVISED	PROPOSED OVER ADJUSTED	
	<b>SALARIES</b>						
1201	Regular	60,728	0	0	0	0	0%
1301	Other (Temporary)	0	39,310	39,310	20,000	(19,310)	-49%
1401	Overtime	427	360	360	1,000	640	178%
1901	Allocated Labor	0	5,940	5,940	3,000	(2,940)	-49%
	<b>SALARIES TOTAL</b>	<b>61,155</b>	<b>45,610</b>	<b>45,610</b>	<b>24,000</b>	<b>(21,610)</b>	<b>-47%</b>
	<b>BENEFITS</b>						
2100	FICA	4,653	3,489	3,489	1,837	(1,652)	-47%
2201	Retirement	522	1,119	1,119	1,100	(19)	-2%
2310	Life/Health Insurance	0	0	0	0	0	0%
2480	Workers Compensation	927	973	973	360	(613)	-63%
	<b>BENEFITS TOTAL</b>	<b>6,102</b>	<b>5,581</b>	<b>5,581</b>	<b>3,297</b>	<b>(2,284)</b>	<b>-41%</b>
	<b>OPERATING EXPENSES</b>						
3110	Professional Services	1,055	300	300	0	(300)	-100%
3405	Other Contractual Service	38,896	13,400	13,400	38,400	25,000	187%
3481	Building Maintenance Contracts	0	8,627	8,627	8,627	0	0%
4010	Training & Education	112	291	291	0	(291)	-100%
4110	Telephones	4,544	0	0	4,500	4,500	0%
4120	Radios	0	0	0	0	0	0%
4130	Postage	398	125	125	300	175	140%
4310	Electricity	0	0	0	0	0	0%
4330	Utilities	0	0	0	0	0	0%
4410	Rentals & Leases	2,929	5,425	5,425	2,925	(2,500)	-46%
4420	Rentals & Leases - Building	2,410	0	0	2,500	2,500	0%
4580	Insurance	18,603	18,064	18,064	21,526	3,462	0%
4610	Repair & Maintenance Services	10,399	35,842	35,842	16,000	(19,842)	-55%
4710	Printing & Binding	32	1,000	1,000	1,000	0	0%
4810	Promotinal	2,209	0	0	2,000	2,000	0%
5110	Office Supplies	0	0	0	0	0	0%
5210	Operating Supplies	36,342	57,866	57,866	32,500	(25,366)	-44%
4680	Custodial Services	0	0	0	0	0	0%
5230	Uncapitalized Equipment	1,080	0	0	0	0	0%
5410	Books/Pubs/Subscrip/Members	0	0	0	0	0	0%
	<b>OPERATING EXPENSES TOTAL</b>	<b>119,009</b>	<b>140,940</b>	<b>140,940</b>	<b>130,278</b>	<b>(10,662)</b>	<b>-8%</b>
	<b>CAPITAL OUTLAYS</b>						
6210	Capital Building Projects	0	0	0	0	0	0%
6410	Office Equipment	0	0	0	0	0	0%
6470	Other Equipment	0	0	0	0	0	0%
	<b>CAPITAL OUTLAYS TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0%</b>
	<b>DEBT SERVICE</b>						
7260	Interest Gen. Fund	107,568	88,300	88,300	86,950	(1,350)	-2%
	<b>DEBT SERVICE TOTAL</b>	<b>107,568</b>	<b>88,300</b>	<b>88,300</b>	<b>86,950</b>	<b>(1,350)</b>	<b>-2%</b>
	<b>TOTAL BUDGET</b>	<b>293,834</b>	<b>280,431</b>	<b>280,431</b>	<b>244,525</b>	<b>(35,906)</b>	<b>-13%</b>



Y 2001/02 Proposed Budget

Dept./Di 4801, 4845, 4846, 4847, - Dunedin Stadium

ACCT. #	DESCRIPTION	ADOPTED					TOTAL	VARIANCE	PERCENT DIFF.
		FY00/01	FY01/02	FY01/02	FY01/02	FY01/02			
		TOTAL	4801	4845	4846	4847			
<b>SALARIES</b>									
1201	Regular	0	0	0	0	0	0	0	0%
1301	Other (Temporary)	39,310	10,000	0	10,000	0	20,000	(19,310)	-49%
1401	Overtime	360	0	0	1,000	0	1,000	640	178%
1901	Allocated Labor	5,940	3,000	0	0	0	3,000	(2,940)	-49%
	<b>SALARIES TOTAL</b>	45,610	13,000	0	11,000	0	24,000	(21,610)	-47%
<b>BENEFITS</b>									
2100	FICA	3,489	995	0	842	0	1,837	(1,652)	-47%
2201	Retirement	1,119	0	0	1,100	0	1,100	(19)	-2%
2310	Life/Health Insurance	0	0	0	0	0	0	0	0%
2480	Workers Compensation	973	149	0	211	0	360	(613)	2%
	<b>BENEFITS TOTAL</b>	5,581	1,144	0	2,153	0	3,297	(2,284)	-41%
<b>OPERATING EXPENSES</b>									
3110	Professional Services	300	0	0	0	0	0	(300)	0%
3405	Other Contractual Service	13,400	8,400	0	30,000	0	38,400	25,000	187%
3481	Building Maintenance Contracts	8,627	0	0	0	8,627	8,627	0	0%
4010	Training & Education	291	0	0	0	0	0	(291)	-100%
4110	Telephones	0	4,200	300	0	0	4,500	4,500	0%
4120	Radios	0	0	0	0	0	0	0	0%
4130	Postage	125	0	0	300	0	300	175	140%
4310	Electricity	0	0	0	0	0	0	0	0%
4330	Utilities	0	0	0	0	0	0	0	0%
4410	Rentals & Leases	5,425	0	0	2,925	0	2,925	(2,500)	-46%
4420	Rental & Leases - Building	0	0	2,500	0	0	2,500	2,500	0%
4580	Insurance	18,064	58	21,323	116	29	21,526	3,462	19%
4610	Repair & Maintenance Services	35,842	0	0	1,000	15,000	16,000	(19,842)	-55%
4710	Printing & Binding	1,000	0	0	1,000	0	1,000	0	0%
4810	Promotional	0	0	0	2,000	0	2,000	2,000	0%
5110	Office Supplies	0	0	0	0	0	0	0	0%
5210	Operating Supplies	57,866	500	2,000	30,000	0	32,500	(25,366)	-44%
4680	Custodial Services	0	0	0	0	0	0	0	0%
5230	Uncapitalized Equipment	0	0	0	0	0	0	0	0%
5410	Books/Pubs/Subscrip/Members	0	0	0	0	0	0	0	0%
	<b>OPERATING EXPENSES TOTAL</b>	140,940	13,158	26,123	67,341	23,656	130,278	(10,662)	-8%
<b>CAPITAL OUTLAYS</b>									
6210	Capital Building Projects	0	0	0	0	0	0	0	0%
6410	Office Equipment	0	0	0	0	0	0	0	0%
6470	Other Equipment	0	0	0	0	0	0	0	0%
	<b>CAPITAL OUTLAYS TOTAL</b>	0	0	0	0	0	0	0	0%
<b>DEBT SERVICE</b>									
7260	Interest Gen. Fund	88,300	86,950	0	0	0	86,950	(1,350)	-2%
	<b>DEBT SERVICE TOTAL</b>	88,300	86,950	0	0	0	86,950	(1,350)	-2%
	<b>TOTAL BUDGET</b>	280,431	114,252	26,123	80,494	23,656	244,525	(35,906)	-13%

**CITY OF DUNEDIN  
FY2000/01 OPERATING BUDGET**

**DEPT: LEISURE SERVICES**

**DIVISION: STADIUM**

**FUND: STADIUM**

<b>MAJOR CLASSIFICATION:</b>	<b>ACTUAL 98/99</b>	<b>BUDGET 99/00</b>	<b>REVISED 99/00</b>	<b>PROPOSED 2000/01</b>	<b>ADOPTED 00/01</b>	<b>PERCENT INC/DECR ADJUSTED 99/00</b>
Salaries	42,040	43,725	43,725	45,610		4%
Benefits	5,179	5,348	5,348	5,581		4%
Operating Expenses	131,099	127,315	127,315	140,940		11%
Operating Capital/Debt Service	129,120	81,550	81,550	88,300		8%
<b>TOTAL MAJOR CLASSIFICAT</b>	<b>307,438</b>	<b>257,938</b>	<b>257,938</b>	<b>280,431</b>		<b>9%</b>

(Budget Detail on Page - H42 )

**FY 2000/01 BUDGET HIGHLIGHTS**

Provide community-wide revenue-producing special events at Dunedin Stadium at Grant Field for people of all ages, enhance stadium revenue through vending at other City-Wide special events, provide support for specific recreation special events and monitor/coordinate rentals, leases and contracts at the stadium.

**PROGRESS MADE TOWARD FY 99/00 GOALS AND OBJECTIVES**

The primary source of income for FY 99/00 came from ticket sales, parking concessions during the Toronto Blue Jays Spring Training, special events, rentals and leases run in the stadium during the non-baseball season and vending during special events not held in the stadium.

Parking - Parking concessions in FY99/00 decreased over previous years due to a decrease in the number of games played by the Toronto Blue Jays during Spring Training.

Kept two rows of parking open for Library patrons during each game.

Stadium Special Events - coordinated six (6) events "Oktoberfest", "Oldies Concert", etc. held in the Stadium.

There were also two (2) rentals of the Stadium and playing field.

Hosted the Millennium Torch Run & Centennial Birthday Party for School age children.

Non-Stadium Events/Vending - The Stadium staff served as a food vendor at nine (9) off-site special events: Art Harvest, Highland Games, Mardi Gras, Fall & Spring Antiques Fair, "Celebrate Fitness", Men's Senior Baseball, etc.

The Fourth of July Celebration is coordinated in conjunction with Community Services as an annual event for the citizens of Dunedin.

**FY 2000/01 GOALS AND OBJECTIVES**

Increase fees for season parking. Look for ways to eliminate staff parking at the main parking lot to increase parking revenues.  
Continue to provide parking for Library patrons during each game.  
Cut costs and increase revenues in the Special Events

**CITY OF DUNEDIN**  
**FY 2000/01 OPERATING BUDGET**

FY 00/01

Dept./Div.: 4801, 4845, 4846, 4847, - Dunedin Stadium Summary

ACCT.#	DESCRIPTION	FY98/99 ACTUAL	ORIGINAL FY99/00 BUDGET	FY99/00 REVISED BUDGET	FY99/00 ESTIMATED	PROPOSED FY2000/01 REVISED	VARIANCE PROPOSED OVER ADJUSTED	PERCENT DIFF.
<b>SALARIES</b>								
1201	Regular	0	0	0	0	0	0	0%
1301	Other (Temporary)	35,750	37,425	37,425	37,425	39,310	1,885	5%
1401	Overtime	350	360	360	360	360	0	0%
1901	Allocated Labor	5,940	5,940	5,940	5,940	5,940	0	0%
<b>SALARIES TOTAL</b>		<b>42,040</b>	<b>43,725</b>	<b>43,725</b>	<b>43,725</b>	<b>45,610</b>	<b>1,885</b>	<b>4%</b>
<b>BENEFITS</b>								
2100	FICA	3,217	3,345	3,345	3,345	3,489	144	4%
2201	Retirement	1,035	1,076	1,076	1,076	1,119	43	4%
2310	Life/Health Insurance	0	0	0	0	0	0	0%
2480	Workers Compensation	927	927	927	927	973	46	5%
<b>BENEFITS TOTAL</b>		<b>5,179</b>	<b>5,348</b>	<b>5,348</b>	<b>5,348</b>	<b>5,581</b>	<b>233</b>	<b>4%</b>
<b>OPERATING EXPENSES</b>								
3110	Professional Services	300	300	300	300	300	0	0%
3405	Other Contractual Service	13,400	13,400	13,400	13,400	13,400	0	0%
3481	Building Maintenance Contracts	7,735	0	0	0	8,627	8,627	#DIV/0!
4010	Training & Education	250	260	260	260	291	31	12%
4110	Telephones	2,500	0	0	0	0	0	#DIV/0!
4120	Radios	0	0	0	0	0	0	0%
4130	Postage	125	125	125	125	125	0	0%
4310	Electricity	0	0	0	0	0	0	0%
4330	Utilities	0	0	0	0	0	0	0%
4410	Rentals & Leases	5,300	5,300	5,300	5,300	5,425	125	2%
4580	Insurance	14,289	17,205	17,205	17,205	18,064	859	0%
4610	Repair & Maintenance Services	33,000	34,345	34,345	34,345	35,842	1,497	4%
4710	Printing & Binding	1,000	1,000	1,000	1,000	1,000	0	0%
5110	Office Supplies	0	0	0	0	0	0	0%
5210	Operating Supplies	53,200	55,380	55,380	55,380	57,866	2,486	4%
4680	Custodial Services	0	0	0	0	0	0	0%
5230	Uncapitalized Equipment	0	0	0	0	0	0	0%
5410	Books/Pubs/Subscrip/Members	0	0	0	0	0	0	0%
<b>OPERATING EXPENSES TOTAL</b>		<b>131,099</b>	<b>127,315</b>	<b>127,315</b>	<b>127,315</b>	<b>140,940</b>	<b>13,625</b>	<b>11%</b>
<b>CAPITAL OUTLAYS</b>								
6210	Capital Building Projects	0	0	0	0	0	0	0%
6410	Office Equipment	0	0	0	0	0	0	0%
6470	Other Equipment	0	0	0	0	0	0	0%
<b>CAPITAL OUTLAYS TOTAL</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0%</b>
<b>DEBT SERVICE</b>								
7260	Interest Gen. Fund	129,120	81,550	81,550	81,550	88,300	6,750	8%
<b>DEBT SERVICE TOTAL</b>		<b>129,120</b>	<b>81,550</b>	<b>81,550</b>	<b>81,550</b>	<b>88,300</b>	<b>6,750</b>	<b>8%</b>
<b>TOTAL BUDGET</b>		<b>307,438</b>	<b>257,938</b>	<b>257,938</b>	<b>257,938</b>	<b>280,431</b>	<b>22,493</b>	<b>9%</b>

**CITY OF DUNEDIN**  
**FY 00/01 OPERATING BUDGET**

FY 00/01  
Dept./Div.: 4801, 4845, 4846, 4847, - Dunedin Stadium Summary

ACCT.#	DESCRIPTION	ADOPTED					TOTAL	VARIANCE	PERCENT DIFF.
		FY99/00	FY00/01	FY00/01	FY00/01	FY00/01			
		TOTAL	4801	4845	4846	4847			
<b>SALARIES</b>									
1201	Regular	0	0	0	0	0	0	0	0%
1301	Other (Temporary)	37,425	9,980	6,600	19,900	2,850	39,310	1,885	5%
1401	Overtime	360	0	0	360	0	360	0	0%
1901	Allocated Labor	5,940	3,000	0	0	2,940	5,940	0	0%
<b>SALARIES TOTAL</b>		<b>43,725</b>	<b>12,960</b>	<b>6,600</b>	<b>20,260</b>	<b>5,790</b>	<b>45,610</b>	<b>1,885</b>	<b>4%</b>
<b>BENEFITS</b>									
2100	FICA	3,345	991	505	1,550	443	3,489	144	4%
2201	Retirement	1,076	0	0	1,119	0	1,119	43	4%
2310	Life/Health Insurance	0	0	0	0	0	0	0	0%
2480	Workers Compensation	927	11	600	202	160	973	46	2%
<b>BENEFITS TOTAL</b>		<b>5,348</b>	<b>1,002</b>	<b>1,105</b>	<b>2,871</b>	<b>603</b>	<b>5,581</b>	<b>233</b>	<b>4%</b>
<b>OPERATING EXPENSES</b>									
3110	Professional Services	300	150	0	0	150	300	0	0%
3405	Other Contractual Service	13,400	8,400	0	5,000	0	13,400	0	0%
3481	Building Maintenance Contracts	0	0	0	0	8,627	8,627	8,627	#DIV/0!
4010	Training & Education	260	0	56	235	0	291	31	12%
4110	Telephones	0	0	0	0	0	0	0	0%
4120	Radios	0	0	0	0	0	0	0	0%
4130	Postage	125	0	0	125	0	125	0	0%
4310	Electricity	0	0	0	0	0	0	0	0%
4330	Utilities	0	0	0	0	0	0	0	0%
4410	Rentals & Leases	5,300	0	2,500	2,925	0	5,425	125	2%
4580	Insurance	17,205	126	11,706	6,232	0	18,064	859	5%
4610	Repair & Maintenance Services	34,345	0	2,090	1,000	32,752	35,842	1,497	4%
4710	Printing & Binding	1,000	0	0	1,000	0	1,000	0	0%
5110	Office Supplies	0	0	0	0	0	0	0	0%
5210	Operating Supplies	55,380	553	2,610	52,408	2,295	57,866	2,486	4%
4680	Custodial Services	0	0	0	0	0	0	0	0%
5230	Uncapitalized Equipment	0	0	0	0	0	0	0	0%
5410	Books/Pubs/Subscrip/Members	0	0	0	0	0	0	0	0%
<b>OPERATING EXPENSES TOTAL</b>		<b>127,315</b>	<b>9,229</b>	<b>18,962</b>	<b>68,925</b>	<b>43,824</b>	<b>140,940</b>	<b>13,525</b>	<b>11%</b>
<b>CAPITAL OUTLAYS</b>									
6210	Capital Building Projects	0	0	0	0	0	0	0	0%
6410	Office Equipment	0	0	0	0	0	0	0	0%
6470	Other Equipment	0	0	0	0	0	0	0	0%
<b>CAPITAL OUTLAYS TOTAL</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0%</b>
<b>DEBT SERVICE</b>									
7260	Interest Gen. Fund	81,550	88,300	0	0	0	88,300	6,750	8%
<b>DEBT SERVICE TOTAL</b>		<b>81,550</b>	<b>88,300</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>88,300</b>	<b>6,750</b>	<b>8%</b>
<b>TOTAL BUDGET</b>		<b>257,938</b>	<b>111,491</b>	<b>26,667</b>	<b>92,056</b>	<b>50,217</b>	<b>280,431</b>	<b>22,493</b>	<b>9%</b>

**CITY OF DUNEDIN AND TORONTO BLUE JAYS  
LICENSE AGREEMENT**

THIS AGREEMENT, made and entered into this 15<sup>th</sup> day of December 2000 by and between the **CITY OF DUNEDIN, FLORIDA**, a municipal corporation of the State of Florida (hereinafter referred to as the "City") and **TORONTO BLUE JAYS BASEBALL CLUB**, a limited partnership of which **TORONTO BLUE JAYS BASEBALL LIMITED** is the general partner (hereinafter referred to as the "Club").

**WHEREAS**, the Club owns and operates the Major League Club known as the Toronto Blue Jays (the "Major League Team") and desires to contract with the City for training and playing facilities for the Major League Team, to commence using the newly reconstructed Dunedin Facilities contemplated hereunder no later than January 31, 2002; and

**WHEREAS**, the Club owns a franchise with the Florida State League for an "A" level Minor League baseball team (the "Minor League Team") and desires to contract with the City for training and playing facilities for the Minor League Team to commence using the newly reconstructed Dunedin Facilities contemplated hereunder no later than January 31, 2002; and

**WHEREAS**, the parties have previously entered into an Agreement dated August 10, 1989, and Agreement dated June 26, 1990, a Modification of Agreement effective December 31, 1997 and a Third Amendment to Agreement dated June 1, 2000 (the "Existing Agreements"); and

**WHEREAS**, the Existing Agreements presently expire December 31, 2001 with an option of the Club to extend for a further one (1) year period expiring December 31, 2002; and

**WHEREAS**, the Club desires to license the Grant Field Facilities for the purpose of conduct of its major league exhibition games during the Spring Training Season and Florida State League Games and to maintain thereon permanent office and clubhouse facilities on a year-round basis with exclusive rent-free use of certain of the facilities at the Grant Field Facilities pursuant to Section 3 of this License Agreement; and the Club wishes to share with the Dunedin Community the Vanech Complex Facilities for the purpose of training of its Major League and Minor League players during the Spring Training Season, Winter Instructional Season and Instructional Games; the use of the Vanech Complex Facilities to be scheduled and shared with other public user groups pursuant to the provisions of this Agreement; and

**WHEREAS**, the City agrees to license the Grant Field Facilities to the Club in consideration of certain payments called for to be paid hereunder from the Club to the City and wishes to license the use of the Vanech Complex Facilities in consideration of the revenues to be paid to the City as is set forth in this Agreement and the parties have determined to combine the license of these two separate and distinct facilities into one agreement for convenience and efficiency purposes and said distinct license agreements are merged into this Agreement for such reasons; and

**WHEREAS**, the license payments called for to be made hereunder for the Grant Field Facilities and the Vanech Complex Facilities are intended to reflect the proportion of use and control that the Club exercises over such Facilities; and

**WHEREAS**, the parties desire to enter into this Agreement to replace all Agreements now existing between them effective as of the period commencing with the start of the Term as defined herein, and to provide for the reconstruction and expansion of the Grant Field Facilities and the reconfiguration and construction of the Vanech Complex Facilities substantially in accordance with the City of Dunedin Grant Field and Vanech

Complex Term Sheet executed between the parties, as amended, dated September 9, 2000;

NOW, THEREFORE, in consideration of the mutual promises and covenants herein contained and in consideration of the payments to be made hereunder and the obligations of the parties to be performed, the City and the Club hereby mutually covenant and agree as follows:

### SECTION 1 - DEFINITIONS

In this Agreement, unless there is something in the subject matter or context inconsistent therewith:

- (a) "Capital Replacement" means in accordance with the practice observed by prudent owners of facilities similar to the Dunedin Facilities, as and when required, the replacement of elements of the Facilities, including but not limited to the following: structural portions of the facilities; roof; load bearing walls; seating, if an entire section of seats needs replacement; parking areas; fencing; scoreboard; and HVAC systems. This definition includes replacement, to the extent necessary, of the following: lighting, but not individual fixtures or bulbs; electrical systems, but not individual lines or fixtures; and plumbing, but not individual pipes or fixtures. Not included in this definition is any damage required to be repaired by the City pursuant to Section 15 or damage caused by an act or the negligence of the Club, its employees, agents, invitees, subtenants, licensees, assignees, or contractors. This definition shall not include periodic maintenance, painting, improvements or repairs in or upon the Facilities which are not in accordance with generally accepted accounting practices of a capital nature.



- (b) **"Concession Facilities"** means the area(s) designated and used for concession operations in accordance with the design to be agreed upon between the parties for the reconstruction of and additions to the Grant Field Facilities and the construction of certain Vanech Complex Facilities in accordance with the Project elements referred to in Exhibit "A", as they may hereafter be constructed;
- (c) **"Dunedin Facilities"** means the Vanech Complex Facilities and the Grant Field Facilities;
- (d) **"Florida State League Season"** means the period of approximately April 1 to September 15 of each year, inclusive, and **"Florida State League games"** means all of the Minor League Team's home games at the Dunedin Facilities during the Florida State League Season;
- (e) **"Grant Field Facilities"** means the Grant Field Facilities in the City of Dunedin, Florida as described in Exhibit "B";
- (f) **"Maintenance"** means all day-to-day cleaning and general maintenance, including repairs and painting;
- (g) **"MLB Authorities"** means, as applicable pursuant to the MLB Documents, the Office of the Commissioner of Baseball, the Commissioner of Baseball, the Ownership Committee of Baseball, the Major League Clubs, the American and National Leagues of Professional Baseball Clubs, and such other persons or entities as appointed by any of the foregoing.
- (h) **"MLB Documents"** shall have the meaning specified in Section 33.
- (i) **"Net Ticket Revenues"** means gross receipts for admission to all Spring Training games after deduction of all applicable taxes;

- (j) **"Project"** means the renovation, construction and relocation of the Grant Field Facilities and relocation of the minor league facilities and renovation of the Vanech Complex Facilities, renovation of the clubhouse presently at Englebert Complex, and associated relocation and construction of other recreation facilities as is generally described in Sections 26 and 27 and on Exhibit "A";
- (k) **"Repairs"** means all major repairs, including without limitation, roof repairs and repairs to electrical, plumbing, heating and air conditioning equipment and all other repairs not constituting Capital Replacement;
- (l) **"Spring Training Season"** means the period of approximately February 15 to April 7 of each year, inclusive, and **"Spring Training games"** refers to all of the Major League Team's officially scheduled preseason home games and makeup games to be played at the Dunedin Facilities during the Spring Training Season, and **"Minor League Spring Training games"** refers to all of the Club's games involving minor league players to be played at the Dunedin Facilities during Spring Training Season;
- (m) **"Term"** means the Initial Term and any option renewal thereof pursuant to Sections 2 and 4;
- (n) **"Vanech Complex Facilities"** means the Vanech Complex in the City of Dunedin, Florida as described in Exhibit "C";
- (o) **"Winter Instructional Season"** means the period of approximately September 1 to November 30 of each year, inclusive, and **"Winter Instructional Games"** means all of the Club's major league and minor league players' games and practices to be played at the Dunedin Facilities during the Winter Instructional Season.

## SECTION 2 - TERM

The Initial Term of this Agreement shall be fifteen (15) years commencing on the later of January 1, 2002 or completion of the Project contemplated by Section 26 and 27 hereof and expiring on the later of fifteen (15) years following commencement and the end of such additional year or years as may be required in order to have played 195 Spring Training games, as set forth hereunder. In addition to the Initial Term, the Club shall have the option to extend this Agreement for two (2) additional five (5) year option periods under the terms hereof applicable as of the end of the Initial Term, pursuant to Section 4 of this Agreement.

- (a) Major League Team. The Club shall engage in Spring Training of the Major League Team at the Dunedin Facilities, for each Spring Training Season during the Initial Term. The Club agrees to play no less than ninety (90%) percent of home Spring Training games at the Dunedin Facilities during the Initial Term and will make all reasonable efforts to play at least ten (10) Spring Training games with other Major League clubs at the Dunedin Facilities for each Spring Training Season. The commitment to play one hundred and ninety-five (195) games during the Initial Term is subject to and conditioned upon Spring Training scheduling changes by the MLB Authorities generally applicable to all Major League Clubs in a manner that reduces the number of games that can be played at the Dunedin Facilities during Spring Training in accordance with the MLB Documents. In the event that the MLB Authorities reduce the number of games to be played at the Dunedin Facilities, the parties will consult with each other on this situation and will negotiate in good faith to reach a resolution that will return to each party the benefits contemplated and agreed to in this Agreement as nearly

as possible without otherwise adversely affecting the rights and obligations of the parties hereunder. Games that are rained out will be counted as games played relative to the 195-game commitment above, if the teams are ready to play and the appropriate officials have formally cancelled the games because of rain out.

The Club shall be entitled to schedule Spring Training games in excess of ten (10) per Spring Training Season at the Dunedin Facilities. Home Spring Training Games to be played hereunder will be played at the Grant Field Facilities.

Notwithstanding any contrary provision of this Agreement, during the Term the Major League Club shall be allowed to play Spring Training games in which it is designated as the "home" team at sites other than the Dunedin Facilities as requested by the MLB Authorities.

(b) Minor League Team. The Club shall engage in Florida State League games of the Minor League Team at the Grant Field Facilities during such seasons as the Club engages in Spring Training of its Major League Team at the Dunedin Facilities. The Dunedin Facilities will be available for use by the Minor League Team during the Florida State League Season.

### **SECTION 3 - AREAS OF YEAR-ROUND USE**

The Club shall have the exclusive rent-free use of the home clubhouse and offices, and the batting tunnels (including maintenance areas) located on the Dunedin Facilities as is otherwise identified by the parties by separate document agreed upon between them and initialed by them during the approval of the design for the renovation of Grant Field and the reconstruction of Vanech Complex. The City shall not use or permit use of such areas without the prior written consent of the Club. The City may request use of such

areas or parts thereof for official public functions provided consent of the Club is first obtained, which consent will not be unreasonably withheld.

During the Initial Term of this Agreement and any renewal hereof, except as provided above for the Club's exclusive use, the parties shall have shared control and use of the Dunedin Facilities, subject to and in accordance with the remaining terms of this Agreement. The scheduling of the use of the Dunedin Facilities will be determined mutually by the Club and the City, but shall not conflict with the Club's scheduled use of the Grant Field Facilities for baseball games for both the Major League Team and the Minor League Team. Notwithstanding any contrary provision of this Agreement, the Club shall have ultimate scheduling priority at the Dunedin Facilities with respect to all Spring Training games to be played by the Major League Club.

The parties will use reasonable efforts to agree on the shared control and use of the Dunedin Facilities for the entire Term of this Agreement in a manner that will result in the lowest ad valorem tax impact that can be achieved (should such tax be levied against all or part of the Dunedin Facilities), and except as is specifically otherwise provided herein, the Club shall not have exclusive use of any of the Dunedin Facilities and they shall be allocated between a public and a private use in a manner that assures that the taxability of the Dunedin Facilities for ad valorem tax purposes and other applicable taxes, if any, will be at the lowest possible level that, in any case, does not exceed \$50,000 in property taxes of any kind arising from the use of said Dunedin Facilities by the Club.

#### **SECTION 4 - OPTION TO RENEW**

In addition to the Initial Term, the Club will have the option to extend this Agreement for two (2) additional five (5) year option periods under the terms hereof applicable as of the end of the Initial Term, save for the fixed payment of \$125,000 per year. The Club will give written notice to the City not later than May 1 in the last year of

the Initial Term if it desires to exercise it's first five year option. The Club will give written notice to the City not later than May 1 in the last year of the first five year option period if it desires to exercise its second five year option. Such notices shall be sent to the City Manager by certified mail, return receipt requested, or by facsimile transmission or personal delivery.

#### **SECTION 5 - OPERATIONAL PERSONNEL**

The Club will provide all personnel for the conduct of its operations at the Dunedin Facilities for all Spring Training Games, Minor League Games, and, save for City use, all other use and operation of the said Facilities for its use and occupancy of the Facilities, including Winter Instructional Games, practices and Florida State League games and practices and for the use of third parties as is set forth in this Agreement. Except when being used by the City, the City will provide no operational or security personnel at the Dunedin Facilities, except that it will provide law enforcement personnel for traffic control purposes at all times as it deems appropriate for public safety.

The Club will be responsible to provide personnel for all repair, maintenance, staffing, cleaning, ticket sales, internal security, umpires, grounds keeping, and all other operational personnel for the Dunedin Facilities. As an exception to the above, the City will provide limited plumbing and electrical services within its staff competency to a total of not more than ten (10) man hours per month at no cost to the Club, upon specific request by the Club for such services and the Club will pay for materials required arising from such services. The City will not otherwise provide any services whatsoever to the Dunedin Facilities, except as is specifically provided herein, and shall not be obligated to expend any funds for repair or maintenance of the Dunedin Facilities during the Term, save as included in Sections 15 and 24.

The City shall have the right, from time to time and at such times as it deems necessary, to inspect the Facilities for the purpose of insuring compliance with building codes, laws and ordinances of the City of Dunedin, the State of Florida, Pinellas County and other governmental agencies.

#### SECTION 6 - MAINTENANCE

(a) General. Save for repairs to be undertaken by the City pursuant to Sections 15 and 24 hereof, the Club shall be responsible for all Maintenance and Repairs of the Dunedin Facilities, including, but not limited to, clubhouses, playing field surfaces, batting tunnels, batting eye, offices, public washrooms, parking lots, grandstand, fencing, seating at Vanech Complex and Grant Field Facilities, ornamental landscaping around all parking lots, painting, irrigation system, parking lot resurfacing and striping, roof repair, repair from windstorm or rain damage, drainage and utility lines, repair and maintenance of all light standards and lighting facilities and any and all repairs and maintenance. Upon the end to the Term and returning to exclusive possession of the City, the Dunedin Facilities shall be returned to the City in the same condition as they were at the commencement of the Initial Term, reasonable wear and tear and City required repairs excepted.

(b) Playing Fields Maintenance. All playing fields at the Dunedin Facilities shall be maintained by the Club to a standard similar to Major League playing facilities and such maintenance shall include field preparation for use by other organizations.

The maintenance of the fields to the standard specified in this Agreement shall be deemed to be a material part of the consideration to the City under the terms of this Agreement and any breach of that obligation and responsibility shall be deemed to be a material breach of this Agreement.

(c) Standard of Maintenance. The maintenance of the Dunedin Facilities, pursuant to this Agreement, shall be to a standard that they are in good operating

condition and shall be cared for in a manner best calculated to preserve and extend their useful life.

(d) Maintenance Personnel. The Club shall employ an appropriate number of full and part-time employees for the purpose of the Maintenance responsibilities set forth herein. Such persons shall be the employees of the Club and shall not be deemed to be the agents or employees of the City in any manner whatsoever. The Club shall be solely responsible for the hiring and supervision of such employees in sufficient numbers and qualifications to meet it's obligations hereunder.

(e) Use of Dunedin Facilities by Other Organizations. The use of the Dunedin Facilities by other organizations (excepting the City) for baseball purposes and purposes related thereto and such other purposes as may be approved by the City shall be scheduled and administered by the Club. The Dunedin Facilities will be made reasonably available for the use by other organizations for baseball purposes and will be made reasonably available to the City for the use for any City purpose, specifically including multi-day events such as Oktoberfest and similar recreational and public events. The use of the Dunedin Facilities by organizations other than the City shall be under the administrative control of the Club and the Club may require such payments, indemnifications, contracts and other reasonable guarantees, insurances, protections and written commitments as it shall deem to be appropriate under the circumstances. The Club may charge for its reasonable cost of maintenance and overhead to such third party organizations as it deems appropriate.

#### ✓ SECTION 7 - TICKET REVENUE

The Net Ticket Revenue will be collected by the Club and will be distributed, as follows:



- (a) Net Ticket Revenue in respect of the first 3,800 tickets either sold or distributed free of charge for each Spring Training game shall be distributed 95% to the Club and 5% to the City; and
- (b) Net Ticket Revenue in respect of tickets either sold or distributed free of charge for each Spring Training game in excess of the first 3,800 shall be distributed 85% to the Club and 15% to the City;
- (c) The Net Ticket Revenue to the City will be distributed to the City no later than May 1 of each year. Net Ticket Revenue distributed to the City after May 1 of each year shall bear interest at 12% per annum simple interest.
- (d) The Club shall be entitled to collect and retain all gross receipts for admission to all Winter Instructional Games and practices and all games played by the Minor League team at the Dunedin Facilities.

In addition to the Net Ticket Revenue distributed as set forth above, the Club will pay to the City for the first year of the Term the sum of \$1.00 for each ticket sold for each Spring Training game. Payment will be net of taxes. This payment will be referred to as the "Ticket Surcharge". In the second year of the Term and in all subsequent years of the Term, the Ticket Surcharge will be recalculated with reference to the Consumer Price Index, as hereinafter set forth and shall be rounded up to the nearest \$.05. Such Consumer Price Index shall be redetermined on each September and thereafter for each succeeding calendar year of the Term as follows:

Such Surcharge shall be determined by dividing the then existing Surcharge as of September in the current year by the index number for the month of September of the preceding year as it appears in the column "ALL ITEMS" in the Consumer Price Index, as is published by the Bureau of Labor Statistics, United States Department of Labor, Consumer Price Index for all Urban Consumers (CPI-U) South urban and then multiplying that

amount by the amount of the then existing surcharge. The resulting surcharge will then be rounded up to the nearest \$.05 and shall apply for the next Spring Training season. In the event that the Consumer Price Index ceases to be published by the U.S. Department of Labor, the closest comparable index will be used for the above purpose.

#### **SECTION 8 - CONCESSION SHARING**

The City will receive a share of Concession Revenues for home Spring Training games as is provided herein.

The City will receive no Concession Sharing for games with fewer than 3,800 attendees, the calculation of which will include tickets sold and tickets distributed free of charge.

For Spring Training games, the City will receive in the first year of the Term, the amount of \$.50 per attendee in excess of 3,800 per home Spring Training game. This amount will be subject to the CPI adjustment for the second year and consecutive years of the Term, in accordance with the Consumer Price Index adjustment rounded up to the nearest \$.05 using the same adjustment formula as is set forth in Section 7.

One half of the amount received by the City for Concession Revenue will be paid into the Capital Replacement Fund as is set forth in Section 24 of this Agreement until such Fund is fully funded and thereafter will be retained by the City until the Fund requires replenishment.

All payments for Concession Sharing will be made to the City no later than May 1 of each year. Any payments received after that date will be paid with interest at 12% per annum simple interest.

## **SECTION 9 - PARKING**

The Club will be entitled to all revenue from parking for baseball purposes and related purposes at the Dunedin Facilities save for City events. The Club will not be entitled to any revenue from parking at offsite locations.

## **SECTION 10 - MEDIA ADVERTISING AND OTHER REVENUE**

The Club shall have all radio, television and other broadcast rights and all advertising rights and shall be entitled to all revenue generated from its activities at the Facilities which are not specifically reserved to the City hereunder, including all radio, internet, and television revenue, novelty and seat cushion sale or rental and all advertising revenue (including, without limitation, revenue from fence signs, scoreboards, signboards, billboards, pamphlets, cards and programs). Save for City events, the Club shall be entitled to all other revenue arising from or incidental to the operation of all baseball games and purposes related thereto or other events previously approved by the City at the Dunedin Facilities and not otherwise expressly dealt with under the terms of this Agreement.

## **SECTION 11 - PROGRAMS**

The Club shall have the right to sell and distribute programs at all Spring Training games and at other such times as the Club deems appropriate and shall be entitled to all revenues derived therefrom. The Club will provide to the City one page of complementary space in each program for "welcome letters" from the City and the Chamber of Commerce.

## **SECTION 12 - SCOREBOARD AND SIGNBOARD**

(a) The Club shall be entitled to operate and to control the operation of the scoreboard and sign on the Grant Field Facilities, and the City will not permit the operation or other use of the scoreboard or sign by a third party without the prior written consent of the Club. The City will indemnify the Club for any loss, damage or liability incurred by the

Club as a result of the use of the scoreboard or sign by the City or third parties with or without the consent of the Club.

(b) It is acknowledged that the exterior sign at the Grant Field Facilities is the property of the Club, and upon any termination of this Agreement, the Club shall be entitled to remove its sign from the Grant Field Facilities provided such sign is replaced by the sign that was situated on the Grant Field Facilities prior to installation of the present sign by the Club.

### **SECTION 13 - NAMING RIGHTS**

The parties will cooperate with each other to sell naming rights to the Grant Field Facilities. The Club will be responsible for the marketing of this right and shall proceed with diligence to make reasonable efforts to market the naming of the Grant Field Facilities. The selection of a name will require the mutual consent of both parties and shall be made in accordance with the MLB Documents and the City is granted substantial discretion in this decision for the reason that the Grant Field Facilities are public facilities and the selection of the name will reflect on the Dunedin community. Any revenue from the sale of the naming rights will be shared as follows: 1/3 of the said net revenues shall be paid to the Club; 1/3 of the said net revenues shall be paid to the City; and 1/3 of the said net revenues shall be paid into the Capital Replacement Fund, as is hereinafter set forth in Section 24. If the Capital Replacement Fund is fully funded, while so fully funded fifty (50%) percent of the net revenues thereafter shall be paid to each of the Club and the City. Said net revenues shall be net only of the Club's out-of-pocket naming rights marketing costs (as mutually agreed upon by the City and the Club) and any applicable taxes or other payments to governmental agencies. No commission or other payment shall be made to the Club or any other third party for the sale of the naming rights. Payment

for the naming rights from the entity purchasing the same shall be made directly to the City, which shall distribute said revenues in accordance with the above formula.

#### **SECTION 14 - CONCESSIONS, SALES AND EQUIPMENT**

The Club shall be entitled to exclusively operate the Concession Facilities during Spring Training games and Florida State League games. The Concession equipment presently in the Grant Field Facilities is the property of the City. The Club may use such equipment while it is operating the Concession Facilities and shall be responsible for the reasonable maintenance and repair of said equipment and to deliver the equipment to the City in reasonable condition at the end of this Agreement. Save for Capital Replacements, the Club will be responsible for replacing any concession equipment when it no longer may be reasonably repaired.

The Club shall not make any material alterations or improvements to the Concession Facilities or to any of the Grant Field Facilities or Vanech Complex Facilities without obtaining the prior written consent of the City Manager, which consent will not be unreasonably withheld. Requests to make any alterations or improvements shall be in writing.

The right of the Club to use and operate the Concession Facilities is an exclusive right save during City events. The Concession Facilities may be used by the City and by other organizations so authorized by the City at times when use is not required by the Club or for the Club events under the terms of this Agreement. The Club shall not exclude other organizations from use and operation of the Concession Facilities when use is not required by the Club or for the Club's events hereunder; provided that when another organization is permitted use and operate of the Concession Facilities by the City, the City will be responsible for cleaning the concession equipment and the Concession Facilities, and the City will indemnify the Club for any damages to or additional maintenance of the

Club's concession equipment (if the Club purchases and owns concession equipment) or any other loss, cost or liability incurred by the Club as a result of such use. Any use of the Club's concession equipment by such other organizations shall require the consent of the Club.

During the Term of this Agreement, the City will cooperate with the Club to obtain such consents, permissions or licenses as may be required to allow the Club, exclusively, to sell or authorize the sale of alcoholic beverages during Spring Training games and Florida State League games. The Club or its concessionaire shall be entitled to obtain a liquor license from the appropriate authorities for the operation of the Concession Facilities, either directly or through its concessionaire during the Term of this Agreement. In the event that the City sells alcoholic beverages from the Concession Facilities during City events, the City will be responsible for obtaining the necessary license for the same.

#### **SECTION 15 - DAMAGES TO DUNEDIN FACILITIES**

In the event that there is a partial or complete destruction of or damage to the Dunedin Facilities, or any material part of them, rendering the Dunedin Facilities or such material part of them unusable and the cost of repair exceeds City provided insurance proceeds by \$500,000, then the City shall not be under any obligation to repair or to do any other act to restore the Dunedin Facilities so that they may be used by the Club as contemplated by this Agreement. If the cost of repair or restoration does not exceed City provided insurance proceeds by \$500,000, the City shall be obliged to repair and restore the Dunedin Facilities. If the cost of repair or restoration exceeds City provided insurance proceeds by \$500,000, the City may, in its full discretion, restore or repair such destruction or damages or not, as it deems best, provided that the City shall notify the Club in writing within thirty (30) days of such destruction or damage, in accordance with the foregoing requirement, of its decision either to restore or repair or not restore or repair

such destruction or damage. If the City so notifies the Club that it has decided to restore or repair such destruction or damage, the City shall promptly complete such repair or restoration to the standards of the existing facilities prior to such destruction, but in no event later than seven (7) months from the date of such notice. If the City does not so notify the Club that it has decided to restore or repair such destruction, or if the City so notifies the Club that it will restore or repair the destruction or damage but does not complete such restoration or repair within seven (7) months of the date of the notice, the Club shall be entitled to immediately terminate this Agreement on written notice thereof to the City and shall be obligated to pay only pro-rated amounts due to the City hereunder based on its use during the then current year, and shall have no further obligations to the City. Where the destruction or damage was beyond the control of the City, and the City is not obliged to repair or restore under this Section 15, the City will incur no liability to the Club arising from the City's decision not to repair the Dunedin Facilities for the Club's use under the terms of this Agreement other than as provided in Section 16 below.

#### **SECTION 16 - PERSONAL PROPERTY**

All areas of the buildings on the Dunedin Facilities designed to contain equipment or personal property, including without limitation the Concession Facilities, shall be designed in a manner to be secured for the protection of such equipment or other items of personal property. Any equipment or personal property brought into buildings on the Dunedin Facilities by the Club or any other user organization shall remain the property of the Club or user organization and shall be used only with the permission of the Club or user organization. In the event that any such use is allowed with the City's permission, the user of the equipment or personal property and the City will be responsible for any damage to the equipment or personal property so used. The City shall not otherwise be responsible

for the loss of or damage to any equipment or personal property on the Dunedin Facilities caused by vandalism, hazard, or other matter outside the control of the City.

#### **SECTION 17 - UTILITY COSTS**

The Club shall be responsible for all utility costs to the Dunedin Facilities, save for utilities to be paid for by the City in respect of its use. The City will provide the necessary reclaimed water to the Dunedin Facilities at no cost to the Club for the reclaimed water used. Utility costs attributable to the use of the Dunedin Facilities by the City will be paid by the City. Utility costs attributable to the use of the Dunedin Facilities by other user organizations may be charged to those user organizations by the Club.

#### **SECTION 18 - CLUB ANNUAL CONTRIBUTION**

(a) Annual Contribution for Grant Field Facilities. The Club will contribute to the City to assist the City in the financing costs for the renovation and expansion of the Grant Field Facilities the sum of \$100,000.00 a year for fifteen (15) years (the "Grant Field Annual Payment") during the Initial Term (but not during any renewal term) of this Agreement. Such payment shall be made on or before July 1 of each year commencing on the first July 1 following commencement of the Initial Term and ending on July 1 of the last year of the Initial Term. The Grant Field Annual Payment is based, in part, on the exclusive use of portions of the Grant Field Facility by the Club. In the event the Grant Field Annual Payment is not received by the City on July 1 of each year, said Grant Field Annual Payment shall bear interest at the rate of twelve (12%) percent simple interest until paid. All other revenue received by the City pursuant to Section 7 (Ticket Revenue), Section 8 (Concession Sharing), and Section 13 (Naming Rights) are understood by the parties to be a revenue sharing arrangement as opposed to a license payment consideration for the Club's use of the Grant Field Facilities, and are additionally for consideration of the City's efforts on behalf of the Club to market the Club's Spring



Training Games which the City agrees is in the public interest and is beneficial to the health, safety and welfare of the Dunedin Community and serves a public purpose. The City's assistance in marketing the Club's programs is as otherwise set forth in Section 25 of this Agreement.

The Grant Field Annual Payments may be paid in advance by the Club at any time during the first year of the Initial Term by making a one time payment to the City in the amount of \$1,360,000, less any Grant Field Annual Payment otherwise made during the initial Term, such payment of \$1,360,000 hereinafter referred to as the Grant Field Advance Payment. In the event that such Grant Field Advance Payment is made to the City, no further Grant Field Annual Payments shall be made during the Term of this Agreement and the City shall no longer be entitled to any revenues under Section 7, subparagraph (b) (Ticket Revenue in respect of tickets sold or distributed in excess of the first 3,800 tickets sold or distributed) and the Ticket Surcharge set forth in Section 7.

(b). Annual Contribution for Vanech Complex Facilities. The Club will contribute to the City to assist the City in financing costs for the renovation and expansion of the Vanech Complex Facilities the sum of \$25,000 a year for fifteen (15) years (the "Vanech Complex Annual Payment") during the Initial Term (but not during any renewal term) of this Agreement. The Vanech Complex Annual Payment is based, in part, on the shared use of the Vanech Complex Facility by the Club and other users. Such payment shall be made on or before July 1 of each year commencing on the first July 1 following commencement of the Initial Term and ending on July 1 of the last year of the Initial Term. In the event the Vanech Complex Annual Payment is not received by the City on July 1 of each year, said Vanech Complex Annual Payment shall bear interest at the rate of twelve percent (12%) simple interest until paid.

The Vanech Complex Annual Payment may be paid in advance by the Club at any time during the first year of the Initial Term by making a one time payment to the City in the amount of \$340,000, less any Vanech Complex Annual Payment otherwise made during the Initial Term, such payment of \$340,000 hereinafter referred to as the Vanech Complex Annual Payment. In the event such Vanech Complex Advance Payment is made to the City, no further Vanech Complex Annual Payments shall be made during the Term of this Agreement.

#### **SECTION 19 - PRELIMINARY DRAWINGS PAYMENT**

The Club will advance to the City the sum of \$25,000 to be used for the payment of initial design documents for the renovations and improvements of the Dunedin Facilities as is contemplated by this Agreement. The request for such advance will be made by the City at a reasonable time prior to the time when a payment is due to the design professional employed by the City for such purpose. The Club will make such payment within thirty (30) days from receipt of a written request for the same, including an invoice due and payable to such professional. Such payment will be reimbursed to the Club from the proceeds of the first draw of the bond issue(s) that is used for the financing of the Project improvements to the Dunedin Facilities as aforesaid.

#### **SECTION 20 - TAX LIABILITY**

The Club shall be responsible for all sales taxes, intangible taxes, license taxes, and all other taxes or fees directly arising from or attributable to the Club's use of the Dunedin Facilities, whether payable to the City or to other governmental agencies. The parties will each be responsible for payment of one-half (1/2) of the ad valorem taxes on the Dunedin Facilities (net of City taxes) as is otherwise set forth in Section 3 of this Agreement to a maximum of \$25,000 per year per party. In the event that the annual ad valorem taxes payable on the Dunedin Facilities are in excess of \$50,000 despite the best efforts of the

parties to reduce them to that amount, the parties will meet together in good faith to reasonably resolve operational matters to attempt to reduce the payment of the additional ad valorem taxes.

#### SECTION 21 - INDEMNITIES

(a) Club Indemnity. The Club will from time to time and at all times hereafter save, defend and keep harmless and fully indemnify the City and its respective officers, employees and agents, of, from and against all damages, losses, costs, charges, liabilities, obligations and expenses, including without limitation reasonable legal fees and disbursements, (collectively, the "Costs") which may be sustained, incurred or paid by any of them by reason or on account or arising out of any act or omission by the Club or its respective officers, employees, agents or those from whom the Club is in law responsible in connection with the use by the Club of the Dunedin Facilities; provided that such indemnity shall be limited by the extent to which such Costs are caused or contributed to by the City or its respective officers, employees, agents or those for whom the City is at law responsible (whether by reason of contributory negligence or otherwise).

(b) City Indemnity. Subject as provided by law, (including Florida case law, statutes and the Florida constitution, to the extent they are applicable and specifically 768.28 F.S.) the City will from time to time and at all times hereafter save, defend and keep harmless and fully indemnify the Club and its partners and each of their directors, officers, employees and agents of, from and against all damages, losses, costs, charges, liabilities, obligations and expenses including without limitation reasonable legal fees and disbursements (collectively, the "Costs") which may be sustained, incurred or paid by any of them by reason or on account or arising out of any act or omission by the City or its respective officers, employees, agents or those for whom the City is at law responsible in connection with the design or construction of the Dunedin Facilities, or use of the Dunedin

Facilities by the City; provided that such indemnity shall be limited by the extent to which such Costs are caused or contributed to by the Club or its respective directors, officers, employees, agents or those for whom the Club is at law responsible (whether by reason of contributory negligence or otherwise) or by other third parties.

#### **SECTION 22 - INSURANCE**

The Club shall, at its expense, keep in force during the entire term of this Agreement, general liability and broad form comprehensive general liability insurance issued by a responsible insurance company and in form acceptable to the City, acting reasonably, for the protection of the City (except to the extent of the City's negligence) against all liability, judgments, costs, damages and expenses which may accrue against, be charged to, or recovered from the City by reason of damage to the property of the City or injury to or death of any person or persons arising out of use of the Dunedin Facilities by the Club, in a policy or policies in a minimum amount of a combined single limit of one million dollars (\$1,000,000.00). This liability coverage shall also contain applicable coverages for premises operations, contractual insurance, personal injury, liquor liability and broad form property damage. The Club shall also carry its own workers compensation insurance. Insurance required by the terms of this Agreement shall be evidenced to the City in the form of a Certificate of Insurance which provides that the City shall be notified at least thirty (30) days in advance of cancellation, non-renewal or diminishing coverages. The Club shall furnish to the City a new Certificate of Insurance at least fifteen (15) days prior to the renewal date of coverages. A Certificate of Insurance evidencing the insurance coverage specified herein shall be furnished to the City prior to the facilities being utilized by the Club. Notwithstanding anything contained herein, no sovereign immunity or limited sovereign immunity that may be imposed by law with respect to the City's liability hereunder shall serve to, or be deemed to serve to, increase, expand or add to any liability

or responsibility of the Club to third parties and the Club shall not and shall not be deemed to assume or be responsible for any liability or responsibility or excess liability or responsibility for which the City would otherwise be responsible (whether hereunder or otherwise) but for any sovereign immunity or limited sovereign immunity imposed by law.

The City shall self-insure for its liability under this Agreement and shall maintain such property insurance for loss by hazard as to the insurable value of such Facilities as it maintains for other City property for its full replacement cost. The Club will provide for insurance for its property kept at the Dunedin Facilities. The Club will not be responsible for any loss or damage to properties insured against by the City, except for intentional acts or negligence of the Club up to the amount of the City deductible under its insurance policies.

#### **SECTION 23 - SUSPENSION OF AGREEMENT**

(a) General. In the event that the Club is prevented from using the Dunedin Facilities or any material part thereof at any time during the term of this Agreement because of a national emergency, the United States being in a state of war, a labor dispute, the rules and regulations of MLB Authorities, the National Association of Professional Baseball Leagues Inc., the Florida State League of Professional Baseball Clubs Inc., the need or undertaking of Capital Replacements precluding use of the Dunedin Facilities or any other event beyond the reasonable control of the Club, this Agreement shall be regarded as suspended, except for the Annual Payment, for that period without liability for damages of either party to the other. The annual payment shall be suspended if related to state of war within the United States or a non-baseball labor dispute. The provisions of this Agreement which are not directly affected by the Club being unable to use the Dunedin Facilities or such material part thereof shall remain in full force and effect.

(b) Extension of Agreement. In the event that such suspension takes place, the term of this Agreement shall be extended for a period equaling the length of the suspension and complying with the terms of Section 2(a). Such period of suspension shall be deemed to be a part of the Initial Term. If the period of the suspension extends beyond eight (8) months and such arises by reason of a state of war within the United States or a non-baseball labor dispute, the Club shall be entitled to terminate this Agreement without liability to the City therefor.

During the period of such suspension, the Club shall be entitled to conduct its games and practices hereunder at alternate facilities of its choice.

#### **SECTION 24 - CAPITAL REPLACEMENT FUND**

During the Term of this Agreement, the City shall maintain a fund for the purpose of Capital Replacement expenditures which shall be known as the Capital Replacement Fund (the "Fund"). This Fund shall be used solely for Capital Replacement expenditures and shall be initially funded to an amount of \$250,000 or such greater amount as agreed upon between the parties (if excess funds are available from the bond issue for such purpose) from proceeds from the bond issue used to fund the Project expenditures.

Capital Replacements shall be undertaken by the City as and when required, without cost or expense to the Club as to the funding for such Capital Replacements.

The Fund shall be funded from the following sources:

- (a) One-third (1/3) of the naming rights as set forth in Section 13 until fully funded.
- (b) One-half (1/2) of the Concession Sharing amount paid to the City set forth in Section 8 until fully funded and thereafter such Concession Sharing amount will be paid to the City.

- (c) All interest accrued by such Funds, which interest will stay in the Fund even though the Fund exceeds its maximum amount.

The City shall maintain the Fund and shall separately account for it. The Fund shall be in the nature of a trust fund and the Club will, at any time, be entitled to all records regarding the status of such Fund and the information about amounts accrued therein. Expenditures of such funds shall be limited to Capital Replacement at the Dunedin Facilities and shall require the joint approval of the City and the Club, not to be unreasonably withheld or delayed. At the end of the term of this Agreement, all funds remaining in the Fund will be the property of the City and may be used for any purposes as deemed appropriate by the City, free of trust.

The City shall administer the expenditures of such Funds and shall undertake and complete any Capital Replacement projects that the parties have mutually agreed upon and shall follow all normal purchasing, bidding and construction practices as in its normal course of business, unless the parties shall mutually agree to delegate some or all of a Capital Replacement Project to the Club.

#### **SECTION 25 - BOOSTER AND MARKETING PROGRAMS**

The City and the Club will organize and coordinate a permanent baseball support group comprised of civic, business tourism and governmental representatives whose primary duty will be to encourage and coordinate a continuous, mutual community-team effort to market tickets (season and individual games) and sponsorships. The group will also monitor and review Club games and activities to strengthen a marketing success for the Club and the community. The group will be no smaller in size than fifty (50) members and may be organized and administered similarly to the Royal Lancers Program used by the Kansas City Royals Baseball Club. The group will supplement community-based efforts initiated by the Chamber of Commerce and other community-based groups.

For each dollar of funding provided by Pinellas County for debt service payments used for the capital funding of the Project, the Club will provide equivalent dollar value in the form of marketing trade out opportunities. These marketing trade out programs may include, but are not limited to destination advertising (both traditional and internet), tourism public relations campaigns, tourism direct sales activities and/or other programs mutually agreed upon between the Pinellas County Convention and Visitors Bureau and the Club. Representatives of the Club and the Convention and Visitor's Bureau shall meet as often as needed (but at least annually) to agree to the specifics of the trade out program for the upcoming calendar year. This marketing program is a condition precedent to funding from Pinellas County for the Project and shall be the sole responsibility of the Club.

#### **SECTION 26 - EXPANSION AND RENOVATION OF DUNEDIN FACILITIES**

(a) Following the securing of funding commitments from Pinellas County and the State of Florida, the City will undertake a major renovation and expansion of the Grant Field and Vanech Complex properties incorporating certain basic features and general concepts as reflected on Exhibit "A" (the "Project"). The Project will be a comprehensive one, including the relocation and reconstruction of existing American Little League baseball fields and associated facilities, relocation and construction of certain softball fields presently on the Vanech Complex, relocation and construction of a playground, a racquetball court complex and an inline skating facilities presently on the Vanech Complex. The Project will be in an amount not to exceed \$12 million and will include any necessary financing costs, design fees, the funding of the Capital Replacement Fund and other matters referred to in this Agreement.

The cost of the Project will be financed by a bond issue to be issued by the City of Dunedin in an amount not to exceed \$12 million. Funds from the State of Florida authorized by the recently enacted Spring Training Facilities legislation (Chapter 212.20



F.S. and Chapter 288.1162 F.S.) will be applied for in an amount necessary and appropriate to fund net \$6 million of the Project costs. A legally enforceable commitment from Pinellas County will be sought to provide the necessary funds to fund net \$3 million of the Project cost from tourist development funds as approved by the Board of Commissioners of Pinellas County. The City will fund not to exceed \$3 million of the Project cost from the net funds provided to it under the terms of this Agreement and from other revenue sources identified by it.

This Agreement is contingent upon the City having received the necessary funding sources as above set forth from the State of Florida and Pinellas County in legally enforceable form, which may be lawfully pledged in a revenue bond issue and having legislatively determined to go forward with the Project in the financing market as it exists as of the date that all funding sources are confirmed and available and the revenue bonds are offered for sale. The City shall be under no obligation to go forward with the Project if it determines that it is not in the public interest to do so given the state of the financing markets and the availability of funds and the interest rate thereon. This decision is in the sole and absolute discretion of the City and should it determine not to proceed to fund the Project because of economic considerations relative to the financial markets and the cost of capital funds or because of the demands of any other funding agency (State or County) which it may determine to be unreasonable or unnecessarily costly, the City may, in its sole and absolute discretion, advise the Club of the same and the parties will discuss alternative arrangements and if such alternative arrangements cannot be identified that are satisfactory to both parties, either party may terminate this Agreement without cost, damages, or responsibilities to the other. If the Project is not substantially commenced by July 31, 2001, the Club may terminate this Agreement. The term "substantially

commenced" shall mean that the contractor has actually commenced work on some substantive portion of the Project and is actively pursuing the construction contract.

(b) The parties will cooperate so that the Project shall be commenced as soon as possible in the year 2001, after all revenue sources have been obtained, the public bidding process for selection of design professionals has occurred, the resulting design has been approved by both the City and the Club, a public bidding process has been completed in accordance with law, the costs of the Project have been determined to be reasonable and acceptable to the City and to the Club and a contractor has been selected. The Project shall thereafter proceed forthwith to completion. The contract with the contractor will provide that any construction to occur at the Grant Field Facilities will not interfere with the ability of the Club to hold Spring Training games at the Grant Field Facilities during the time of the Spring Training Season. Construction contracts entered into by the City shall provide that the Project will be substantially completed no later than January 31, 2002, as to the improvements required on the Vanech Complex and will be substantially completed no later than February 28, 2002 for the improvements at the Grant Field Facilities. The portions of the Project relating to the removal and relocation of City recreational facilities and other matters not directly related to the successful operation of the Club's programs on the Dunedin Facilities will not be subject to the Project completion dates above. Construction contracts entered into by the City will provide that no construction work will occur at the Grant Field Facilities during the last two weeks in February and the month of March that will interfere with scheduled activities at Grant Field. For this purpose, the term "substantially completed" shall mean that the particular facility will be reasonably available for use for the purpose intended, even though additional work may be required to fully complete the Project. If any delay of such completion date is not caused by action of either of the parties and is occasioned by construction delays beyond the control of either

party or for any other reason outside the control of the City, the said construction delay will not constitute a cause for termination of this Agreement and will not constitute a basis for claim for damages by either party against the other. Notwithstanding any contrary provision of this Agreement, in the event the Club reasonably determines that the Dunedin Facilities are unfit for the playing of Major League Baseball Spring Training games, the Club may reschedule any Spring Training games to be played hereunder at an alternate site and such games shall count toward the game commitment set forth in Section 2 above.

#### **SECTION 27 - NATURE OF PROJECT**

The Project will consist of the basic renovations, construction, improvements, relocations and changes as generally described in Exhibit "A" attached hereto and incorporated herein by reference. The purpose of the construction of the Project is to provide an improved stadium facility at Grant Field of no less than 5,500 seats, new and improved clubhouse and office facilities, a reconfiguration of fields and associated facilities at the present Englebert Complex to the Vanech Complex, with the addition of a fifth practice field, and the other Project elements as are otherwise set forth on said Exhibit "A". As of the signing of this Agreement, the plans are conceptual in nature and final design and specification of the Project facilities have yet to be determined. The Club shall be given a reasonable opportunity to read and approve or disapprove (acting reasonably) the final plans and specifications for the Project when such plans have been prepared and, if acting reasonably, the Club disapproves, the final plans and specifications will be amended accordingly. The final cost of the entire Project, once bids are received and approved by the City, shall not exceed the sum of \$12 million, including all costs thereof which shall include, but not be limited to, the cost of financing the funding of the Capital Replacement Fund and all other matters expressly set forth in this Agreement. The plans shall be

modified by the parties, as necessary, to come within this budget amount. The Club shall be given an opportunity to review and approve or disapprove (acting reasonably) the revision of any such plans to come within the Project budget amount. Under no circumstances shall the City be required to exceed the maximum Project budget amount. The final plans, once approved, shall not be varied from without the consent of the Club, not to be withheld unreasonably, and to be notified promptly.

#### **SECTION 28 - NATURE OF AGREEMENT/MISCELLANEOUS**

(a) License. This Agreement shall be deemed to be a use agreement in the nature of a license and shall not be deemed to be a lease or conveyance of any real property rights nor shall this Agreement constitute an agreement for the use of real property that would subject the parties to the provisions of any statute regarding landlord and tenant rights. This Agreement shall not establish a landlord-tenant relationship between the parties. This Agreement shall not constitute a partnership, joint venture or create an agency relationship between the parties.

(b) Applicable Law. This Agreement shall be interpreted in accordance with the laws of the State of Florida, and venue for any judicial actions regarding the Agreement shall be exclusively in Pinellas County, Florida.

(c) Entire Agreement. This Agreement and the Exhibits attached hereto constitute the entire agreement between the parties and replace and supersede all prior agreements and representations. No alteration, amendment or modification to this Agreement shall be valid unless executed in writing by the parties, and no subsequent oral agreement shall have any validity or in any way affect the terms of this Agreement; provided, however, that any amendments or modifications to this Agreement shall be subject to the prior written approval of the MLB Authorities.

(d) Assignment. The Club may assign this Agreement or any of its rights or obligations hereunder to any entity affiliated with the Club or to the successor of the Club. Subject to the foregoing and except as otherwise expressly provided herein or consented to by the City, the Club shall have no right to assign or transfer any rights, privileges or obligations granted by the terms of this Agreement to any third party. In the event of such assignment, the Club shall continue to be primarily responsible to the City for the performance of the Club's obligations under the terms of this Agreement.

(e) Inurement. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns. Nothing in this Agreement shall be interpreted to be for the benefit of a third party.

(f) Currency. All dollar amounts hereunder are expressed in U.S. currency.

(g) Counterparts. This Agreement may be executed in counterparts, each of which when taken together shall constitute but one and the same instrument.

(h) Invalidity. In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

(i) Delegation. No provision of this Agreement shall be construed to have made, permit or require the delegation by the City to the Club or any other party of any governmental function of the City.

(j) Radon. As required by law, the City hereby makes the following disclosure:

Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your County Public Health Unit. This acknowledgment is given pursuant to Florida Statutes 404.056(8) and is required by law to be given at or before the time a contract for the use of real estate is signed.

(k) Right of First Refusal. In the event that the City shall obtain title to the property immediately east of the Grant Field Facilities, presently belonging to the Pinellas County School Board, presently occupied by Dunedin Elementary School, then and in that event the City does hereby grant a right of first refusal to lease the same property to the Club in the event that the City shall offer such property for lease or sale to a third party. In the event that the City offers such property for lease or sale and receives an offer of lease or purchase on said property, the City shall give the Club thirty (30) days written notice of such contract and the Club shall have the right for thirty (30) calendar days from the date of receipt of such notice to advise the City in writing that it wishes, at the Club's option, to lease or purchase said property on the same economic terms and conditions set forth in the offering contract. In the event that the Club chooses to exercise such right of first refusal, it shall present a contract reflecting the same terms and conditions as the offering contract within the aforesaid thirty (30) day period. This right of first refusal shall be coterminous with the Term of this Agreement.

#### **SECTION 29 - DEFAULT**

The occurrence of one or more of the following is an event of default:

- (a) The Club fails to pay or cause to be paid, in full and when due, the Annual Payment called for herein and the Club does not cure such failure within thirty (30) days of receipt of notice of such default from the City. In the event of a default arising from the failure to make the Annual Payment, the City may declare the Club in default therefore, and upon such declaration, may declare that all Annual Payments shall accelerate to maturity and all such Annual Payments shall become immediately due and payable.

The failure by either party to perform, observe or comply with timely, at any time during the Term, any term; representation, condition, obligation,

covenant, or other provision requiring performance of that party under this Agreement (except the payment of the Annual Payment) and such failure is not cured within sixty (60) days after written notice, specifying the nature of such failure and requesting that it be remedied, given by the non-defaulting party to the defaulting party, unless the non-defaulting party shall agree in writing to an extension of such time prior to expiration; provided, however, if the failure stated in the notice cannot reasonably be corrected within the applicable period, no event of default shall be deemed to exist hereunder if corrective action is instituted by the defaulting party promptly upon receipt of the written notice and is diligently pursued until corrected.

- (b) The dissolution or liquidation of the Club, or the filing of a voluntary or involuntary petition applicable to the Club in any proceeding for the Club's reorganization or liquidation under the provisions of the Federal Bankruptcy Code, or adjudication of the Club as bankrupt, or the appointment of a receiver of any of the Club's property, or the assignment of any of the Club's property for the benefit of its creditors, if the Club fails to lift, stay or dismiss promptly any such proceedings or any execution, garnishment or attachment that will materially and adversely impair the Club's operation.
- (c) The Club abandons the Dunedin Facilities.
- (d) The Club disposes of all or substantially all of its assets, other than to a permitted assignee.
- (e) The filing of a voluntary or involuntary petition applicable to the Club in any proceeding for the Club's reorganization or liquidation under the provisions of the Federal Bankruptcy Code, if the Club fails to lift, stay or dismiss promptly such proceeding or similar proceedings under Canadian law.

Whenever any event of default by the Club shall have occurred and be continuing, the City may take any of the following remedial steps:

- (a) In the event of a monetary default, abandonment of the Dunedin Facilities by the Club or a wrongful termination of this Agreement by the Club, the City may reenter and take possession of the Dunedin Facilities without terminating this Agreement, exclude the Club from possession thereof and lease or otherwise use the Dunedin Facilities for the account of the City and may require the acceleration of the annual payments as above set forth without setoff or other defense of the Club arising from the City's reentry and use of the Dunedin Facilities and such setoff or defenses of the Club are specifically waived.
- (b) Take any act at law or in equity as it may appear necessary or desirable to collect any amount to be paid by the Club hereunder when due, or to enforce any obligation or covenant or agreement of the Club under this Agreement; provided, however, no such enforcement shall include a requirement of the Club to play home Spring Training games at the Dunedin Facilities during the Term, the City's remedies in respect of any default in so playing being limited to monetary damages.

In the event that an event of default by the City shall have occurred and be continuing, the Club may institute such action against the City as the Club may deem necessary to compel performance or may perform the City's obligations hereunder and deduct the cost of so doing from payments required to be made hereunder to the City; provided, however, that no such action shall seek to impose, or impose, any pecuniary liability upon the City, or any personal or pecuniary liability upon any member of the City



Commission, employee, attorney or contractual representative of the City and any such claim, legal right or cause of action is specifically waived and foregone hereby.

No delay or omission to exercise any right or power accruing upon any event of default shall impair any right or power or shall be construed to be a waiver thereof but any such right or power may be exercised from time to time and as often as may be deemed expedient.

In the event either party shall default under any of the provisions of this Agreement and the other party should employ attorneys or incur other expenses for the collection of any amount due hereunder or the enforcement of performance or observance of any obligation or agreement herein contained, the non-breaching party, if successful in such proceedings, shall be entitled to recover from the breaching party the reasonable fees of such attorneys and such other expenses so incurred.

In the event any agreement contained in this Agreement should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

Except as limited by applicable law or this paragraph, no remedy conferred upon or reserved to the parties is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and in addition to any other remedy given under this Agreement or now or hereafter existing at law or in equity or by statute.

#### **SECTION 30 - NOTICES**

All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when delivered by courier service or mailed by registered or certified U.S. mail, return receipt requested, postage prepaid and addressed as follows

or to such other address or number and to the attention of such person as either party may designate at any time in writing in conformity with these notice provisions:

If to the City:

The City of Dunedin  
Attn: City Manager  
542 Main Street  
Dunedin, Florida 34698

With copy to:

John G. Hubbard, Esq.  
Frazer, Hubbard, Brandt & Trask, L.L.P.  
595 Main Street  
Dunedin, Florida 34698

If to the Club:

Toronto Blue Jays  
Attn: Manager, Dunedin Operations  
P.O. Box 957  
Dunedin, Florida 34697

With copy to:

Toronto Blue Jays  
Attn: President  
Blue Jays Way, Suite 3200  
Toronto, Ontario  
Canada M5V 1J1

#### **SECTION 31 - FORCE MAJEURE**

Neither party shall be liable for any loss or damage sustained by the other party, nor shall either party be considered in default for any event occurring or failing to occur or any state of facts existing as a result of any delay in performance or noncompliance of any provision of this Agreement that results from an action, event, omission or cause beyond its reasonable control and without its fault or negligence, including but not limited to civil commotion, riots, wars, fires, explosions, floods, earthquakes, wind or hurricane damage, embargos, or actions of civil or military authority.

### SECTION 32 - CONDITIONS PRECEDENT

As a condition of its performance under this Agreement by the City, the following events must have occurred or conditions come into existence, to-wit:

- (a) Funding from the State of Florida pursuant to Chapter 212.20 F.S. and Chapter 288.1162 F.S. must be received in a legally enforceable form in an amount sufficient to fund net \$6 million of the Project Cost.
- (b) Funding from Pinellas County Tourist Development Tax Funds in a legally enforceable form in an amount sufficient to fund net \$3 million of the Project Cost.
- (c) The City Commission, in its sole and absolute legislative discretion, determines at a public meeting to go forward with a capital funding for the Project in the form of a revenue bond issue for the financing of the Project and has determined in its sole discretion that the existing market for the sale of bonds is financially advantageous and desirable for the citizens of Dunedin to proceed with the funding of the Project in a financially feasible and affordable manner for the community and shall have passed the necessary resolutions and executed the necessary legal documents to proceed with such funding and such funding shall have been successfully and legally completed to make the capital funds available for the financing of the Project in a timely manner.
- (d) That the City and the Club shall have agreed on the design of the Project and that the bids received for the construction of the Project shall be within the capital funding limitations and funds are available from the bond issue for the payment of the actual construction costs, costs of financing, funding of

the Capital Replacement fund and all other matters necessary to be funded hereunder.

- (e) That in the event that the best bid for the construction of the Project does not allow the Project to be built within the funds available for such purpose, that the parties shall have used reasonable efforts to agree and have not reached agreement upon a redesign or reconfiguration of the Project so that funds are available for the completion of the entire Project as aforesaid. If no agreement can be reached, this Agreement shall terminate.

### **SECTION 33 - MLB SUBSERVIENCE**

This Agreement and the rights, exclusivities and protections granted by the Club to the City hereunder shall be subject to the prior written approval of the Office of the Commissioner of Baseball and shall in all respects be subordinate to, and shall not prevent the issuance, entering into, or amendment of, any of the following, each as may be issued, entering into or amended from time to time (collectively, the "MLB Documents"): (i) any present or future agreements or arrangements regarding the telecast, broadcast, recording (audio or visual) or other transmission or retransmission (including, but not limited to, transmission via the Internet or any other medium of interactive communication, now known or hereafter developed) of Major League Baseball games, and/or the accounts and descriptions thereof, entered into with third parties by the Officer of the Commissioner of Baseball, the American and National Leagues of Professional Baseball Clubs, Major League Baseball Enterprises, Inc., Major League Baseball Properties, Inc., Major League Baseball Properties Canada, Inc., Baseball Television, Inc. and/or any of their respective present or future affiliates, assigns or successors (collectively, the "MLB Entities"), either on its own behalf or on behalf of the Major League Baseball Clubs and/or other MLB Entities; (ii) any other present or future agreements or arrangements entered into with third parties by, or

on behalf of, any of the MLB Entities, including, without limitation, those relating to ticketing, e-commerce, and/or the exploitation of intellectual property rights in any medium, including the Internet or any other medium of interactive communication; (iii) any present or future agreements or arrangements entered into by the Club with other Major League Baseball Clubs and/or one or more of the MLB Entities (including, without limitation, the Major League Constitution and each agency agreement and operating guidelines among the Major League Baseball Clubs and an MLB Entity); and (iv) the applicable rules, regulations, policies, bulletins and directives issued or adopted either by the Commissioner of Baseball or otherwise pursuant to the Major League Constitution or any such agency agreement. The Club shall comply with the applicable terms, conditions and requirements contained in the MLB Documents with respect to the subject matter of this Agreement and such compliance shall not be considered a default under this Agreement. In the event that any substantive part of this Agreement is modified or affected by MLB action or the interests of the City are adversely affected by such MLB action, then and in that event the parties will meet together and negotiate in good faith to make such equitable adjustments as are necessary to return the parties as nearly as is possible to the benefits and obligations they enjoyed under this Agreement prior to such changes mandated by MLB. The ultimate result of those negotiations and any adjustments in this Agreement, will be subject to MLB approval of such new arrangements. The Club will apply for and obtain the prior written approval of this Agreement from MLB within fifteen (15) business days from the execution of this Agreement or this Agreement will be void.

**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement to be executed by the appropriate officials and the necessary seal affixed thereto the day and year first above written

ATTEST:

Sandra L. Woodall  
SANDRA WOODALL, CITY CLERK

(Seal)

APPROVED AS TO FORM:

John Hubbard  
JOHN HUBBARD, City Attorney

WITNESSES:

Flora ...

\_\_\_\_\_

CITY OF DUNEDIN, FLORIDA,  
a Municipal Corporation of Florida

By: Tom Anderson  
TOM ANDERSON, Mayor

By: John Lawrence  
JOHN LAWRENCE, City Manager

TORONTO BLUE JAYS BASEBALL  
CLUB, a limited partnership by its  
general partner; TORONTO BLUE  
JAYS BASEBALL LIMITED

By: [Signature]  
By: \_\_\_\_\_



## EXHIBIT "A"

### PROJECT ELEMENT DESCRIPTION

#### Grant Field Facilities

1. Demolition of the first base bleachers and replacement with covered seats consistent with the existing first base installation. Seating capacity will be approximately 5,500, with possible expanded seating upon mutual agreement.
2. Demolition of existing visitor's clubhouse.
3. Construction of a new two (2) story clubhouse/office building under the first base grandstand with a "footprint" of 8,000 to 10,000 square feet. The first floor would house the major league clubhouse, including the following elements:
  - (a) Lockers and associated facilities for up to 75 players
  - (b) Weight room (no less than 3,000 square feet)
  - (c) Dining facilities/classroom (approx. 2,000 square feet)
  - (d) Players' lounge
  - (e) Laundry facilities
  - (f) Trainers and Doctors' facilities (4 trainers)
  - (g) Manager's office and coaches locker room (room for 16 coaches)
  - (h) Video room
  - (i) Grounds crew and maintenance facilities with shower and washroom
  - (j) Indoor batting tunnels (lit), including mounds
  - (k) Umpire facilities
  - (l) Equipment room and storage areas with separate delivery entrance
  - (m) Reception area
4. The second floor of the new clubhouse would provide office space for Spring Training staff, including:
  - (a) Eight (8) private offices
  - (b) Two (2) assistance work stations and associated support
  - (c) Reception area
  - (d) Small conference room
  - (e) Board room for up to 25 people
  - (f) Storage, washroom, etc.
5. Both floors to be air conditioned.
6. The current clubhouse would be used by the visiting team. Existing office space would be used by the Dunedin Blue Jays.
7. The following additional upgrades are required at Grant Field:
  - (a) One (1) one-half field equipped with turf similar to SkyDome located on the existing Dunedin American Little League site.



- (b) Right and left field fences pushed back 10 to 15 feet
- (c) Secured parking with 100 spaces
- (d) Site security fencing, plus netting
- (e) General refurbishing:
  - (i) Dugouts
  - (ii) Lighting
  - (iii) Scoreboard (Syracuse style)
  - (iv) Press box elevator
  - (v) Press box level window replacement and face lift
  - (vi) Bullpens
  - (vii) Home plate entrance and ticket booths

### **Vanech (Minor League) Facilities**

1. New facility to be constructed on the current Vanech Complex site:
  - (a) Four (4) fields in a "clover leaf" formation and a fifth field located in close proximity, built to a quality specification similar to other minor league professional fields, complete with "batter's eye" and lighting on one field.
  - (b) One (1) "half diamond" with turf similar to SkyDome.
  - (c) Full minor league clubhouse for up to 200 players complete with lockers. Portion of clubhouse space divisible into smaller units.
  - (d) Weight room (no less than 2,800 square feet)
  - (e) Dining facilities/classroom (approx. 2,000 square feet)
  - (f) Players' lounge
  - (g) Laundry facilities
  - (h) Trainers' facilities and doctor's office
  - (i) Manager's office and coaches locker room for up to 30 coaches
  - (j) Video room
  - (k) Four (4) indoor batting tunnels (lit) including mounds (Boston style)
  - (l) Site security fencing, plus netting
  - (m) Covered dugouts on each field serviced by water and electricity
  - (n) Umpire facilities
  - (o) Grounds crew and maintenance facilities with shower and washroom
  - (p) Covered observation tower
  - (q) Approx. 5,000 square feet of general office space
  - (r) Secure parking for coaches, players and staff (est. 100 spaces)
  - (s) Fan and press parking
  - (t) Storage and equipment facilities with separate delivery entrance
  - (u) Clubhouse to be air conditioned
  - (v) One major league practice field

### **Little League and Vanech Recreation Facilities**

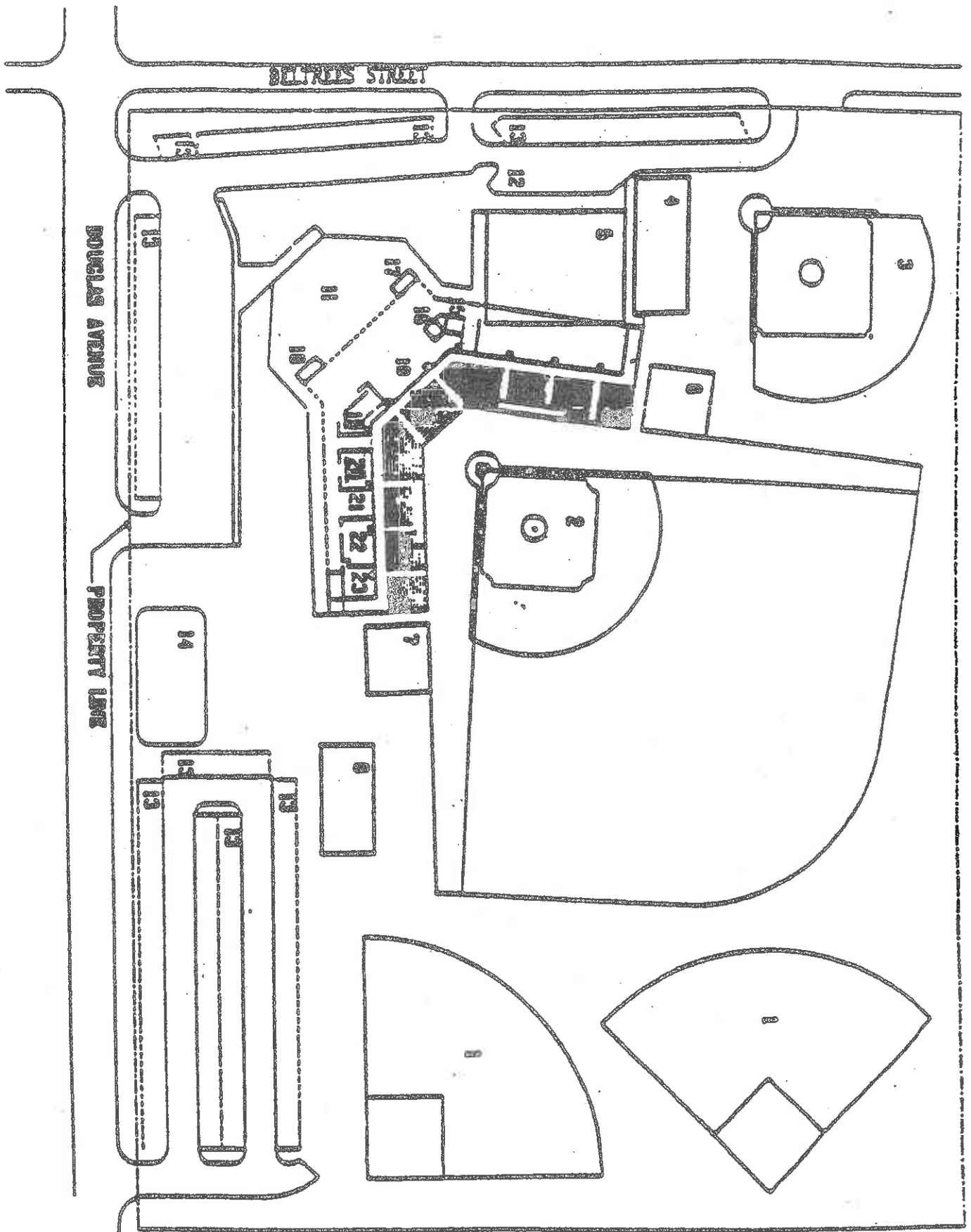
1. Two (2) American Little League fields and 20 x 20 Concession Stand with appropriate concession equipment and amenities to Fisher Field.
2. Relocation and construction of Vanech Inline Skating facility, approximately 80 x 50 with fencing and lighting to Englebert Complex lands.
3. Relocation and construction of Vanech Racquetball facility with fencing and lighting to Englebert Complex lands.
4. Relocation and construction of Four (4) full sized softball fields with irrigation, lighting and fencing and 30 x 30 concession building with equipment and umpire dressing room area to Englebert Complex lands.
5. Relocation of playground presently a Vanech Complex to Englebert Complex lands. Playground will include a new poured-in place surface.
6. Fencing of existing retention area.
7. Construction of parking area on Englebert Complex to service the relocated facilities not less in size than the parking facilities presently available at Vanech Complex.
8. Renovation of existing clubhouse facility at Englebert Complex for office space and maintenance area.
9. Necessary landscaping and drainage to meet Code requirements.

EXHIBIT B

Grant Field Facilities

All Grant Field stadium facilities and improvements, including the parking area, now existing and as improved in the future, on the following parcel of land:

The Northwest 1/4 of Southeast 1/4 of Section 34, Township 28 South, Range 15 East, less the West 345 feet and less the South 492.50 feet. Less and except all easements and rights-of-way.



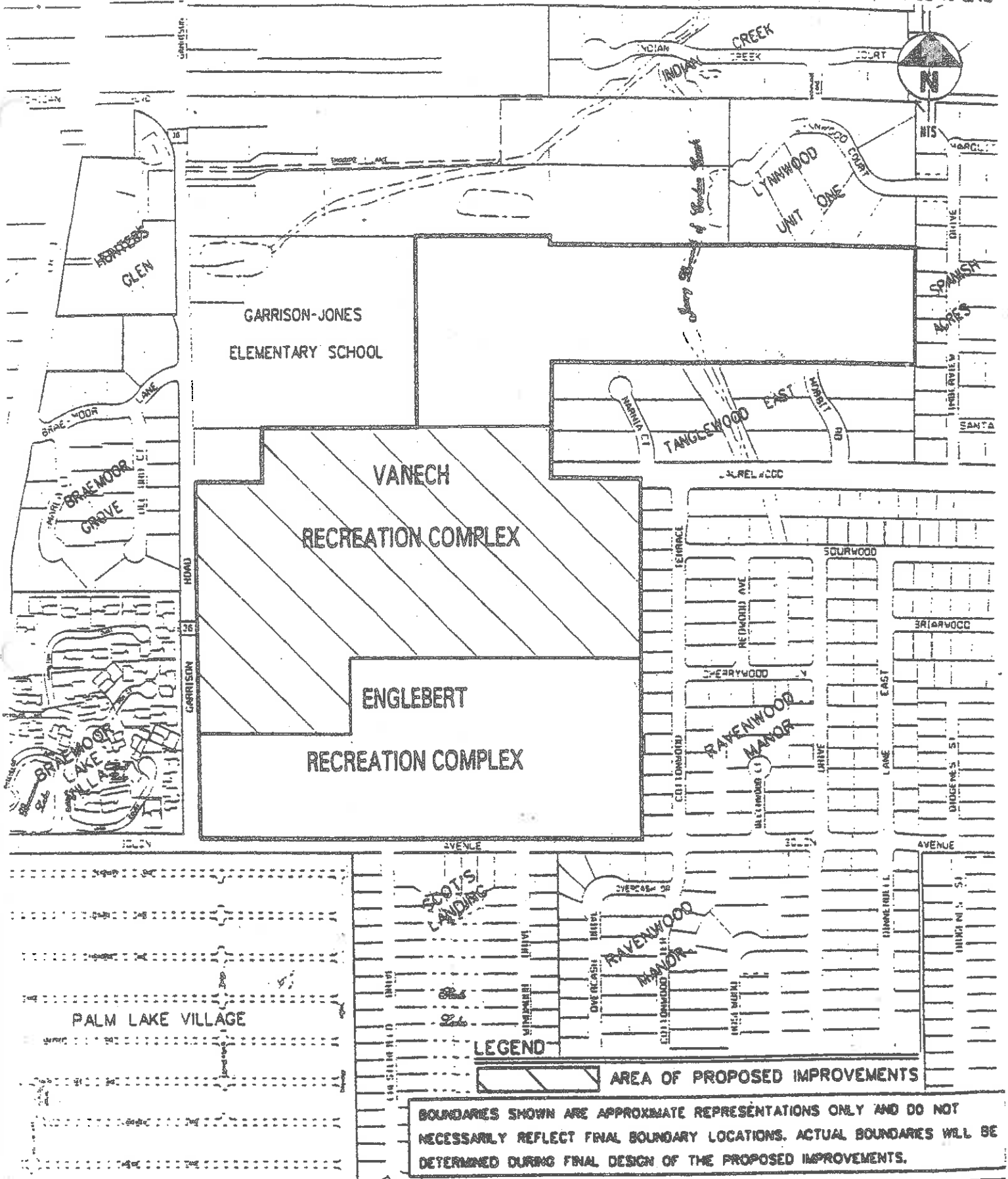
## EXHIBIT C

### Englebert Field & Van Ech Recreation

A parcel of land lying in the South  $\frac{1}{2}$  of Section 24, Township 28 South, Range 15 East.

Commencing at the center of Section 24 go north 400.06 feet, east 1335.34 feet, north 417.35 feet along the eastern boundary of the Spanish Acres Subdivision. Thence west 1335.55 feet, north 26.02 feet, west 520.34 feet, south 683.61 feet, west 802.43, south 192.60 feet, west 242.01 feet, northwesterly 19.07 feet, south 1276.48 along the eastern right of way of Garrison Road, thence east 1642.96 feet, north 1244.15 feet and west 318.74 to the P.O.B. (O.R. 4505, Page 797 & O.R. 6671, Page 1319).

Contains 83.57 acres more or less.



**CITY OF DUNEDIN**  
 DEPARTMENT OF  
 PUBLIC WORKS

(727) 733-4151  
 P.O. BOX 1348  
 DUNEDIN, FL  
 34607-1348

**VANECH & ENGLEBERT  
 RECREATION COMPLEX  
 EXHIBIT C**

APPROVED BY	REVISED	DRAWING No.
DATE		1
		SHEET 1 OF



**MEMORANDUM OF AGREEMENT BETWEEN  
TORONTO BLUE JAYS AND CITY OF DUNEDIN**

**THIS MEMORANDUM OF AGREEMENT**, made and entered into as of this 13th day of November, 2001 by and between the **CITY OF DUNEDIN, FLORIDA**, a municipal corporation of the State of Florida (hereinafter referred to as the "City") and **ROGERS BLUE JAYS BASEBALL PARTNERSHIP**, the owner of the Toronto Blue Jays baseball franchise and assignee of all rights and obligations of the Toronto Blue Jays Baseball Club (hereinafter referred to as the "Club").

**WHEREAS**, the parties have agreed to certain changes in the License Agreement dated December 15, 2000 and they wish this Memorandum of Agreement to reflect in conceptual terms the matters upon which they have agreed which will ultimately be incorporated into a First Amendment to License Agreement.

**NOW, THEREFORE**, in consideration of the mutual promises and covenants herein contained.

**Section 1.** That the parties intend to modify the License Agreement heretofore entered into to incorporate the concepts and changes reflected in Exhibit A (Project Resolution Terms) attached hereto and incorporated herein by reference with certain other changes as may be agreed upon by the parties, the said License Agreement to be otherwise unchanged.

**Section 2.** The City will proceed diligently to make the additional funding request as contemplated in Exhibit A to the State of Florida following the execution of this Memorandum.

**Section 3.** The parties will consult with the Contractor to assure that the Contractor is in agreement with and will execute appropriate documents reflecting the modifications as set forth in Exhibit A applicable to it.



**Section 4.** The parties will execute an agreed upon First Amendment, as approved by their respective attorneys, and principals, within ten (10) days of the date the State of Florida approves the additional \$1 million State funding and once the matters referred to in paragraph 7 of the attached Exhibit A are completed, and after City Commission and Major League Baseball approvals (if required) of the arrangements set forth in Exhibit A are received.

**IN WITNESS WHEREOF,** the parties hereto have caused this Agreement to be executed by the appropriate officials and the necessary seal affixed thereto the day and year first above written.

ATTEST:

  
\_\_\_\_\_  
SANDRA WOODALL, CITY CLERK

(Seal)

APPROVED AS TO FORM:

  
\_\_\_\_\_  
JOHN HUBBARD, City Attorney

WITNESSES:


\_\_\_\_\_

**CITY OF DUNEDIN, FLORIDA,**  
a Municipal Corporation of Florida

By:   
\_\_\_\_\_  
TOM ANDERSON, Mayor

By:   
\_\_\_\_\_  
JOHN LAWRENCE, City Manager

**ROGERS BLUE JAYS BASEBALL  
PARTNERSHIP**

By:   
\_\_\_\_\_  
PAUL GEOFFREY  
PRES

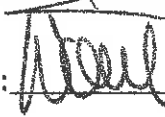
By:   
\_\_\_\_\_  
RICHARD KING  
JUNIOR VP

EXHIBIT "A"

1. Reference in Section 2 of the License Agreement to January 1, 2002 will be changed to January 1, 2003. All other language, except as to number of games played, will remain the same. The Club will continue to use the Dunedin Facilities until commencement of the new License Agreement in accordance with the existing Agreement of August 10, 1989.
2. The Blue Jays will relocate the minor league and extended spring operations during the period of February 1 through July 1, 2002 to allow work to proceed at Vanech/Englebert. Costs of such relocation incurred by the Club will be at the Club's expense.
3. The City will work cooperatively with the Blue Jays to mitigate this impact as much as possible by working with the Contractor to have certain fields at Vanech/Englebert under construction while other fields continue to be available. Not less than one Vanech/Englebert field will be available during the construction.
4. The Grant Field portion of the Project will be completed by February 28, 2002, save and except for items agreed to in writing by the Club to be completed later. The clubhouses at Grant Field will continue to be available for major league purposes. Players may be shuttled to available fields at Vanech/Englebert during the February 1, 2002 through July 1, 2002 period referenced in paragraph 2.
5. All agreements herein are conditional upon the City applying for State matching funding in an amount of \$1 million and the successful acquisition of such funds and Contractor agreement to the items applicable to it.
6. The City agrees to contribute an additional \$500,000 towards the Project as set forth in the Final GMP referenced in paragraph 7 below.
7. The budget and scope of the Project will be funded for capital construction in the amount of \$13,506,379.00 as set forth in that certain document dated November 14, 2001 from J.A. Jones Construction and titled "Final GMP". The portion of the contract allowing J.A. Jones to adjust scope of the work shall be deleted by the Contractor. Such modification to the contract with J.A. Jones will be done by a change order to delete the language in paragraph 2 of the Agreement (and other similar language in the Contract) for Design/Build Services between Metric Constructors and the City of Dunedin dated February 15, 2001 as to the wording "including consideration of design modifications and alternative materials or equipment that will permit the Work to be completed within the Guaranteed Maximum Price (GMP) and by the date of Substantial Completion." The City, Club and Contractor will sign off and approve the plans, specifications, scope of work and construction schedule applicable to the Final GMP referenced in this paragraph.
8. The City will pay from Project financing funds the sum of \$250,000 to the Capital Replacement Fund.
9. Both parties reserve all legal rights if for any reason State funding is not available or has not been confirmed to be available by the State or if contractor agreement

cannot be achieved to modifications of the contract made necessary because of the Project Resolution Terms, or if the Project is not completed as contemplated by and in accordance with this Agreement and the documents and further agreements referenced herein. In the event that either party breaches their obligations pursuant to the terms of this Agreement, all parties reserve all legal rights that they have as of the date of this Agreement.

10. The number of Spring Training games to be played at the Dunedin Facilities will be 15 games per year for a total of 225 games during the Initial Term of the License Agreement, which requirement will not apply to the renewal terms. The License Agreement will be amended to reflect the total of 225 games, and the foregoing provisions.
11. All agreements contained herein, as appropriate, will be subject to Major League Baseball approval. Except as to the total number of games played, no other portion of Section 2(a) will be amended.
12. Section 13 of the License Agreement will be amended to provide that 100% of the naming rights will accrue to the City. The City will continue to be responsible for all capital replacement costs in respect of Englebert, Vanech and Grant Facilities, notwithstanding any funding or changes in funding to the Capital Replacement Fund.
13. The Club will prepay the \$125,000 fixed payment for the use of the Dunedin Facilities for the first and fifth years of the Initial Term of the License Agreement. Such prepaid sums shall be paid by the Club to the City as follows:
  - (a) \$125,000 fixed payment will be paid by the Club to the City within thirty (30) days following the execution of the First Amendment to License Agreement and following execution of appropriate contract modifications between the City and the Contractor which are necessary because of this Agreement;
  - (b) The second \$125,000 fixed payment will be paid by the Club to the City within ten (10) days from the date that the City accepts the Contractor's certification to the City that the Grant Field Facilities are 90% complete.
14. The Club will loan the City the sum of \$250,000 at 5% simple annual interest for a term of 15 years to be paid back in equal annual installments on July 1 of each year commencing July 1, 2002 as a credit against money due from the Club to the City, in whole or in part. If sufficient funds do not exist to repay this debt from the funds due the City, said additional payment will be made directly by the City.
15. The City, to the extent allowed by law, and without cost to the Club, shall use its best efforts to make available the use of persons required to do community service or inmate labor under the Club's supervision to clean and/or maintain the Dunedin Facilities during Spring Training. In the event that the Club is not allowed to provide supervision of such personnel, the City will provide such supervision, without cost to the Club.
16. Three (3) Reception desks, new lockers at Englebert and wood in lieu of laminated lockers at Grant Field will be deleted from the scope of work in exchange for equipment (of equal cost to the Final GMP allocations for the aforementioned items)

within the Club's furniture, fixtures and equipment budget, to be purchased by the City from the construction budget. These equipment items will be the property of the City and will be maintained by the Club during the term of the License Agreement. The Club will pay for its own reception desks deleted from the Project scope.

17. The City, without cost to the Club, will continue its practice of the annual painting of railings, building exteriors and batting tunnels for the duration of the License Agreement in accordance with its practices existing prior to the execution of the License Agreement.





**FIRST AMENDMENT TO  
CITY OF DUNEDIN AND TORONTO BLUE JAYS  
LICENSE AGREEMENT**

**THIS FIRST AMENDMENT TO LICENSE AGREEMENT**, made and entered into this 10<sup>th</sup> day of January, 2002 by and between the **CITY OF DUNEDIN, FLORIDA**, a municipal corporation of the State of Florida (hereinafter referred to as the "City") and **ROGERS BLUE JAYS BASEBALL PARTNERSHIP**, the owner of the Toronto Blue Jays baseball franchise and assignee of all rights and obligations of the Toronto Blue Jays Baseball Club (hereinafter referred to as the "Club").

**WHEREAS**, the City and the Club entered into the City of Dunedin and Toronto Blue Jays License Agreement (hereinafter referred to as the "License Agreement") on December 15, 2000; and

**WHEREAS**, the parties desire to modify certain terms of the License Agreement pursuant to a Memorandum of Agreement Between Toronto Blue Jays and City of Dunedin dated as of the 13th day of November, 2001 (the "Memorandum of Agreement"); and

**WHEREAS**, due to unanticipated changes in the design of the new Dunedin Facilities, this amendment is necessary to establish mutual agreement of the parties to certain resulting changes to the License Agreement; and

**WHEREAS**, the parties intend that the License Agreement continue in the manner expressed in this Amendment;

**NOW, THEREFORE**, in consideration of the mutual promises and covenants herein contained and in consideration of the payments to be made under the License Agreement as modified by this Agreement and the obligations of the parties to be performed, the City and the Club hereby mutually covenant and agree to amend the License Agreement as follows:

**Section 1.** That Section 1(c) of the License Agreement is amended to read as follows:

(c) "Dunedin Facilities" means the Englebert Complex Facilities and the Grant Field Facilities;

**Section 2.** That Section 1(n) of the License Agreement is amended to read as follows:

(p) "Englebert Complex" means the Englebert Complex in the City of Dunedin, Florida, as described in Exhibit "C".

**Section 3.** That Section 1 of the License Agreement is amended to add the following provision:

All references in the Agreement to Vanech or the Vanech Complex and/or Facilities are hereby replaced with "Englebert" or "Englebert Complex", as the case may be, it being acknowledged that the facilities to be used by the Club originally contemplated to be obstructed on the Vanech site are instead to be constructed on the Englebert site.

**Section 4.** That Section 2 of the License Agreement is amended in its entirety to read as follows:

**SECTION 2 - TERM**

The Initial Term of this Agreement shall be fifteen (15) years commencing on the later of January 1, 2003 or completion of the Project contemplated by Sections 26 and 27 hereof and expiring on the later of fifteen (15) years following commencement or the end of such additional year or years as may be required in order to have played 225 Spring Training games, as set forth hereunder. In addition to the Initial Term, the Club shall have the option to extend this Agreement for two (2) additional five (5) year option periods under the terms hereof applicable as of the end of the Initial Term, pursuant to Section 4 of this Agreement.

(a) Major League Team. The Club shall engage in Spring Training of the Major League Team at the Dunedin Facilities, for each Spring Training Season

during the Initial Term. The Club agrees to play no less than ninety (90%) percent of home Spring Training games at the Dunedin Facilities during the Initial Term and will make all reasonable efforts to play at least ten (10) Spring Training games with other Major League clubs at the Dunedin Facilities for each Spring Training Season. The commitment to play two hundred and twenty five (225) games during the Initial Term is subject to and conditioned upon Spring Training scheduling changes by the MLB Authorities generally applicable to all Major League Clubs in a manner that reduces the number of games that can be played at the Dunedin Facilities during Spring Training in accordance with the MLB Documents. In the event that the MLB Authorities reduce the number of games to be played at the Dunedin Facilities, the parties will consult with each other on this situation and will negotiate in good faith to reach a resolution that will return to each party the benefits contemplated and agreed to in this Agreement as nearly as possible without otherwise adversely affecting the rights and obligations of the parties hereunder. Games that are rained out will be counted as games played relative to the 225-game commitment above, if the teams are ready to play and the appropriate officials have formally cancelled the games because of rain out.

The Club shall be entitled to schedule Spring Training games in excess of ten (10) per Spring Training Season at the Dunedin Facilities. Home Spring Training Games to be played hereunder will be played at the Grant Field Facilities. Notwithstanding any contrary provision of this Agreement, during the Term the Major League Club shall be allowed to play Spring Training games in which it is designated as the "home" team at sites other than the Dunedin Facilities as requested by the MLB Authorities.



- (b) Minor League Team. The Club shall engage in Florida State League games of the Minor League Team at the Grant Field Facilities during such seasons as the Club engages in Spring Training of its Major League Team at the Dunedin Facilities. The Dunedin Facilities will be available for use by the Minor League Team during the Florida State League Season.

**Section 5.** That Section 5 of the License Agreement is amended to replace the last sentence of the second paragraph thereof with the following:

The City will not otherwise provide any services whatsoever to the Dunedin Facilities, except as is specifically provided herein, and shall not be obligated to expend any funds for repair or maintenance of the Dunedin Facilities during the Term, save as included in Sections 6(f), 6(g), 15 and 24.

**Section 6.** That Section 6 of the License Agreement is amended to add the words "6(f), 6(g)" after the word "Sections" in the first line of Paragraph 6(a), and by the addition of subparagraphs (f) and (g) to read as follows:

- (f) The City, without cost to the Club, will continue its practice of the annual painting of railings, building exteriors and batting tunnels for the duration of the License Agreement in accordance with its practices existing prior to the execution of the License Agreement.
- (g) The City, to the extent allowed by law, and without cost to the Club, shall use its best efforts for make available the use of persons required to do community service or inmate labor under the Club's supervision to clean and/or maintain the Dunedin Facilities during Spring Training. In the event that the Club is not allowed to provide supervision of such personnel, the City will provide such supervision, without cost to the Club.

**Section 7.** That Section 13 of the License Agreement is amended in its entirety to read as follows:

### SECTION 13 - NAMING RIGHTS

The parties will cooperate with each other to sell naming rights to the Grant Field Facilities. The City will be responsible for the marketing of this right and shall proceed with diligence to make reasonable efforts to market the naming of the Grant Field Facilities. The selection of a name will require the mutual consent of both parties and shall be made in accordance with the MLB Documents and the City is granted substantial discretion in this decision for the reason that the Grant Field Facilities are public facilities and the selection of the name will reflect on the Dunedin community. Any revenue from the sale of the naming rights will be the property of the City. The City (or naming rights sponsor) will be responsible for any costs of implementing such naming rights arrangements and the Club will have no responsibility therefor. The City's obligations regarding Capital Improvements shall be as is set forth in Sections 15 and 24 of this Agreement (as amended), in respect of Englebert Complex, Vanech and Grant Field Facilities, notwithstanding the level of funding of the Capital Replacement Fund.

**Section 8.** That Section 14 of the License Agreement is amended to read as follows:

### SECTION 14 - CONCESSIONS, SALES AND EQUIPMENT

The Club shall be entitled to exclusively operate the Concession Facilities during Spring Training games and Florida State League games. The Concession equipment presently in the Grant Field Facilities is the property of the City. The Club may use such equipment while it is operating the Concession Facilities and shall be responsible for the reasonable maintenance and repair of said equipment and to deliver the equipment to the City in reasonable condition at the end of this Agreement, normal wear and tear excepted. Save for Capital Replacements, the Club will be responsible for replacing any concession equipment when it no longer may be reasonably repaired.

The Club shall not make any material alterations or improvements to the Concession Facilities or to any of the Dunedin Facilities without obtaining the prior written consent of the City Manager, which consent will not be unreasonably withheld. Requests to make any alterations or improvements shall be in writing.

The right of the Club to use and operate the Concession Facilities is an exclusive right save during City events. The Concession Facilities may be used by the City and by other organizations so authorized by the City at times when use is not required by the Club or for the Club events under the terms of this Agreement. The Club shall not exclude other organizations from use and operation of the Concession Facilities when use is not required by the Club or for the Club's events hereunder; provided that when the City or another organization is permitted to use and operate of the Concession Facilities, the City will be responsible for cleaning the concession equipment and the Concession Facilities, and the City will indemnify the Club for any damages to or additional maintenance of the Club's concession equipment (if the Club purchases and owns concession equipment) or any other loss, cost or liability incurred by the Club as a result of such use. Any use of the Club's concession equipment by such other organizations shall require the consent of the Club.

During the Term of this Agreement, the City will cooperate with the Club to obtain such consents, permissions or licenses as may be required to allow the Club, exclusively, to sell or authorize the sale of alcoholic beverages during Spring Training games and Florida State League games. The Club or its concessionaire shall be entitled to obtain a liquor license from the appropriate authorities for the operation of the Concession Facilities, either directly or through its concessionaire during the Term of this Agreement. In the event that the City sells alcoholic beverages from the Concession Facilities during City events, the City will be responsible for obtaining the necessary license for the same.

**Section 9.** That Section 18 of the License Agreement is amended by the addition of subparagraph (c) to read as follows:

(c) The Club will prepay the \$100,000 Grant Field Annual Payment in the amount of \$100,000 and the Englebert Complex Annual Payment in the amount of \$25,000 in advance for the first and fifth years of the Initial Term of this License Agreement. Such prepaid sums shall be paid by the Club to the City as follows:

- (1) \$125,000 combined Grant Field Annual Payment and Englebert Complex Annual Payment will be paid by the Club to the City within thirty (30) days following the execution of this First Amendment to License Agreement and appropriate contract modifications between the City and the Contractor which are contemplated by the Memorandum of Agreement Between Toronto Blue Jays and City of Dunedin herein above referred to;
- (2) The second \$125,000 combined Grant Field Annual Payment and Englebert Complex Annual Payment will be paid by the Club to the City within ten (10) days from the date that the City accepts the Contractor's certification to the City that the Grant Field Facilities are 90% complete.

**Section 10.** That Section 24 of the License Agreement is amended in its entirety to read as follows:

**SECTION 24 – CAPITAL REPLACEMENT FUND**

During the Term of this Agreement, the City shall maintain a fund for the purpose of Capital Replacement expenditures which shall be known as the Capital Replacement Fund (the "Fund"). This Fund shall be used solely for Capital Replacement expenditures and shall be initially funded to an amount of \$250,000 (or such greater amount as agreed upon between the parties if excess funds are available from the bond issue for such purpose) from proceeds from the bond issue used to fund the Project expenditures. Capital

Replacements shall be undertaken by the City as and when required, without cost or expense to the Club as to the funding for such Capital Replacements. The City will be responsible for all capital replacement costs in respect of the Dunedin Facilities notwithstanding any funding or changes in funding to the Capital Replacement Fund.

The Fund shall be funded from the following sources:

- (a) At least \$250,000 from the Project financing as indicated above.
- (b) One-half (1/2) of the Concession Sharing amount paid to the City set forth in Section 8 until fully funded and thereafter such Concession Sharing amount will be paid to the City.
- (c) All interest accrued by such Funds, which interest will stay in the Fund even though the Fund exceeds its maximum amount.

The City shall maintain the Fund and shall separately account for it. The Fund shall be in the nature of a trust fund and the Club will, at any time, be entitled to all records regarding the status of such Fund and the information about amounts accrued therein. Expenditures of such funds shall be limited to Capital Replacement at the Dunedin Facilities and shall require the joint approval of the City and the Club, not to be unreasonably withheld or delayed. At the end of the term of this Agreement, all funds remaining in the Fund will be the property of the City and may be used for any purposes as deemed appropriate by the City, free of trust.

The City shall administer the expenditures of such Funds and shall undertake and complete any Capital Replacement projects that the parties have mutually agreed upon and shall follow all normal purchasing, bidding and construction practices as in its normal course of business, unless the parties shall mutually agree to delegate some or all of a Capital Replacement Project to the Club.

**Section 11.** That Section 26 of the License Agreement is amended in its entirety to read as follows:

## SECTION 26 - EXPANSION AND RENOVATION OF DUNEDIN FACILITIES

(a) As of the execution of this First Amendment, the City has secured a funding commitment from the State of Florida in the total amount of \$7 million and has secured a funding commitment from Pinellas County in the amount of \$3 million for the Project. The City has undertaken a major renovation and expansion of the Dunedin Facilities (the "Project"). The parties do hereby agree that the Project Scope of Work is now defined by that certain document dated November 14, 2001 from J.A. Jones Construction entitled "Final GMP" and plans, drawings and specifications listed therein (collectively, the "Final GMP"). The Final GMP defines all matters concerning Project price, Project scope and the design drawings referred to therein and said document fully defines the Project scope and details, subject to the following exceptions: three (3) Reception desks, new lockers at Englebert and wood in lieu of laminated lockers at Grant Field will be deleted from the scope of work in exchange for equipment (of equal cost to the Final GMP allocations for the aforementioned items) within the Club's furniture, fixtures and equipment budget, to be purchased by the City from the construction budget. These equipment items will be the property of the City and will be maintained by the Club during the term of the License Agreement. The Club will pay for its own reception desks deleted from the Project scope. The City represents that the cost of the Project has previously been financed in part by a bond issue issued by the City of Dunedin in the amount of \$12 million, that funds from the State of Florida, authorized by the recently enacted Spring Training Facilities legislation (Chapter 212.20 F.S. and Chapter 288.1162 F.S.) have been applied for and received in an amount to fund net \$7 million of the Project cost, and that a legally enforceable commitment from Pinellas County has been obtained in the form of an Interlocal Agreement to provide necessary funds to fund net \$3 million of the Project cost from tourist development funds, and such funding was approved by the Board of Commissioners of

Pinellas County. The City acknowledges that it has funded funds in the amount of \$3 million of the Project cost from the net funds provided to it under the bond issue previously issued, net funds due from City under the terms of this Agreement and from additional pledged revenues (such additional pledged revenues are not from the Club). The City additionally is funding an additional \$1 million of the Project cost from the net funds provided to it under the terms of this Agreement (including payment of the Grant Field Annual Payment and the Englebert Complex Annual Payment, as referred to herein above), and from other revenue sources identified by it. If the Project is not substantially commenced by July 31, 2001, the Club may terminate this Agreement. The term "substantially commenced" shall mean that the contractor has actually commenced work on some substantive portion of the Project and is actively pursuing the construction contract. (The City and the Club both reserve their respective rights and positions on this provision, but the City and the Club recognize that this reservation should be moot provided the Project is timely and properly constructed and completed under the terms of the License Agreement, this First Amendment and the Memorandum of Agreement and documents referred to therein.)

(b) The City has heretofore entered into a Design/Build Contract between Metric Constructors (now J.A. Jones) and the City of Dunedin dated February 15, 2001, as amended. The City agrees that the Grant Field Facilities will be completed by February 28, 2002 and the Englebert Complex will be substantially completed by September 26, 2002. The Blue Jays will relocate the minor league and extended spring operations during the period of February 1 through July 1, 2002 to allow work to proceed at Englebert. Costs of such relocation incurred by the Club will be at the Club's expense. The City will work cooperatively with the Blue Jays to mitigate this impact as much as possible by working with the Contractor to have certain fields at Englebert under construction while other fields continue to be available. Not less than one Englebert field will be available during the

construction. The Grant Field portion of the Project will be completed by February 28, 2002, save and except for the following items, which will be completed by March 15, 2002: (i) stucco on the clubhouse; (ii) hospitality suite interior; (iii) portions of the decorative fencing; (iv) stadium exterior façade enhancements; and (v) portion of parking lot where construction trailers are located. The clubhouses at Grant Field will continue to be available for major league purposes. Players may be shuttled to available fields at Englebert during the February 2, 2002 through July 1, 2002 period referenced in paragraph 2.

The contract with the general contractor will provide that any construction to occur at the Grant Field Facilities will not interfere with the ability of the Club to hold Spring Training games at the Grant Field Facilities during the time of the Spring Training Season. Construction contracts entered into by the City will provide that no construction work will occur at the Grant Field Facilities during the last two weeks in February and the month of March that will interfere with scheduled activities at Grant Field (it being acknowledged that in respect of the last two weeks of February, the foregoing applies to fieldwork only, such that player training can take place in advance of publicly attended Spring Training games commencing March 1, and that other construction work not interfering with player training exercises will take place during the last two weeks of February). Notwithstanding any contrary provision of this Agreement, in the event the Club reasonably determines that the Dunedin Facilities are unfit for the playing of Major League Baseball Spring Training games, the Club may reschedule any Spring Training games to be played hereunder at an alternate site and such games shall count toward the game commitment set forth in Section 2 above. Until the date of commencement of the Initial Term of this Lease, the parties' agreement regarding the use of the Dunedin Facilities, except as specifically modified herein, will be in accordance with the existing License Agreement between the parties dated August 10, 1989, as amended and as extended by option of the Club heretofore delivered to the City.



**Section 12.** That Section 27 of the License Agreement is amended in its entirety to read as follows:

**SECTION 27 - NATURE OF PROJECT**

The Project will consist of the renovations, construction, improvements, relocations and changes as described in the Final GMP including the drawings, designs and specifications listed therein, subject to the exceptions thereto noted in Section 26(a) above. The parties agree that the Project will be completed in accordance with the Final GMP and the exceptions thereto noted in Section 26(a) above, and final construction cost of the Project will not exceed the sum of \$13,506,379, which excludes the cost of financing and the funding of the Capital Replacement Fund and any other matters not expressly set forth in the Final GMP and Section 26(a) hereof. The City will be responsible for paying such final cost of the project and may utilize the funds described in Section 26(a) to do so. The Final GMP shall not be varied from without the consent of the Club, not to be withheld unreasonably, and to be notified promptly.

**Section 13.** That Exhibit "A" of the License Agreement is deleted in its entirety.

**Section 14.** That Section 32 of the License Agreement is deleted in its entirety.

**Section 15.** All other provisions of the License Agreement, except as expressly modified herein, shall remain in full force and effect.

**Section 16.** The entering into of this First Amendment Agreement and the amendments contemplated hereby (including without limitation, any documents entered into with J.A. Jones Construction Company pursuant to section 7 of the Memorandum of Agreement or documents issued pursuant thereto) are without prejudice to the rights and remedies of the parties existing prior to the entering into hereof ("Reservation"), under which Reservation the parties hereto may pursue their rights and remedies and assert their applicable defenses in the event the Project is not completed as contemplated by and in accordance with this Agreement and the documents and further agreements referenced

herein, or in the event either party breaches its obligations pursuant to the terms of this Agreement, in either of which events all parties reserve all legal and equitable rights that they had through the date of this First Amendment Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by the appropriate officials and the necessary seal affixed thereto the day and year first above written

ATTEST:

Sandra Woodall  
SANDRA WOODALL, CITY CLERK

(Seal)

APPROVED AS TO FORM:  
John Hubbard  
JOHN HUBBARD, City Attorney

WITNESSES:

\_\_\_\_\_

CITY OF DUNEDIN, FLORIDA,  
a Municipal Corporation of Florida

By: Tom Anderson  
TOM ANDERSON, Mayor

By: John Lawrence  
JOHN LAWRENCE, City Manager

ROGERS BLUE JAYS BASEBALL  
PARTNERSHIP

By: Paul Cooper  
PAUL COOPER  
PRES

By: Richard Wong  
RICHARD WONG  
JEWEL VP



## CITY OF DUNEDIN

### THE IMPACT OF SPRING TRAINING ON THE COMMUNITY

#### A COST – BENEFIT ANALYSIS

This analysis was assembled using a variety of information related to spring training in both the State of Florida and information specific to the City of Dunedin. A summary of the sources used in the analysis may be found at the end of this section. The approach taken was to attempt to determine the financial benefit, or lack thereof, to the City of Dunedin and its populace over the fourteen-year period since the City's certification as a Retained Spring Training Facility.

#### Findings

The cost of securing the Toronto Blue Jays has been approximately **seven million, three hundred eighty-two thousand, twenty (\$7,382,020) dollars** over the fourteen-year period studied. This includes the amount of money expended for the construction of the then-new Spring Training facilities. Cost figures represent actual cash expenditures. The apparent benefit to the community for the same ten-year period is **eighty million, three hundred thousand (\$80,300,000) dollars**.

#### Methodology

The benefits listed consist of four categories: First are monies paid directly to the City of Dunedin as a result of the license agreement with the Blue Jays. The second is the savings realized by the City of Dunedin as a result of the Blue Jays assuming the maintenance of the grounds and facilities at the two complexes they use. The third consists of contributions to community organizations and causes by the Blue Jays, which are made throughout the year. The fourth is the estimated impact of Spring Training-related tourism on the community.

Payments stipulated by the license agreement consist of an annual fee of \$125,000, a percentage- 5% of ticket revenue for the first 3,800 in attendance at each game, and 15% of ticket revenue for attendance in excess of 3,800 at each game, and a concession fee of fifty cents per attendee in excess of 3,800 per game. The figure for the annual fee was multiplied by fourteen to cover the study period. The three attendance-related figures were based on average game attendance per season, multiplied by the same fourteen-year period. The license agreement gave the City of Dunedin the right to market and sell the naming rights to the stadium used for Spring Training games. The City was able to sell the naming rights to Knology Broadband for a five-year term. That agreement has expired, but it did pay the City \$400,000 in cash and free cable TV airtime, which was used to advertise other City revenue-producing programs and events. Four years ago, the City sold the naming rights to Florida Suncoast Auto Brokers for \$26,000 per year.

Cost savings on facility and grounds maintenance was derived by using a memo written a former head of the department responsible for the facilities, which listed a maintenance savings of at least \$200,000. This estimate seems conservative, given the size and scope of the

facilities, but was accepted for the purpose of this report due to the short deadline for submittal. The annual figure was multiplied by fourteen to cover the study period, resulting in a total of \$2,800,000 saved.

The Blue Jays contribute to Dunedin youth sports organizations, through a variety of methods, however, the most significant contribution is that the organizations are able to use the sports facilities maintained by the team throughout the year, including during Spring Training. The Blue Jays absorb the cost of the additional grounds maintenance, including on-site staff during Little League, softball and high school baseball games. Estimated costs for this additional maintenance work and staffing is approximately \$50,000 per year, or \$700,000 for the fourteen-year study period.

The Blue Jays operate the concession and novelty shops during Spring Training as well as the Florida State League minor league game schedule. The team offers community organizations, such as the Rotary and Kiwanis Clubs, the Chamber of Commerce, and other civic groups, the opportunity to volunteer in the concession stands in exchange for payments to the organizations based on an hourly rate for each volunteer. The team pays approximately \$22,000 annually to local organizations through this program, for a fourteen-year total of \$308,000.

It is estimated that the Blue Jays contribute approximately \$20,000 a year to various organizations in Dunedin. For example, they gave over \$7,000 to the Dunedin-based Law Enforcement and Armed Services Museum. They are also annual sponsors of the Dunedin Highland Games, the recreation and parks department's Leisure Activities Bulletin, and have paid for program costs for grand openings at various city recreational facilities. The estimated annual contribution was multiplied by fourteen to total the \$280,000 benefit for the study period.

Earlier this year, the City contracted with Bonn Marketing, Inc. to update a study it had assisted with in 2009, with information specific to the economic value of the Toronto Blue Jays spring training. The study put the overall economic value in 2013 at \$80,300,000. It should be noted that the benefits attributed to retaining a spring training franchise, as outlined in this report, has been examined with respect to the entire local community, rather than just the local government entity that is financially responsible for the spring training facilities.

The purpose of the Retained Spring Training Franchise funding was to safeguard a Florida industry that had been determined to have a significant positive impact on the State's economy. Based on the apparent community benefit, the program would appear to have succeeded in the first twelve years.

\*This figure represents the total cost of construction, operations and capital replacement, less the State and local TDC financial contributions.

**COSTS AND BENEFITS SUMMARY**

**DUNEDIN SPRING TRAINING FACILITIES 2000 - 2012**

<u>Costs</u>		<u>Monies Paid To City</u>	<u>Benefits</u>
<u>Expenditure</u>			
Cost of Reconstruction	3,500,000	Annual Lease	1,750,000
Operations	3,248,020	Naming Rights	504,000
Capital Replacement	634,000	Ticket Revenues	108,520
		Concession Fees	602,157
		<u>Value Items</u>	
		Facilities Maintenance	2,800,000
		<u>Community Contributions</u>	
		Contributions to Little League, Softball, High School and Other Local Youth Sports Organizations	700,000
		Spring Training Concession Fund Raising Opportunities for Local Organizations	308,000
		Blue Jays' Contributions to Local Civic Organizations and Causes	280,000
		<u>Tourism Impact</u>	
		Direct & Indirect	80,300,000
<b>TOTALS:</b>	<b>\$ 7,382,020.00</b>		<b>\$ 87,352,677.00</b>

## **COMPLIANCE WITH CRITERIA IN EFFECT**

### **AT THE TIME OF CERTIFICATION**

Following is a list of the criteria that were applicable at the time of the City of Dunedin's application for certification as a Retained Spring Training Facility. The City of Dunedin developed its application in September 2000. This section will address the City's compliance with each of those criteria as of August 2014.

#### **Criterion 1:**

A "unit of local government," as defined in Section 218.369, Florida Statutes, is responsible for the acquisition, construction, management, or operation of the facility for a retained spring training franchise or holds title to the property on which the facility for a retained spring training facility is located.

#### **Response:**

The City of Dunedin is the owner of the property and facilities which have been used by the Toronto Blue Jays Baseball Club since 1977.

#### **Documentation:**

Please see site control documentation, which may be found in the Appendix of this report.

#### **Criterion 2:**

The applicant has a verified copy of a signed agreement with a retained spring training franchise for the use of the facility for a term of at least fifteen (15) years.

#### **Response:**

The City of Dunedin and the Toronto Blue Jays executed a license agreement on December 15, 2000, which committed the baseball club to a fifteen (15) year term of use of the facilities for spring training.

#### **Documentation:**

Please see the license agreement, a copy of which may be found in Tab No. 3 of this report.

#### **Criterion 3:**

The applicant has a financial commitment to provide fifty (50) percent or more of the funds required by an agreement for the acquisition, construction or renovation of the facility for a retained spring training franchise. The agreement can be contingent upon the awarding of funds under this section and other conditions precedent to use by the spring training franchise.

#### **Response:**

The total cost of the facilities reconstruction project was approximately fourteen million (\$14,000,000) dollars, of which seven million (\$7,000,000) was funded by OTTED. Locally, three million (\$3,000,000) dollars was provided by Pinellas County Tourist Development Tax money,

and the City of Dunedin provided the remaining four million (\$4,000,000) dollars. The City financed the entire cost of the project, and is paying it back over twenty years, using the grant fund payments and its own money to cover the debt service each year.

**Documentation:**

Please see relevant pages in the Appendix..

**Criterion 4:**

The applicant has projections, verified by the Office of Tourism, Trade and Economic Development, which demonstrate that the facility for a retained spring training franchise will attract a paid attendance of at least 50,000 annually.

**Response:**

Average attendance at Toronto Blue Jays spring training games in Dunedin since 2000 was 68,100.

**Documentation:**

Please see year-by-year information on the Florida Grapefruit League website, and 2014 attendance figures from TampaBayBaseballMarket.com, found in the Appendix. These figures only go back to 2005, so the average attendance from last year's report was added to this year's attendance and the total averaged to produce an estimated 14-year average annual attendance.

**Criterion 5:**

The facility for a retained spring training franchise is located in a county that is levying a tourist development tax pursuant to Section 125.0104, Florida Statutes.

**Response:**

Pinellas County continues to levy a tourist development tax.

**Documentation:**

Please see information in the Appendix from the Pinellas County website, related to the Tourist Development Council, Tourist Development Tax, and a copy of the agenda from the most recent TDC meeting.

**Criterion 6:**

The intended use of the funds by the applicant.

**Response:**

The intended use of the funds was the construction of new facilities related to retaining the Toronto Blue Jays in Dunedin. The funds were expended on renovations to Dunedin Stadium, the Englebert Recreation Complex, the Louis A. Vanech Recreation Complex and the Fischer Field Complex.



**Documentation:**

Please see materials in Tab No. 2 of this report.

**Criterion 7:**

The length of time that the existing franchise has been located in the state.

**Response:**

The Toronto Blue Jays have had only one spring training home since their inception. Dunedin has been that home since the opening spring training season in 1977, for a total of thirty-eight (38) years.

**Documentation:**

Please see website information on Florida Grapefruit League.com, related to the length of time the Toronto Blue Jays have held spring training in Dunedin.

**Criterion 8:**

The length of time a facility to be used by a retained spring training franchise has been used by one or more spring training franchises.

**Response:**

Please see response to Criterion 7.

**Documentation:**

Please see response to Criterion 7.

**Criterion 9:**

If applicable, for those teams leasing a spring training facility from a unit of local government, the remaining time on the lease for the facility used by the spring training franchise.

**Response:**

At the time of this report, there is one year left in the term of use of the facilities.

**Documentation:**

Please see the license agreement, a copy of which may be found in Tab 3 of this report.

**Criterion 10:**

The duration of the future-use agreement with the retained spring training franchise.

**Response:**

The license agreement between the City of Dunedin and the Toronto Blue Jays Baseball Club provides for two (2) five-year renewal options, which may be exercised by the club at its

discretion. If both were executed, there is the potential of ten (10) more years of usage of the facilities for spring training (counting the five years left on the initial license agreement).

**Documentation:**

Please see the license agreement, Tab 3 of this report.

**Criterion 11:**

The amount of the proposed local match.

**Response:**

Please see the response to Criterion No. 3.

**Documentation:**

Please see documentation for Criterion No. 3 response, in Appendix.

**Criterion 12:**

The net increase of total active recreation space owned by the applying unit of local government following the acquisition of land for the spring training facility.

**Response:**

The funds were used for reconstruction of existing facilities. There was no land acquisition, or conversion of land to recreational use from another type of use; therefore, there was no net increase in active recreation space.

**Documentation:**

Not applicable.

**Criterion 13:**

The location of the facility in a brownfield, an enterprise zone, a community redevelopment area, or other area of targeted development or revitalization included in an Urban Infill Redevelopment Plan.

**Response:**

The facility is not located in any of the above-mentioned areas.

**Documentation:**

Not applicable.

**Criterion 14:**

The projections on paid attendance attracted by the facility and the proposed effect on the economy of the local community.

**Response:**

As noted in the response to Criterion No. 4, the average annual paid attendance since 2000 has been \$68,100. There has been an apparent benefit to the community of one million, eight hundred, fifty-five thousand, one hundred ninety-one (\$1,855,191) dollars annually, or \$25,952,677 for the twelve year period covered in this report.

**Documentation:**

Please see the response to Criterion No. 4, located in the Appendix, and the Cost Benefit Analysis, located in Tab No. 4 of this report.

## **APPENDIX**

- 1. Site Control Documentation**
- 2. Financial Commitment**
- 3. Average Attendance**
- 4. Tourist Development Tax**
- 5. Franchise Tenure in State**
- 6. Economic Impact Study**

**SITE CONTROL DOCUMENTATION**

33

MASTER'S DEED

THIS INSTRUMENT, Made this 16<sup>th</sup> day of June, A.D. 1937, Between Harry L. Thompson, as Special Master in Chancery, of the first part, and City of Dunedin, a municipal corporation under the laws of the State of Florida, in Pinellas County, Florida, of the second part:

WHEREAS, the Circuit Court of the Sixth Judicial Circuit of the State of Florida, in and for Pinellas County, in Chancery, on the 11th day of May, 1937, among other things ordered, adjudged and decreed, in a certain cause then pending in said Court, between City of Dunedin, a municipal corporation, complainant, and Rhea & Company, Incorporated, a dissolved Florida corporation, and all unknown persons or parties claiming any right, title and interest in, to or over the herein described property through, under or from said dissolved corporation, and Virginia Park Company, Inc., a dissolved Florida corporation, and all unknown persons or parties claiming any right, title and interest in, to or over the herein described property through, under or from said dissolved corporation, defendants, that the premises described in said decree, and hereinafter particularly described, be sold by the undersigned Special Master in parcels as therein described to the highest and best bidder for cash on some Rule Day of said Court during the legal hours of sale at the front door of the Court House in Clearwater, Pinellas County, Florida, after first publishing a notice of the time, place and manner of sale in a newspaper of general circulation published in Pinellas County, Florida, for two consecutive weeks, and

WHEREAS, the said Special Master, in pursuance of the said order and decree of the said Court in Chancery, after first giving and publishing notice of the time and place of sale, together with a description of the premises to be sold, as aforesaid, for two consecutive weeks in The Dunedin Times, a newspaper of general circulation published at Dunedin, in Pinellas County, Florida, did, on the 7th day of June, 1937, sell at public auction the said premises, in parcels as hereinafter particularly described, agreeable to the order aforesaid; at which sale the said premises, in parcels, were sold to the said party of the second part for the total sum of Twenty-five Hundred (\$2500.00) Dollars, as follows:

Parcel One. NW $\frac{1}{4}$  of SE $\frac{1}{4}$  of Section 34, Township 28 South, Range 15 East, less a lot in NE corner running east and west 345 feet and north and south 435 feet known as school tract.

for the sum of Two Thousand (\$2000.00) Dollars, that being the highest sum bid for the same; and

Parcel Two. That lot beginning 25 feet south and 25 feet west of NW corner of NW $\frac{1}{4}$  of SE $\frac{1}{4}$  of Section 34-28-15, and running west 196 feet, south 100 feet, east 196 feet, north 100 feet to P.O.B.,

for the sum of Five Hundred (\$500.00) Dollars, that being the highest sum bid for the same, and

WHEREAS, the said undersigned Special Master, party of the first part, did thereafter make his report of sale, together with all his acts and doings thereunto to said Court, and the Court did, on the 15th day of June, 1937, by order and decree, confirm the sale so made and so reported, and did order and direct said Special Master to make, execute and deliver a Master's Deed conveying said described property to the said City of Dunedin a municipal corporation, the purchaser at said sale, and in and by said order the said Court did fully ratify and confirm the sale so made,

NOW, THEREFORE, THIS INDENTURE WITNESSETH: That the said Special Master, in order to carry into effect the said sale so made as aforesaid, in pursuance of the said decree of the said Court of Chancery, in consideration of the premises, and of the said sum of Twenty-five Hundred (\$2500.00) Dollars, paid at the time of the execution hereof, by the said party of the second part to the said Special Master, the receipt whereof he does hereby acknowledge, has granted, bargained, sold, aliened, released, conveyed and confirmed, and by these presents does grant, bargain and sell, alien, release, convey and confirm unto the said party of the second part, and to its successors and assigns forever, the certain parcels of land in the County of Pinellas, State of Florida, described as follows:

NW $\frac{1}{4}$  of SE $\frac{1}{4}$  of Section 34, Township 28 South, Range 15 East, less a lot in NE corner running east and west 345 feet and north and south 635 feet known as school tract, and

School

That lot beginning 25 feet south and 25 feet west of NW corner of NW $\frac{1}{4}$  of SE $\frac{1}{4}$  of Section 34-28-15, and running west 196 feet, south 100 feet, east 196 feet, north 100 feet to P.O.B.,

VFW

together with all and singular the rights, members, privileges, hereditaments and appurtenances to the same belonging or in anywise appertaining.

TO HAVE AND TO HOLD all and singular the said premises, above mentioned and described, and hereby granted and conveyed, or intended so to be, with the appurtenances, unto the said party of the second part, its successors

and assigns, forever.

IN WITNESS WHEREOF, the said Special Master in Chancery, as aforesaid, has hereunto set his hand and seal, the day and year first above written.

Signed, sealed and delivered in the presence of:

[Signature]

[Signature]

Harry L. Thompson (Seal)  
As Special Master in Chancery.

STATE OF FLORIDA }  
COUNTY OF PINELLAS } ss.

I, an officer duly authorized to take acknowledgments, hereby certify that Harry L. Thompson is well known to me, and known to me to be the individual described in and who executed the foregoing deed of conveyance, and that he acknowledged before me that he executed the foregoing deed, as Special Master in Chancery, aforesaid, for the purposes therein expressed.

WITNESS my hand and official seal, the 16<sup>th</sup> day of June, A.D. 1937, at Clearwater, in the State and County aforesaid.



Helen Pecarek  
Notary Public, State of Florida at Large.

My Commission Expires Nov. 8, 1937

FILED FOR RECORD June 16 1937 AT 4:20 PM IN THE BOOK NOTED  
BY A. G. MORGAN, CLERK OF THE CIRCUIT COURT, PINELLAS  
COUNTY, FLORIDA. [Signature] DEPUTY CLERK



This Warranty Deed Made the 31st. day of January  
STANLEY R. DOUGLAS, individually and as Trustee

A. D. 1977 by

hereinafter called the grantor, to CITY OF DUNEDIN, a Municipal Corporation

whose postoffice address is 750 Milwaukee Ave., Dunedin, Florida 33528  
hereinafter called the grantee:

(Wherever used herein the terms "grantor" and "grantee" include all the parties to this instrument and the heirs, local representatives and assigns of individuals, and the successors and assigns of corporations)

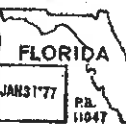
Witnesseth: That the grantor, for and in consideration of the sum of \$ 10.00 and other valuable considerations, receipt whereof is hereby acknowledged, hereby grants, bargains, sells, aliens, releases, conveys and confirms unto the grantee, all that certain land situate in Pinellas County, Florida, viz:

The South 1/2 of the Northeast 1/4 of the Southwest 1/4 and Lots 8 and 9 in the Southeast 1/4 of Section 24, Township 28 South, Range 15 East, said Lots 8 and 9 being according to map of PINELLAS GROVES, as recorded in Plat Book 3, Page 15, Public Records of Pinellas County, Florida, all lying and being in Pinellas County, Florida.

SUBJECT TO easements and restrictions of record.

04 Cash 11 Chg  
40 Res 400  
41 St 5000  
42 Sur 19800  
43 Int 77700  
Tot 77700

PINELLAS COUNTY  
1 3 3 3 7 5



DOCUMENTARY SUR TAX  
198.00  
DEPT. OF REVENUE  
JAN 31 '77  
P.B. 11047

PINELLAS COUNTY  
2 2 2 8 3 9

STATE OF FLORIDA  
DOCUMENTARY STAMP TAX  
DEPT. OF REVENUE  
JAN 31 '77  
P.B. 10554  
540.00

Together with all the tenements, hereditaments and appurtenances thereto belonging or in any-wise appertaining.

To Have and to Hold, the same in fee simple forever.

And the grantor hereby covenants with said grantee that the grantor is lawfully seized of said land in fee simple; that the grantor has good right and lawful authority to sell and convey said land; that the grantor hereby fully warrants the title to said land and will defend the same against the lawful claims of all persons whomsoever; and that said land is free of all encumbrances, except taxes accruing subsequent to December 31, 1976

In Witness Whereof, the said grantor has signed and sealed these presents the day and year first above written.

Signed, sealed and delivered in our presence:

*William A. Jones*  
W. A. Jones

*Stanley R. Douglas*  
Stanley R. Douglas L.S.

STATE OF Florida  
COUNTY OF Pinellas

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State aforesaid and in the County aforesaid to take acknowledgments, personally appeared

Stanley R. Douglas, individually and as Trustee

to me known to be the person described in said who executed the foregoing instrument and he acknowledged before me that he executed the same.

WITNESS my hand and official seal in the County and State last aforesaid this 31st. day of

January, A. D. 1977

Notary Public, State of Florida MY COMMISSION EXPIRES: 4-29-77

This instrument prepared by:

Address: *held* This instrument was prepared by Marianne Schaffer  
51 Main Ave. S.  
Dunedin, Florida 33528, pursuant to the issuance  
of a title insurance contract.

SPACE BELOW FOR RECORDERS USE  
JAN 31 3 01 PM '77  
PINELLAS COUNTY  
CLERK OF COUNTY

**FINANCIAL COMMITMENT**

## FY 2014 BUDGET HIGHLIGHTS

## Fund Revenues and Expenses

	<b>FUND</b>	<b>REVENUES</b>	<b>EXPENSES</b>	<b>+/- TO RESERVES</b>
001	General Fund	\$ 24,122,074	\$ 24,562,051	\$ (439,977)
113	Fine Arts Center Fund	662,867	665,654	(2,787)
114	Dunedin Historical Society Fund	307,565	307,565	-
Special Revenue Funds:				
110	Government Grants Fund	-	-	-
111	Stadium Fund	1,598,187	1,483,049	115,138
112	Transportation Impact Fee Fund	139,590	165,250	(25,660)
115	Parks (LDO) Impact Fee Fund	452,669	-	452,669
116	Fire Impact Fee Fund	32,536	15,000	17,536
117	Law Enforcement Impact Fee Fund	10,000	5,000	5,000
120	Library Co-Op Fund	325,628	341,724	(16,096)
150	Donations Fund	30,450	24,250	6,200
660	Community Redevelopment Agency (CRA)	545,738	728,037	(182,299)
661	G. Koutsourais Youth Fund	-	-	-
Capital Project Funds:				
330	County Gas Tax Fund	833,183	748,625	84,558
332	Parks & Recreation Capital Fund	298,670	353,000	(54,330)
333	Capital Improvement Fund	311,854	309,000	2,854
334	Penny Capital Fund	2,819,678	2,819,944	(266)
Enterprise Funds:				
440	Solid Waste Fund	5,184,300	5,378,370	(194,070)
441	Water/Wastewater Fund	17,274,913	19,619,740	(2,344,827)
121	Water Impact Fee Fund	290,618	52,500	238,118
122	Sewer Impact Fee Fund	249,908	131,250	118,658
442	Marina Fund	523,799	1,107,358	(583,559)
443	Stormwater Fund	3,947,049	5,483,757	(1,536,708)
470	Stirling Golf Fund	7,452	7,452	-
Internal Service Funds:				
550	Fleet Services	3,053,853	4,087,256	(1,033,403)
551	Facility Maintenance Internal Service Fund	1,495,723	1,470,151	25,572
554	Facility Maintenance Capital Project Fund	1,848,500	374,600	1,473,900
552	Risk Safety Self-Insurance	2,776,596	3,276,552	(499,956)
555	Health & Benefits Self-Insurance	3,265,591	3,291,573	(25,982)
Other Funds:				
223	C.I. Revenue Note, Series 2002	-	-	-
		<b>\$ 72,408,991</b>	<b>\$ 76,808,708</b>	<b>\$ (4,399,717)</b>

**AVERAGE ATTENDANCE**

## Toronto Blue Jays - Dunedin

### Blue Jays 2014 Schedule

Subject to change - All times local  
 26 1:05 p.m. vs. Phillies in Clearwater  
 27 1:05 p.m. vs. PHILLIES @ HOME  
 28 1:05 p.m. vs. PIRATES @ HOME  
 01 1:05 p.m. vs. Orioles in Sarasota  
 02 1:05 p.m. vs. YANKEES @ HOME  
 03 1:05 p.m. vs. Twins in Fort Myers  
 04 6:35 p.m. vs. Phillies in Clearwater  
 05 1:05 p.m. vs. PIRATES @ HOME  
 06 1:05 p.m. vs. Pirates in Bradenton  
 07 1:05 p.m. vs. RAYS @ HOME  
 08 1:05 p.m. vs. TWINS @ HOME  
 09 1:05 p.m. vs. Astros in Kissimmee  
 10 OFF DAY  
 11 1:05 p.m. vs. Canadian Jr. National  
 in St. Pete, Al Lang Field  
 11 1:05 p.m. vs. Tigers in Lakeland  
 12 1:05 p.m. vs. RAYS @ HOME  
 13 1:05 p.m. vs. ASTROS @ HOME  
 14 1:05 p.m. vs. RED SOX @ HOME  
 15 1:05 p.m. vs. Rays in Port Charlotte  
 16 1:05 p.m. vs. ORIOLES @ HOME  
 17 OFF DAY  
 18 1:05 p.m. vs. Tigers in Lakeland  
 19 1:05 p.m. vs. PHILLIES @ HOME  
 20 1:05 p.m. vs. Phillies in Clearwater  
 21 1:05 p.m. vs. Rays in Port Charlotte  
 22 1:05 p.m. vs. TIGERS @ HOME  
 23 1:05 p.m. vs. Yankees in Tampa  
 24 1:05 p.m. vs. PHILLIES @ HOME  
 25 1:05 p.m. vs. Pirates in Bradenton  
 26 1:05 p.m. vs. YANKEES @ HOME  
 27 1:05 p.m. vs. Phillies in Clearwater

**Florida Auto Exchange Stadium**  
 373 Douglas Avenue  
 Dunedin, FL 34698  
 Ticket Information:  
 (727) 733-0429 or  
 Toll free 1-888-525-JAYS



[Official Toronto Blue Jays Web Site](#)

### Attending a Blue Jays Game at Florida Auto Exchange Stadium

### Blue Jays Spring Training Ticket Prices & Information

### Stadium Information

### Directions to Florida Auto Exchange Stadium

### Toronto Blue Jays Spring Training History

### Blue Jays Spring Training Attendance (2005-13)

	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>Total Attendance</b>	53,620	53,930	62,592	64,444	68,674	52,550	68,195	76,008	78,509
<b>Number of Games</b>	13	15	14	14	16	11	15	16	16
<b>Average Attendance</b>	4,124	3,595	4,330	4,603	4,292	4,777	4,546	4,751	5,561

### Area Information



Braves



Orioles



Red Sox



Tigers



Astros

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2930 Kerry Forest Parkway, Suite 101 - Tallahassee, Florida 32309 - (850) 488-8347 - FAX (850) 922-0482 - [ngandy@flaspports.com](mailto:ngandy@flaspports.com)

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## What We Do

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### About our Office



*World-Class Service, Anytime, Any Place*

#### Mission

We serve our citizens promptly. We satisfy licensing and identification needs and accurately collect and distribute revenue. We are good stewards of public funds. We continually pursue organizational excellence.

#### Benefiting Pinellas

From collecting [property taxes](#) to issuing [driver's licenses](#), our office serves every resident of Pinellas County at one point or another. As an independently elected position that acts as the county's chief revenue officer, the Pinellas County Tax Collector is responsible for collecting and distributing a variety of local taxes, including taxes on [real estate](#), [tangible personal property](#), and [tourist development](#).

Each year, we collect more than \$1 billion in tax revenue, which we distribute to the [Pinellas County Board of County Commissioners](#), the [Pinellas County School Board](#), local cities, fire districts, and other taxing authorities. Our budget is approved annually by the [Florida Department of Revenue](#).

### **More than just taxes**

Our office is also an agent for the [Florida Department of Highway Safety and Motor Vehicles](#). We issue driver's licenses, identification cards, and titles and registrations for automobiles, trucks, mobile homes and vessels. Additionally, we act as an agent for the [Florida Fish and Wildlife Conservation Commission](#) by issuing hunting and fishing licenses.

### **Not your typical government office**

We are a recipient of the [2013 Governor's Sterling Award](#), Florida's top honor for performance excellence. We make it a priority to find ways to do business better, faster and cheaper. To deliver world-class service, our office employs a knowledgeable workforce of 261 skilled tax specialists, accountants and customer service representatives. We strive to make technology a key part of our business operations, including online payment options, a modern call center, a high-speed mail system, and an annual online tax certificate auction. In addition, we have made it possible for customers to make multiple transactions in one place -- whether online, through our call center, or at one of our offices.

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[Renew vehicle registration](#)

[Look up a tax bill](#)

[Change mailing address](#)

[Get disabled parking permit](#)



## Contact

***Pinellas County Tax Collector***  
*315 Court St, 3rd Floor*  
*Clearwater FL 33756*  
*727-464-7777*  
[taxcollector@taxcollect.com](mailto:taxcollector@taxcollect.com)

## Tax Tips Newsletter

Subscribe to our quarterly newsletter

Disclaimer: Under Florida law, email addresses are public records.

Enter Email

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[Property Appraiser](#)

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Home

# TDC Meeting July 2014

## AGENDA

Wednesday July 16, 2014 9:00AM – 11:00AM

I. **CALL TO ORDER – TDC Chair Karen W Seel**

II. **CHAIR'S COMMENTS**

III. **APPROVAL OF TDC MINUTES**

A. May 21, 2014

IV. **COMMITTEE REPORTS**

East/West Shrine Game Elite Event Application Update

A. Elite Event Committee Funding Recommendations

V. **PRESENTATIONS**

No Scheduled Presentations

VI. **CONSULTANT REPORT**

Research Data Services – Walter Klages

A. May Visitor Profile

VII. **MARKETING REPORTS – May 2014**

Advertising – Mary DeLong, BVK Advertising

A. Internet Marketing – Mike Bersabal

B. Education – Rhonda Sanborn

C. Film Commission – Tony Armer

D. Leisure Travel/Canada – Report on File

E. Meetings & Conventions – Suzanne Scully

F. Media & Interactive – David Downing

G. Sports Commission – Report on File

H. Latin America – Report on File

I. Central Europe & United Kingdom – David Downing

VIII. **COMMUNITY ORGANIZATION REPORTS**

St. Petersburg/Clearwater International Airport – Report on File

A. Tampa International Airport – Report on File

IX. **DIRECTOR'S REPORT David Downing, Deputy Director, Visit St. Pete/Clearwater**

Financial Statements (Pinellas County Bed Tax)

A. Miscellaneous

X. PUBLIC COMMENTS

XI. BOARD MEMBER COMMENTS

XII. ADJOURNMENT



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**FRANCHISE TENURE IN STATE**

## Toronto Blue Jays - Dunedin

### *Blue Jays 2014 Schedule*

Subject to change - All times local  
 26 1:05 p.m. vs. Phillies in Clearwater  
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 13 1:05 p.m. vs. ASTROS @ HOME  
 14 1:05 p.m. vs. RED SOX @ HOME  
 15 1:05 p.m. vs. Rays in Port Charlotte  
 16 1:05 p.m. vs. ORIOLES @ HOME  
 17 OFF DAY  
 18 1:05 p.m. vs. Tigers in Lakeland  
 19 1:05 p.m. vs. PHILLIES @ HOME  
 20 1:05 p.m. vs. Phillies in Clearwater  
 21 1:05 p.m. vs. Rays in Port Charlotte  
 22 1:05 p.m. vs. TIGERS @ HOME  
 23 1:05 p.m. vs. Yankees in Tampa  
 24 1:05 p.m. vs. PHILLIES @ HOME  
 25 1:05 p.m. vs. Pirates in Bradenton  
 26 1:05 p.m. vs. YANKEES @ HOME  
 27 1:05 p.m. vs. Phillies in Clearwater

**Florida Auto Exchange Stadium**  
 373 Douglas Avenue  
 Dunedin, FL 34698  
 Ticket information:  
 (727) 733-0429 or  
 Toll free 1-888-525-JAYS



[Official Toronto Blue Jays Web Site](#)

**Attending a Blue Jays Game at Florida Auto Exchange Stadium**

**Blue Jays Spring Training Ticket Prices & Information**

**Stadium Information**

**Directions to Florida Auto Exchange Stadium**

**Toronto Blue Jays Spring Training History**

1977-2014 Dunedin (Florida Auto Exchange Stadium)

**Blue Jays Spring Training Attendance (2005-13)**

**Area Information**



Braves



Orioles



Red Sox



Tigers



Astros

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2930 Kerry Forest Parkway, Suite 101 - Tallahassee, Florida 32309 - (850) 488-8347 - FAX (850) 922-0482 - [ngandy@flsports.com](mailto:ngandy@flsports.com)

**ECONOMIC IMPACT STUDY**

**Key Findings:  
2013 MLB Spring Training  
Economic Impact Estimates for the Toronto Blue Jays  
Using 2009 Data**

**Bonn Marketing, Inc.  
Mark A. Bonn, Ph.D.  
850-567-1826**

1. Data from the "2009 Major League Baseball Florida Spring Training" season was used to estimate the economic value the Toronto Blue Jays would contribute to the local economy based upon 2009 and 2013 attendance figures.
2. MLB Spring Training attendance for the Toronto Blue Jays during 2009 was reported to be 68,674. The 2013 attendance was reported to be 78,509.
3. Out of state attendees (39%) represented the largest segments of 2009 and 2013 MLB Spring Training segments paying to watch the Toronto Blue Jays.
4. Out of State attendees whose primary trip purpose was something other than MLB Spring Training (32%) and Florida Non-County attendees (21%) citing spring training as their primary trip purpose represented 56% of all attendee segments.
5. Florida Non-County Attendees whose primary trip purpose was something other than MLB Spring Training (7%) and Out of State attendees citing reasons other than spring training as their primary trip purpose (32%) represent approximately two out of every five MLB Toronto Blue Jays Spring Training attendees.
6. Length of stay in Florida was greatest for Out of State attendees whose primary trip purpose was something other than MLB Spring Training (9.0 days) followed by Out of State attendees citing spring training as their primary trip purpose (7.6 days).
7. Party size for Out of State attendees citing trip purposes other than attending spring training games was the greatest (3.7 persons per party) followed by Florida non-county attendees with trip purpose other than attending spring baseball games (3.6 persons per party). Out of state attendees (3.3) and Florida non-county attendees (3.3 persons per party) whose primary trip purpose was for attending MLB spring training baseball games followed with equal travel party sizes.



**Key Findings, continued:  
2013 MLB Spring Training  
Economic Impact Estimates for the Toronto Blue Jays  
Using 2009 Data**

**Bonn Marketing, Inc.  
Mark A. Bonn, Ph.D.  
850-567-1826**

8. Average spending per party per day was the greatest for Out of State attendees whose primary trip purpose was for attending MLB spring games was the greatest (\$435.85) followed by Out of State attendees citing reasons other than attending spring training as their primary trip purpose (\$381.65).
  
9. Overall direct spending during 2009 by all attendees for the Toronto Blue Jays MLB Spring Training games was over \$47.6 million. Out of State Attendees visiting Florida primarily to attend MLB Spring Training exceeded \$26.5 million in direct spending followed by Out of State attendees citing purposes for visiting other than MLB spring training represented the next largest group for direct spending (\$20.2 million). Comparatively, during 2013, overall direct spending by all attendees for the Toronto Blue Jays MLB Spring Training games was over \$54.4 million. During 2013, Out of State Attendees visiting Florida primarily to attend MLB Spring Training spent in excess of \$30.3 million in direct spending followed by Out of State attendees citing purposes for visiting other than MLB spring training (\$23.1million).
  
10. During 2009, an estimated total of nearly \$560 thousand in direct spending was generated by Florida non-county visitors attending Toronto Blue Jays MLB Spring Training whose main purpose for visiting the area was MLB Spring Training. During 2013, this same segment's spending increased to over \$640 thousand.
  
11. The overall estimated economic value attributed to visitor spending due to the 2009 Toronto Blue Jays MLB Spring Training season was over \$71.1 million. During 2013, the overall estimated economic value attributed to visitor spending due to the Toronto Blue Jays MLB Spring Training season grew to over \$80.3 million.

**Key Findings, continued:  
2013 MLB Spring Training  
Economic Impact Estimates for the Toronto Blue Jays  
Using 2009 Data**

**Bonn Marketing, Inc.  
Mark A. Bonn, Ph.D.  
850-567-1826**

12. Direct spending by visitors attending 2009 Toronto Blue Jays MLB Spring Training games contributed over \$11.8 million in labor income. Total economic value from this spending resulted in contributing approximately \$23.4 million in labor income. During 2013, direct spending by visitors attending Toronto Blue Jays MLB Spring Training games contributed over \$13.3 million in labor income. Total economic value from the 2013 spending resulted in contributing approximately \$26.3 million in labor income to the county.
13. Direct spending by visitors attending 2009 Toronto Blue Jays Spring Training games supported approximately 534 part-time and/or full-time local jobs. Total visitor spending supported 814 part-time and/or full-time jobs. During 2013, direct spending by visitors attending Toronto Blue Jays Spring Training games supported approximately 605 part-time and/or full-time local jobs. Total visitor spending during 2013 supported 921 part-time and/or full-time jobs.



**City of Lakeland  
(Detroit Tigers)**

FLORIDA DEPARTMENT OF  
ECONOMIC OPPORTUNITY

2014/ANNUAL REPORT

TIGERTOWN SPRING TRAINING FACILITIES



SUMMITTED BY:



# ANNUAL REPORT

## APPLICANT

- |                                     |                  |
|-------------------------------------|------------------|
| 1. Name of Applicant:               | City of Lakeland |
| 2. Federal Employee Identification: | 59-600000354     |
| 3. Population:                      | 100,000          |
| 4. County:                          | Polk             |

## CONTACT PERSON

- |                   |  |
|-------------------|--|
| 1. Contact Person | Bill Tinsley   |
| 2. Title          | Liaison to the Detroit Tigers                        |
| 3. Address        | 228 South Massachusetts Ave,<br>Lakeland, Fla. 33801 |
| 4. Telephone      | 863-834-6087   |
| 5. Fax            | 863-834-6071   |

I certify that the information provided in the 2014 report is true and accurate. I further certify that I represent the City of Lakeland in my representations.

Reporting Signature: \_\_\_\_\_

*Bill Tinsley*

## GENERAL INFORMATION

### PROJECT INFORMATION

NAME OF PROJECT	2002 Stadium Renovations at Tigertown
PROJECT LOCATION	2220 North Lake Avenue Lakeland, Florida 33805

### FINANCIAL SUMMARY

State Funds requested:	\$4.5 Million
------------------------	---------------

Local Match:

Polk County Tourist Development	\$2 Million
---------------------------------	-------------

Local Cash Match	\$5 Million
------------------	-------------

In Kind Match	\$.5 Million
---------------	--------------

Total Project Cost:	\$10 Million
---------------------	--------------

### Brief Project Description

New expanded seating and complete exterior renovation has resulted in significant increases in attendance over the past ten years. Major improvements to the Player Development areas have also resulted in a satisfied franchise and also have enhanced opportunities for year round tourist and promotional events at the venue.

## LOCAL MATCH

	Annually	Present Value	Gross Value
STATE OF FLORIDA	\$465,845	\$4,599,231	\$6,987,672
Polk County Tourist Development Council	\$202,575	\$2,000,000	\$3,038,625
Detroit Tigers/City of Lakeland	\$330,170	\$2,900,769	\$4,563,944
City of Lakeland			
In Kind Match		\$500,000	\$500,000
Total Local Match		\$5,400,769	\$8,102,569
<hr/>			
Total Project		\$10,000,000	\$15,090,240



# Marchant Stadium Improvements

## Marchant Stadium Improvements

### Expenditures

September 2001 - September 2005

#### Object of Expense

Contractual Services	\$ 5,670,243.32
Architectural / Design Services	1,059,624.01
Construction Contract	3,511,292.12
Debt Issue Costs	44,252.00
Debt Issue Costs-Insurance	11,500.00
Equipment - Noncapital	104,254.65
All Other Materials & Supplies	28,523.38
Agricultural & Horticultural Supplies	84,148.22
Rentals	4,032.50
Travel	698.20
Licenses & Permits	2,800.00
Equipment - Capital	246,006.12

---

\$ 10,767,374.52

**COMPLIANCE WITH CRITERIA IN EFFECT  
AT THE TIME OF LAKELAND CERTIFICATION**

**Criterion 1:**

*A "Unit of local government," as defined in Section 218.369, Florida Statutes, is responsible for the acquisition, construction, management, or operation of the facility for a retained spring training franchise or holds title to the property on which the facility for a retained spring training facility is located.*

**Response:**

The City of Lakeland, Federal Employer Identification Number 59-60000354, is the sole owner of the property and associated facilities which are known as Tigertown and are used by the Detroit Tigers for spring training baseball. These facilities have been used by the Tigers for baseball operations since 1934.

**Documentation:**

There has been no change in ownership since original certification in October 2000. Verification is available through the offices of the Polk County Property Appraiser.

**Criterion 2:**

*The applicant has a verified copy of a signed agreement with a retained spring training franchise for the use of the facility for a term of at least (15) years.*

**Response:**

The City of Lakeland and the Detroit Tigers executed a license agreement dated September 29<sup>th</sup>, 2000, which committed the baseball club to train in Lakeland the Tigertown Facilities for a full 15 year term.

**Documentation:**

A copy of the Agreement is attached.

**Criterion 3:**

*The applicant has a financial commitment to provide (50) percent or more of the funds required by an agreement for the acquisition, construction or renovation of the facility for a retained spring training franchise. The agreement can be contingent upon the awarding of funds under this section and other conditions precedent to use by the spring training franchise.*

**Response:**

The total cost of the facilities reconstruction project was 10 million (\$10,000,000.) dollars, of which the State funded four and one half million (\$4,500,000). The balance of the funding was provided from a combination of the Polk County Tourist Development Council, two million (\$2,000,000.) dollars and the City of Lakeland funds of three and one half million (\$3,500,000) dollars. The City of Lakeland bonded and financed the project and is repaying over the 15 years of the agreement with funds from these three sources.

**Documentation:**

Please find support in License Agreement and budget summary attached.

**Criterion 4:**

*The applicant has projections, verified by the Office of Tourism, Trade and Economic Development, which demonstrate that the facility for a retained spring training franchise will attract a paid attendance of at least 50,000 annually.*

**Response:**

Attendance at Joker Marchant Stadium for the Detroit Tigers Spring Training has exceeded the 50,000 threshold every year since 2000. Current and projected attendance is projected to a range near 100,000.

**Documentation:**

Please see the reported attendance for all teams on the Florida Grapefruit League website. Also, please note that the attendance at away games for Detroit were well above the league average, indicating their statewide impact.

**Criterion 5:**

*The facility for a retained spring training franchise is located in a county that is levying a tourist development tax pursuant to Section 125.0104, Florida Statutes.*

**Response:**

Polk County continues to collect five percent Tourist Development Tax.

**Documentation:**

See Attached Polk County Ordinance number 2013-001

**Criterion 6:**

*The intended use of the funds by the applicant.*

## ✔ Requirements & Allowance

### Tourist Development Tax Requirements For Polk County

The Polk County Board of County Commissioners has adopted a Tourist Development Tax on each transient accommodation in Polk County. The Tourist Development Tax is administered by the Tax Collector's Office.

Transient accommodations are living quarters or other accommodations in any hotel; apartment hotel; motel; resort motel; apartment motel; rooming house; mobile home park; recreational vehicle park; including site, rental house, or condominium, that is rented for a period of six months or less.

The Tourist Development Tax rate is set at 5%. It is an add-on tax, like the state sales tax, and is collected from the tenant at the time rent or accommodation charges are collected.

The owners of the listed properties, as well as applicable property managers or operators of such facilities, are responsible for collecting the tax from their tenants and remitting said tax to the Polk County Tax Collector.

Tourist Development Taxes are remitted monthly, with payments due on the first of the month following collection from tenants, and are considered delinquent if not paid or postmarked by the 20th of the month.

Rentals that generate less than \$100 in Tourist Development taxes quarterly may remit those taxes on a quarterly basis.

An application for a Tourist Development Tax Account may be obtained online from the Tax Collector's Office. [Click here to access the application.](#)

### Related Requirements

Those seeking to rent or lease transient accommodations should also comply with the following requirements:

- State Sales Tax Requirement. For more information, contact the [Florida Department of Revenue](#) at 230 S. Florida Ave., Lakeland, FL 33801 or tel. [\(863\) 499-2260](#).
- Hotel And Restaurant Licensure Requirement - Department of Business and Professional Regulation, Division of Hotels and Restaurants. For more information, see the [Florida Department of Business and Professional Regulation](#) at 3725 W. Grace St., Suite 520, Tampa, FL 33607; tel. [\(850\) 487-1395](#)
- County Local Business Tax Receipt Requirement. [Click here for more information on County Local Business Taxes.](#)

## Status Change Affidavit Form

The Status Change Affidavit Form is to be used by active Tourist Development Tax accounts holders who are requesting changes to their account status.

To access the Status Change Affidavit Form, [click here \(in PDF\)...](#) [Get Adobe Reader](#)

## Collection Allowance

Owners of rental properties receive a collection allowance as compensation for the timely collection and remittance of Tourist Development Taxes.

The collection allowance is 2.5% of the first \$1,200 collected per scheduled remittance return to a maximum of \$30 (*providing the tax return is remitted on time*).

## Distributions

Tourist Development Tax dollars are distributed by the Tax Collector's Office to the Polk County Board of County Commissioners for its Tourist Development Trust Fund.

These tax dollars are used to advertise and promote tourism in Polk County, fund special art and cultural events, sporting events, and capital improvements.

The Polk County Board of County Commissioners is required to appoint a nine member advisory council. This council, the Polk County Tourist Development Council, makes recommendations to the Board on the effective use of revenues as well as monitors revenue expenditures by the Board.

For more information about tourist development in Polk County contact the [Central Florida Visitors Convention Bureau](#) and/or [Polk County Sports Marketing](#).

**Response:**

The intended use of the funds was the renovation and construction of facilities to support the retention of the Detroit Tigers Spring training activities in Lakeland, Florida. An enhanced fan experience, improved player development facilities, and a sustainable program were the basis of the improvements. The project resulted in increased attendance and improved facilities.

**Documentation:**

Please see supporting information on the project results as printed in Ballpark Digest Magazine.

**Criterion 7:**

*The length of time that the existing franchise has been located in the State.*

**Response:**

The Detroit Tigers had been visiting the State of Florida for Spring Games off and on in the 1920's but settled in one location in 1934 at Historic Henley Field. It is currently the longest running relationship between a franchise and host venue as we enter our 79<sup>th</sup> year. During World War II, the trained in the North due to National travel restrictions.

**Documentation:**

Please see the website information on the Florida Grapefruit League.com site, for listing of all teams' tenure.

**Criterion 8:**

*The length of time a facility to be used by a spring training franchise has been used by one or more spring training franchises.*

**Response:**

The Detroit Tigers played the first spring training games at Joker Marchant Stadium, Tigertown, in 1965. Prior to that date, they had exclusively played games at Historic Henley Field in Lakeland. (Since 1934)

**Documentation:**

Please see attached reference from City of Lakeland website, Joker Marchant Stadium.

**Criterion 9:**

*If applicable, for those teams leasing a spring training facility from a unit of local government, the remaining time on the lease for the facility used by the spring training franchise.*

**Response:**

At the time of this report, there are two years remaining (2016) in the term for use of the facilities.

**Documentation:**

Please see Use Agreement attached.

**Criterion 10:**

*The duration of the future-use agreement with the retained spring training franchise.*

**Response:**

The Use Agreement between the Detroit Tigers Baseball Club and the City of Lakeland has two years remaining. Current negotiations based on proposed improvements would extend the agreement for a minimum of 20 years.

**Documentation:**

Please reference the attached agreement for terms of existing contract.

**Criterion 11:**

*The amount of the proposed match*

**Response:**

Same response as Criterion 3.

**Documentation:**

Same response as Criterion 3.

**Criterion 12:**

*The net increase of total active recreation space owned by the applying unit of local government following the acquisition of land for the spring training facility.*

**Response:**

The City of Lakeland acquired five (5) acres of additional land to support the project. This property is contiguous with the Stadium project is used for grass parking as well as soccer.

**Documentation:**

See attached map.

**Criterion 13**

*The location of the facility in a brownfield, an enterprise zone, a community redevelopment area, or other area of targeted development or revitalization included in an urban infill Redevelopment Plan.*

**Response:**

The Tigertown Complex is located in the Mid-Town Redevelopment Area. This is one of three C.R.A.'s in the Lakeland Corporate limits. The project lies within the Sports and Medical Corridor of significant development within the Mid-Town boundaries.

**Documentation:**

See Attached map. Also prominent within the Lakeland Comprehensive Plan.

**Criterion 14:**

*The projections on paid attendance attracted by the facility and the proposed effect on the economy of the local community.*

**Response:**

The annual impacts to the local economy for spring training have been documented in state wide studies. Often neglected are the significant impacts of the balance of the year's use of the facilities. The Tigers again booked over 13,000 room nights in local hotels for personnel, scouts, visitors of special events and camps. Over 40,000 meals are served annually, providing additional jobs and product sales to local merchants. Medical support from the community for player rehabilitation is a 12 month a year operation with significant economic impact.

**Documentation:**

Please see support letter from Polk County Sports Marketing.





**TIMOTHY J. McCAUSLAND**  
CITY ATTORNEY  
228 S. Massachusetts Avenue  
Lakeland, Florida 33801  
BUS: (863) 834-6010  
FAX: (863) 834-8204  
e:mail – [timothy.mccausland@lakelandgov.net](mailto:timothy.mccausland@lakelandgov.net)

July 16, 2014

Ms. Katherine Morrison  
Sports, Tourism & Transportation Liaison  
Office of Tourism, Trade and Economic Development  
The Capitol, Suite 1902  
Tallahassee, Florida 32399-00001

RE: Annual Report

Dear Katherine:

I have reviewed the requirements of the application that the City filed in 2000, and also Florida Statute 288.1162 with regard to the continuing requirements for Grant eligibility. I have also reviewed the City's records with regard to the use of the Grant funds, the City's expenditure as its match for Grant funds, other financial reporting of the City of Lakeland, and the existing lease documents related to Lakeland's long-term facility lease with the Detroit Tigers. Based on the foregoing, I am able to verify that the statutory requirements that the City complied with in 2000 have continued and are in full force and effect as of the date hereof.

If you have any questions, please feel free to contact me.

Very Truly Yours,  


Timothy J. McCausland  
City Attorney

TJM/aw



August 4, 2014

Bill Tinsley  
Liaison to the Tigers  
City of Lakeland  
228 S. Massachusetts Ave.  
Lakeland, FL 33801

Mr. Tinsley:

For many years, Polk County Tourism and Sports Marketing (PCTSM), the City of Lakeland, and the Detroit Tigers have had great success on creating significant positive impact in the community. It is once again, our pleasure to assist you with an estimate of the economic benefits generated by the Detroit Tigers and their impact on Lakeland and Polk County. PCTSM is the official destination management organization and sports commission for Polk County, Florida and regularly evaluates the impact of events held in our community.

Our community and the Detroit Tigers have enjoyed an unprecedented relationship for 78 years. This is by far the longest partnership between a Major League Baseball team and a spring training city and is an accomplishment that we feel has a tremendous benefit to our community.

As always, the exact impact depends upon many factors that can create a swing in any year, but the overall impact to the City of Lakeland and Polk County continues to be in the range of \$40-45 million annually. This is partially based on previous studies completed by the state of Florida and more recent surveys at several spring training games. With that said, the Tigers have had great success in attracting visitors/spectators to our area since the last statewide study. Just this past year the average per game attendance rose by 252 people per game. This set a new average per game attendance of 8,302 (well above the overall state average of 6,882 per game). Total attendance of the games reached 116,226.

In addition, the Tigers hold several events throughout the year including Tigers Fantasy Camp, visiting Florida State League teams, Tigers Minor League coaches, organizational meetings, showcase events, and is the headquarters for the Detroit Tigers Draft. All of which creates positive impact for our community.

Major League Baseball and specifically, the Detroit Tigers Spring Training, has been, is currently, and will always be an extremely beneficial investment for Lakeland and Polk County. This has never been more evident and with Polk County's commitment of more than \$14.5 million dollars to improve the facilities at Tigertown and Joker Marchant Stadium. This commitment will result in the Tigers staying in Polk County through their 100<sup>th</sup> anniversary.

I am happy to provide any additional information if needed.

Sincerely,

Marc Zimmerman  
Sales & Events Manager

## Economic Impact of the Detroit Tigers Spring Training in Lakeland, Florida 2014

Spring Training is vital to the health and vibrancy of Lakeland's local and regional economy. Demonstration this impact, the following information has been compiled with specific data and methodologies coming from the 2009 Major League Baseball Florida Spring Training Economic Impact Study Report" published in June of 2009 by the Florida Sports Foundation and the Bonn Marketing Research Group, Inc. The information contained herein represents the estimated Economic Impact to Lakeland as a result of the Direct Spending associated with the Detroit Tigers Spring Training. Please note that this information does not include the impact to labor income and employment in Lakeland as a direct result of the Tigers Spring Training activities.

The attendees, for this purpose, are separated into five distinct categories:

- **Out-of-State-Primary Purpose:** This indicates a visiting party from outside of Florida that came to the area expressly for the Detroit Tigers Spring Training.
- **Out-of-State-Other Purpose:** This indicates a visiting party from outside of Florida for that came to the area for another purpose, but attended Spring Training activities.
- **Non-County-Primary Purpose:** This indicates attendance from another County in Florida that visited expressly for the Tigers Spring Training.
- **Non-County-Other Purpose:** This indicates attendance to Polk County for another purpose, but included Spring Straining activities.
- **Local:** These include all Polk County residents.

Total attendance for the Detroit Tigers 2014 Spring Training was **116,226**.

<b>Out-of-State-Primary Purpose</b>	
Approximately 23.12% are Out-of-State Primary Purpose	26,871
Number of Out-of-State Parties (Average party size = 3 people)	8,957
Cumulative number of nights stayed (Average stay is 7.53 nights)	67,446
Average expense for out-of-area expenses (\$371.28 per party) per day	\$ 25,041,350.88
<b>Out-of-State-Other Purpose</b>	
Approximately 24.94% are Out-of-State Other Purposes	28,987
Number of Out-of-State Parties (Average party size = 3.08 people)	9,411
Cumulative number of nights stayed (Average stay is 9.66 nights)	90,910
Average expense for out-of-area expenses (\$395.43 per party) per day	\$ 35,948,541.30
<b>Non-County-Primary Purpose</b>	
Approximately 24.22 % are Non-County Primary Purpose	28,150
Number of Non-County Parties (Average party size = 2.81 people)	10,018
Cumulative number of nights stayed (Average stay is .39 nights)	3,907
Average expense for out-of area expenses (\$171.73 per party) per day	\$ 670,949.11

<b>Non-County-Other Purpose</b>	
Approximately 3.55% are Non-County Other Purpose	4,126
Number of Non-County Parties (Average party size = 2.68 people)	1,540
Cumulative number of nights stayed (Average stay is 3.36 nights)	5,174
Average expense for out-of-area expenses (\$314.00 per party) per day	\$ 1,624,636.00
<b>Local</b>	
Approximate Number of Local Attendees	28,092
Estimated Direct Expenditures of Local Residents associated with Attendance (\$50)	\$ 1,404,600
<b>Estimated Total Direct Expenses by Attendees</b>	
	<b>\$ 64,690,077.29</b>

Using the total direct expenses above, the indirect and induced effects were estimated using the multiplier provided in the above reference report to estimate a total economic impact resulting from Direct Expenses. Indirect effect indicates the secondary impact caused by changing input of needs of directly affected industries, and Induced effect is caused by the changes in household spending due to additional employment generated by direct and indirect spending.

	<b>Direct Spending</b>	<b>Indirect</b>	<b>Induced</b>	<b>Total Economic Impact</b>	<b>Multiplier</b>
Out-of-State Primary Purpose	\$ 25,041,350.88	\$ 8,514,472.28	\$ 9,014,473.33	\$ 42,570,296.49	1.70
Out-of-State Other Purpose	\$ 35,948,541.30	\$ 12,204,895.66	\$12,959,083.24	\$ 61,112,520.21	1.70
Non-County Primary Purpose	\$ 670,949.11	\$244,896.43	\$244,896.43	\$ 1,160,741.97	1.73
Non-County Primary Purpose	\$ 1,624,636	\$560,499.42	\$560,499.42	\$ 2,745,634.84	1.69
Local Attendees	\$ 1,404,600	\$484,587	\$484,587	\$ 2,373,774	1.69
	<b>\$ 64,690,077.29</b>	<b>\$ 22,009,350.79</b>	<b>\$23,263,539.42</b>	<b>\$ 109,962,967.51</b>	

The total Economic Impact Direct Spending is estimated to be **\$109,962,967.51** as a result of the 2014 Detroit Tigers Spring Training.

This analysis of the Detroit Tigers 2014 Spring Training is intended to provide some background to the economic impact the MLB Spring Training season has on Lakeland, Florida. In 2014, the Tigers hosted 17 home games at Joker Merchant Stadium in Lakeland which were attended by 116,226 individuals. Supporting this attendance figures, the Tigers averaged 6,836 attendees per game for the 17 game season, which uncommonly for the season included two rainouts.

#### **2014 Detroit Tiger Spring Training Total Attendance in Lakeland, Florida**

2014	Season Attendance	Number of Home Games	Average Attendance per Game
Detroit Tigers	116,226	17	6,836

This attendee distribution has been broken down even further with information obtained from spending receipts during the 2013 Tigers Spring Training season. A zip code analysis was used to learn more about the geographic location of the individuals who were attending Spring Training games in Lakeland. This information was based on zip code information provided by approximately 87,009 individuals that attended Detroit Tiger games during the 2013 Spring Training season.

Working solely with percentages, it was determined that internationally, 5.56% of the individuals attending games were form Canada. Within the United States, 39% of the attendees were from Florida and 34% were from Michigan, this was followed by Ohio with 2.61%, Pennsylvania with 2.08%, Maryland with 2.02% and New York with 1.5%. After this, another five states drew close to 1% and it was determined that more than 60% of individuals attending a Tiger’s Spring Training game in Lakeland were form outside of Florida.

US Geography	Number of Attendees	% of Attendees
Florida	34,261	39.38%
Michigan	29,576	33.99%

Statewide within Florida, 33% of the individuals attending games were from Lakeland. Other cities that drew the most attendees to a Tiger’s Spring Training game included Winter Haven at 3.8%, Tampa at 3.76%, Orlando at 3.7%, Zephyrhills at 3.05%, Saint Petersburg at 2.02% and Miami at 1.45%.

The geographic distributions provided herein support the data and multipliers provided within the 2009 Major League Baseball Florida Spring Training Economic Impact Study Report. With accurate assumptions and firm knowledge we are better able to capture the spending patterns of attendees which in turn can be reflected in the overall economic analysis.

DM<

**USE AGREEMENT**  
(Detroit Tigers)

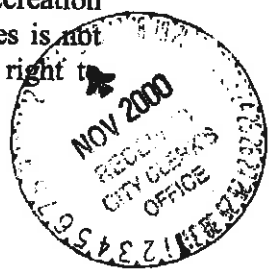
**THIS AGREEMENT**, made and entered into this 29th day of September, 2000, by and between the CITY OF LAKELAND, FLORIDA, a municipal corporation existing under the laws of the State of Florida (hereinafter referred to as the "City"), and DETROIT TIGERS, INC., a Michigan corporation (hereinafter referred to as the "Club").

**WHEREAS**, on March 6, 2000, the parties entered into a Use Agreement relating to the use by the Detroit Tigers and the Lakeland Tigers of certain facilities owned by the City and located within the City and commonly referred to as Tigertown and Joker Marchant Stadium, which Agreement will expire on December 31, 2003; and

**WHEREAS**, the City and the Club desire to enter into a new Use Agreement relating to the use by the Detroit Tigers and Lakeland Tigers of Joker Marchant Stadium and related facilities referenced herein, contingent upon the Facilities, as defined herein, being certified as a "facility for a retained spring training franchise" and the City being awarded funds, pursuant to §288.1182, Florida Statutes.

**NOW, THEREFORE**, in consideration of the mutual covenants and obligations herein contained and the further consideration of the payments required to be made by the Club to the City, it is mutually covenanted and agreed by and between the parties as follows:

1. **Lease.** The City does hereby permit unto the Club, its successors and assigns, the use of those certain premises located in Lakeland, Polk County, Florida, commonly known as Joker Marchant Stadium, which shall include the baseball field and grounds, grandstand, bleachers and seating facilities, clubrooms, shower rooms, offices, ticket offices locker facilities, press box, concession stands and equipment, and the facilities commonly known as Tigertown, which includes the John Fetzer Dormitory, Hangar No. 1, the cafeteria, the 5 ½ baseball diamonds, and the administration offices (collectively referred to as the "Facilities").
2. **Term.** The term of this Use Agreement shall be for fifteen (15) years, commencing on January 1, 2001 and ending December 31, 2016, subject to the contingency set forth in Section 19, herein below.
3. **Major League Team.** The Club agrees to bring to the City each year of the term hereof a major league baseball team for its spring training and conditioning program, subject, however, to any restrictions or limitations which may occur or arise by virtue of war, travel restrictions, labor disputes, or the direction of the Commissioner of Baseball. The Club shall utilize its best effort to schedule at the Facilities a maximum number of games with other major league clubs during each spring training season.
4. **Use of Premises.** The Club shall have priority use of the Facilities during the entire months of February and March and during the first two (2) weeks in April in each year; provided, however, that such use shall not be exclusive and the City's Director of Parks and Recreation may schedule other events, including baseball games, when the use of the Facilities is not required by the Club or its affiliated farm clubs. The Club, shall also have the right to



priority use of the Facilities for an additional period not to exceed one hundred and eighty (180) days during each year to conduct post-season training camps, summer clinics and try-out camps. The Club shall give the City's Director of Parks and Recreation (the "Director") not less than three (3) months' written notice of its intent to use same for such additional period.

Additionally, the Club shall have priority use of Joker Marchant Stadium on those dates and during those hours when regular season or play-off home games are scheduled for Lakeland, Florida by the Florida State Baseball League; provided, however, that such use shall not be exclusive and the Director may schedule other events, including baseball games, when the use of the premises it not required by the Club. The Club shall also have the right to priority use of the Facilities for dates reasonably necessary for practice sessions prior to or during the course of the regular baseball season and League play-off games.

In the event that the Club wishes to use the Facilities, in whole or in part, at times or for purposes not delineated above, the Club may request same in writing to the Director, who shall have the absolute discretion to approve or disapprove same, and to prescribe such terms and conditions as may be reasonable or necessary.

The City may use all or any part of the Facilities when not being utilized by the Club.

5. Maintenance and Repair. The City agrees to maintain the Facilities in first-class condition for use as a baseball park by the Club and visiting clubs, said condition to be reasonably approved by the Club, including, but not limited to, such lights and lighting equipment as the Club may determine is necessary for the playing of baseball games at night.

The City shall furnish at its own cost all necessary equipment, labor and materials in connection with the maintenance and repair of the Facility, with the exception of the following, which shall be at the cost of the Club:

- A. Overtime wages for any City maintenance employee working in excess of forty (40) hours per week, when such overtime is caused or requested by the Club and which wages shall be reimbursed to the City by the Club on a monthly basis upon invoice.
- B. All costs associated with employees utilized by the City for the purpose of maintaining the Tigertown baseball fields. To the extent that these costs are incurred in connection with hiring additional employees other than those that are regular employees of the City, said additional employees shall be temporary employees of the City for purposes of Worker's Compensation coverage, but shall not be participants in the City's group insurance plan.
- C. All actual costs incurred by the City in connection with furnishing labor and materials to maintain the Facilities during the optional one hundred and eighty (180) day period of additional use by the Club.
- D. All actual costs associated with annual operation and maintenance of the cafeteria and Fetzer Hall associated with the Club's use thereof, including equipment, with the exception of permanently installed equipment and fixtures.

- E. The repair of the Facilities occasioned by the negligent conduct of the Club, its agents and employees, reasonable wear and tear excepted. The Club shall also use its best efforts to protect the Facilities when being used and occupied by the Club and employ any necessary security personnel at its own cost and expense.

The City shall also furnish at its expense all utilities, including heat, water and hot water necessary for the club's use of the Facilities, except for gas, which shall be paid for by Club.

6. Obligations of Club. The Club agrees that the Club will furnish, at its cost and expense, all necessary baseball equipment, including batting cages. The City may use the batting cages during the periods that the Facilities are not occupied or used by the Club, provided that the City returns the equipment to the Club in as good condition as when received, or make reimbursement for the value thereof, except for normal wear and tear, damage from fire and acts of God. The Club shall also pay for such reimbursable items as the Club and the City may agree, such as cleaning supplies and equipment and materials specifically required for baseball operations.
7. Rights of Club. Subject to paragraphs 8 and 9, the Club shall have the exclusive right to and complete control of all ticket sales, concession operations, scorebook/program and sales of all novelties and souvenirs, field and stadium advertising, suite rental and service and all revenue derived therefrom. Placement of field and stadium advertising shall be at the discretion of the Club, subject to the approval of the Director of Parks and Recreation, which approval shall not be unreasonably withheld.
8. (a) Fees. Incidental to the use of the Facilities by the Detroit Tigers, the Club shall pay to the City a rental fee of fifteen (15%) percent of the following:
1. Gross ticket sales receipts from each exhibition game or other event by the Club for which an admission fee is charged.
  2. Gross sales receipts from the sale of all novelties, souvenirs, concessions and stadium advertising.
- (b) Incidental to the use of the Facilities by the Lakeland Tigers, the Club shall pay to the City a rental fee of:
1. Fifteen (15%) percent of gross sales receipts from the sale of all concessions, suite rentals and operations, souvenirs and novelties operations only.
  2. A fee equal to the greater of twelve (12%) percent of gross ticket sales, or \$120.00 per day game/\$160.00 per night game.
- (c) One dollar and fifty cents (\$1.50) per ticket stadium facility charge will be paid to the City and applied to relief of the loan until its obligation is met. At that time, this amount reverts to the Club.

All fees payable pursuant to Sec. 8.(a)1. and 2., 8.(b)1. and 2. and (c) shall be applied to relief of the loan until the obligation is met. The Club's total annual obligation for fees payable pursuant to this Section 8 for any calendar year shall not exceed \$300,000.00.



The term "gross receipts" shall be defined as gross sales proceeds, less deductions for any applicable state, federal or local taxes.

There shall be no payment required with respect to scorebook/program receipts.

9. Annual Rent. The Club shall pay annual rental of Seventeen Thousand (\$17,000.00) Dollars for Tigertown to be paid prospectively on January 1 of each year, with a four (4%) percent discount if paid prior to due date. This amount of money will be placed in the special Tigertown improvements account to be used as directed by the Club for replacement and improvements of minor league facilities.
10. Payment: Except for the annual rent and overtime expenses which are paid quarterly, any and all payments required by this Agreement to be made by the Club shall be paid to the City together with a full and final accounting 30 days after the conclusion of the spring training season, the Lakeland Tigers season or other activity. Payment shall be made to the Parks and Recreation Director, City Hall, Lakeland, Florida, or such other person or office designated by the City in writing.
11. Insurance. The Club shall maintain adequate liability insurance, designating the City as a named insured, to protect the City from any liability arising from the use of the Facilities by the Club. The minimum limits of such policy of insurance shall be \$500,000.00 for injury to any one person; \$1,000,000.00 for injuries arising out of a single occurrence; and \$100,000.00 for property damage resulting from a single occurrence.
12. Damage or Destruction. In the event any of the Facilities shall be damaged by fire or other casualty and such Facilities shall have been insured against such loss by the City, then the entire proceeds of any such policy or insurance shall be paid to the City, free of any claim or right of the Club. The City shall have the right to restore or reconstruct any damaged or destroyed building or premises, and any reconstructed building shall become a part of the Facilities. In the event such portions of the Facilities are destroyed as to render the entire Facilities unsuitable in the Club's judgment for the Club's operation, the Club shall have the right to play elsewhere until such restoration or reconstruction is completed and, if the City neither reconstructs the premises within either 60 days or by October 30 immediately following the destruction, then, in either case at the Club's option, the Club shall have the right to terminate this Agreement by providing written notice and without further obligation or responsibility. In that event, the City shall refund to the Club on a pro rata basis any prepaid rents which may have been made prior to the date of termination.
13. Taxes. The Club shall be responsible for and pay any and all sales or other tax incidental to this Agreement. In the event that ad valorem taxes are assessed against the Facilities or any portion thereof as a result of the Club's use of same, the Club shall be responsible for its prorata portion of such taxes.
14. Termination. This Agreement may be terminated by either party upon material breach by the other party, upon thirty (30) days' prior written notice, certified mail, return receipt requested (deemed made upon receipt) and failure by the defaulting party to cure the same within said 30 days. In the event that the Club fails to cure any such breach and there remains an outstanding balance on the loan referenced in Section 8 hereof, the Club shall pay the City

\$10,000.00 as liquidated damages, which shall be the City's sole and exclusive remedy as a result thereof.

15. Option. The Club shall have the option to renew this Agreement for an additional term of ten (10) years by giving the City written notice of its intention to renew same not less than one (1) year prior to the expiration of the initial term hereof. The rental imposed during such renewed term shall be the amount agreed upon by the parties hereto prior to the commencement of the renewal.
16. Subcontractors. If any services permitted by this Agreement are subcontracted by the Club, any such subcontractor shall either be included as an additional insured under the Club's insurance policy, or shall file with the City a Certificate of Insurance evidencing compliance with Paragraph 11 hereof.
17. Agreement of City Regarding Revenue. The City agrees to take such action as is necessary under the laws of the State of Florida to plan and budget for receipt of a sufficient appropriation of funds to discharge its obligations hereunder; provided, however, if the City has not appropriated sufficient funds to enable it to discharge its obligations then, notwithstanding any other provision contained herein, this Agreement may be terminated effective upon expiration of the fiscal year in which sufficient funds were last appropriated to satisfy the obligations.
18. Assignability/Amendment. This Agreement shall be binding and inure to the benefits of the successors of each of the parties, but it is mutually agreed that this Agreement shall not be assigned by the Club to any person, firm or corporation without the written consent of the City, which consent shall not be unreasonably withheld.  
  
Notwithstanding the foregoing, no consent is required in the event that the Club sells its major league franchise rights, said sale is approved by Major League Baseball and the team continues to play its regular season baseball games in the Metropolitan Detroit area.  
  
Any amendment to this Agreement shall not be effective unless in writing and approved by the Office of the Commissioner of Baseball.
19. Covenants Contingent. The parties expressly acknowledge and agree that the mutual covenants undertaken in this Agreement are contingent on presentation by the City to the club of a plan of project finance which includes irrevocable commitments and awarding of funds, pursuant to §288.1182, Florida Statutes, from the State of Florida, Polk County and the City of Lakeland, all of which, when combined with the obligations and undertakings elsewhere referenced herein, will provide sources of no less than \$9.5 million which are to be irrevocably committed to the project. This financing plan shall be subject to the approval of the club, which shall not be unreasonably withheld. Further, the club shall have approval of the renovation program for which the financing plan has been irrevocably committed, such approval not to be unreasonably withheld.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date indicated below:

**DETROIT TIGERS, INC.**

By: John McHale  
Its: President-CEO

The foregoing was subscribed and sworn to before me this 3 day of November 2000, by John McHale

Margaret Brennan  
Notary Public

MARGARET BRENNAN  
Notary Public, Wayne County, FL  
My Commission Expires May 21, 2001

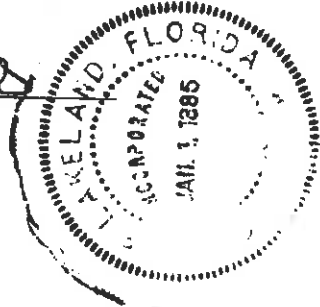
Notary Public Stamp

(Notary Public Seal)

**CITY OF LAKELAND, FLORIDA**

By: Ralph L. Fletcher  
Ralph L. Fletcher  
Its: Mayor

By: Kelly S. Koos  
Kelly S. Koos  
City Clerk



(Seal)

Approved as to Form and Correctness:

By: Joseph P. Mawhinney  
Joseph P. Mawhinney  
City Attorney

# Joker Marchant Stadium / Detroit Tigers / Lakeland Flying Tigers

TUESDAY, 22 FEBRUARY 2011 17:08



Share



**Tiger Town** is the last great traditional spring-training site still used in Florida. The Tigers have been training in **Lakeland** since 1934 (taking a break for the war years, of course) and playing in **Joker Marchant Stadium** since 1966. In those many years **Tiger Town** has evolved into a complete training complex that includes the ballpark, other training fields, dorm, training facilities, and team clubhouses. If you want a whiff of old-time Florida spring training, a stroll through **Tiger Town** is in order.



## FAST FACTS

**Capacity:** 9,000

**Year Opened:** 1966; renovated in 2003

**Dimensions:** 340L, 420C, 340R

**Surface:** Grass

**Local Airport:** Orlando or Tampa

**Home Dugout:** Third base

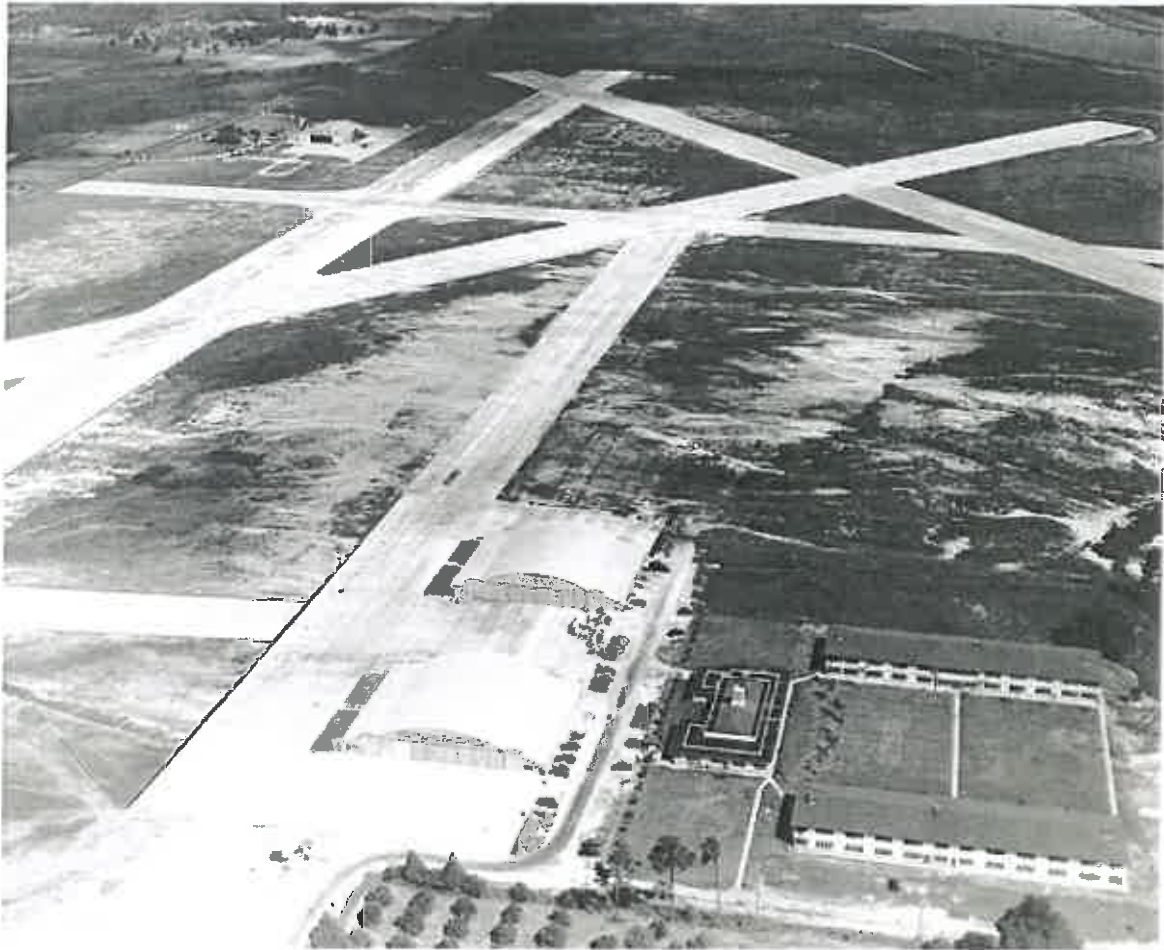
**Address/Directions:** Al Kaline Dr., 2301 Lakeland Hills Blvd., Lakeland. Take exit 33 off I-4 onto Hwy.

33 South. Tiger Town and the ballpark are approximately 2 miles on the left. There is signage pointing out two parking areas next to the ballpark.

[View Larger Map](#)



As one would expect from such an old facility, Tiger Town is one of the more historically interesting sites in the **Grapefruit League**. It was built on the site of a World War II flight school, the **Lodwick School**. Between 1940 and 1945 more than 8,000 cadets, including British Royal Air Force cadets, attended the **Lodwick School of Aeronautics**, and more than 6,000 graduated. Some of the remnants of that school still exist, including two hangars that have been renovated and used for various purposes. (You can see them in the city-owned industrial complex next to the Joker Marchant Stadium parking lot. Sadly, the most recent renovations to Tiger Town included the removal of a runway beyond the outfield wall. The photo below shows the two hangars on the bottom that still stand. Click on any image for a larger version.)



In keeping with the site's history the ballpark décor changed before Spring Training 2007. Detroit's **Florida State League** affiliate received a name change to the **Lakeland Flying Tigers** and adopted an aviation motif throughout the ballpark. As a result, concession stands are called canteens (among other things), and there's a lot of camouflage in the concourse, as shown above.

Thanks to a 2003–2004 renovation, **Joker Marchant** is still one of the most pleasant venues in spring training. The \$11-million renovation, designed by **HKS**, brought about new faux red-tile roofs that create lofty shaded, covered concourses and bright stucco towers, arches, columns and walls that anchor the exterior. Tigers fans might remember the garish orange seats in the grandstand; Joker Marchant now features ballpark-green individual armchair seats with cup holders, with three new rows along the backstop, bringing fans within 50 feet of home plate.



A new vertical backstop screen replaced the old canopy screen, while the seating bowl was angled toward the infield and extended down the right field line 94 feet, bringing fans closer to the action.

The concourses provide much-needed shelter from rain and the sun and features new and renovated restrooms, re-themed concessions, and improved signage. Ornamental fencing and natural wood trellises accent the perimeter and entry gates to create an open plaza.

The outfield area has been upgraded with a 16-foot-high, above-grade grass seating berm and trellised patio lined with mature palms, while the batter's eye hides a new maintenance building. The bullpens were relocated to the outfield area in full view of the stands and dugouts.

As a condition of the renovations, a new lease keeps the **Tigers** in **Lakeland** until **2019**.



No matter where you sit, bring the sunscreen. Only the last 10 rows of the grandstand — those sitting in front of the suite level — sees any shade at all, while anything beyond the dugouts is in a sun field. It's even worse in the outfield berm area, where you'll be staring into the sun for much of a typical afternoon game. You'll also be fighting the sun in the left-field bleachers, which are a little unusual; this section is large and pitched at more of an angle than the rest of the ballpark. We don't recommend you sit out there unless you have no other options or want a place to let the little ones wander and burn off some energy.

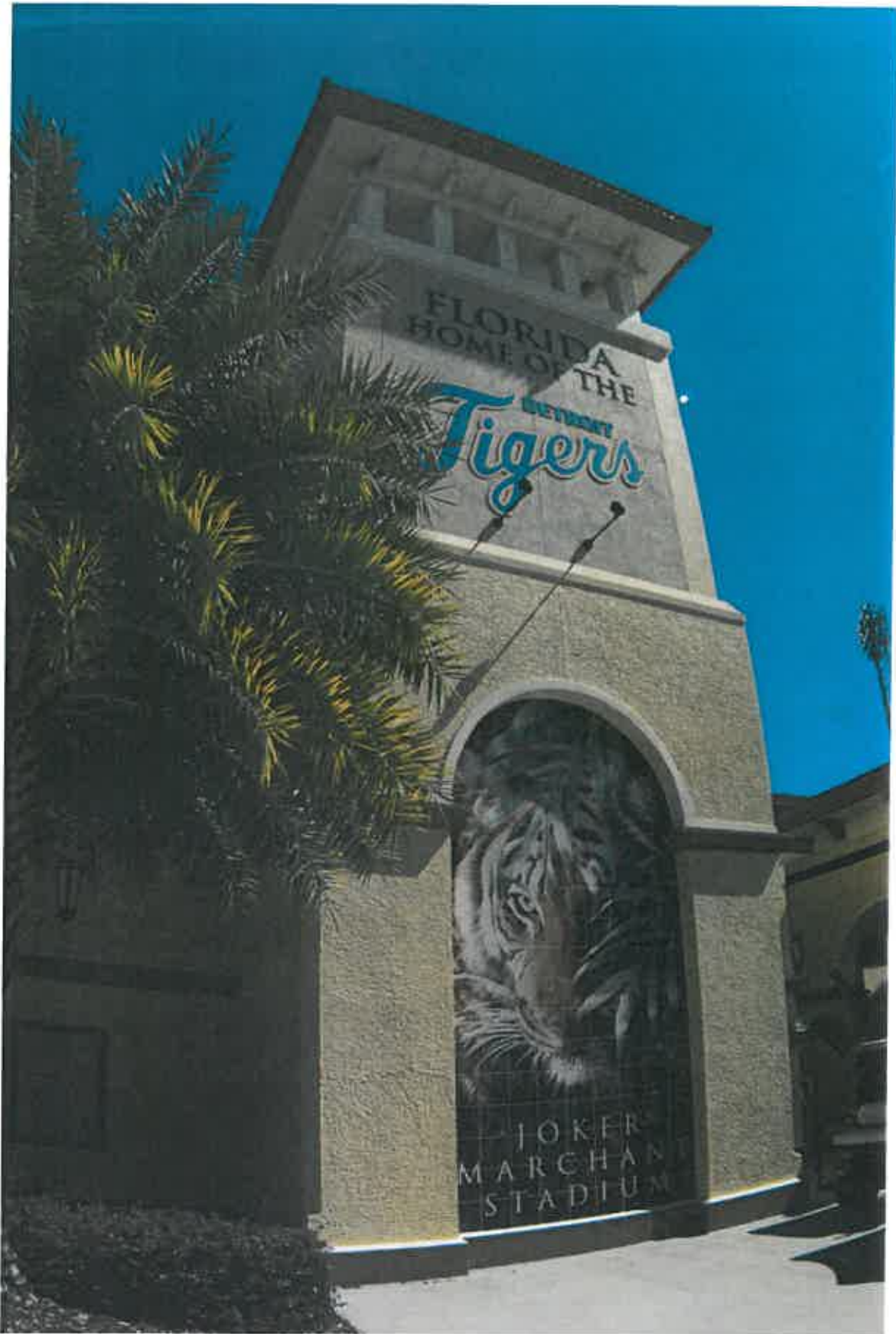
Detroit fans tend to be pretty loyal to their Tigers, even when times were bad in recent years. The capacity of Joker Marchant is now around 9,000 (8,000 seats, with room for 1,000 or so out on the berm), and attendance is pretty steady: Crowds of 5,000 or more are fairly common. It's still a good place to visit if your favorite team is in town, but don't be surprised if you're a Red Sox or Yankees fan and the game is sold out.





The addition of six new furnished suites, themed after Tiger all-time greats Ty Cobb, Charlie Gehringer, Hank Greenberg, Willie Horton, Al Kaline, and Hal Newhouser, provide a comfortable perch to watch the game. Flanking the suites on either side of the press box and suites are two open-air covered patio lounges, four new restrooms, and a food service catering pantry.

Tigers spring-training games are fairly low-key events, thank goodness. About the only between-innings excitement comes when the grounds crew interrupt their infield grooming to dance along with what has become the National Anthem of Baseball, the Village People's YMCA.



The best thing about a Tigers spring-training game, however, is the laid-back atmosphere and easy accessibility to players and staff. If you go, watch for Tigers President David Dombrowski sitting behind home plate — he'll be the guy with the stopwatch, checking out his pitching staff.

### **Ballpark History**

Joker Marchant Stadium was built in 1966 for \$360,000 and named after the city's popular parks and rec director, Marcus Thigpen "Joker" Marchant (*MAR-chant*).

### **Concessions**

For the most part, you can find the normal ballpark fare at the ballpark: hot dogs, peanuts, soda, pizza, beer, ice cream, etc. We'd recommend the **Torpedo Dog**.

The pizza, of course, is **Little Caesars**: Tigers owner Mike Ilitch made his money by launching the Little Caesars pizza chain. Of much better quality are the smoked turkey legs, the barbeque pork sandwiches, the Italian sausage, and the occasional strawberry short cake. Why strawberry short cake? The region around Lakeland, especially **Plant City**, is known for its early-season strawberry crops. At Joker Marchant, the strawberries are also served with ice cream, and wandering vendors offer the strawberry delicacies. They're also available at a booth down the third-base line, which also serves Edy's ice cream.



Most of the beer served at Joker Marchant Stadium is of the standard corporate type. For something to remind you of home, a portable beer stand down the left-field line offers a variety of microbrews, including some from Michigan-based **Bell's**.

### **Autographs**

The Tiger Town complex encompasses **four practice fields in a cloverleaf layout, Joker Marchant Stadium and Kaline Field**, a small diamond located past the Marchant Stadium left-field corner. Before the start of spring training all practices take place on the four cloverleaf fields and Kaline Field. A roped-off path runs between the practice fields and the clubhouse, and that's the place to snare players once they leave practice, which traditionally has begun at 10:30 a.m.

Once games start, the minor leaguers take over the cloverleaf fields, with the major-league squad decamping to Kaline Field or Marchant Stadium. On game days or before practice the place to snare an autograph is "**Autograph Alley**," down the right-field line, near the team offices and home clubhouse. Players mill around Autograph Alley and chat with fans in addition to signing autographs. Autograph Alley is manned from the opening of the gates two hours before game time to about 20 minutes before the actual start of the game.

If you arrive early enough, you can hang around the parking lot and irritate players as they arrive. You can also hang around the parking lot and try to attract their attention as they leave.



### **Parking**

Parking is \$7 on adjacent lots. Get to the ballpark early: because there's only one main entrance to the ballpark parking lot and traffic gets congested on **Lakeland Hills Boulevard**.

Here's a super-secret back way into the Joker Marchant Stadium parking areas especially handy if you're coming from the south. There's an overflow entrance on the south side of the parking lots. To access it, go east on **Bella Vista Street** and hang a left (north) on **Gilmore Avenue**.

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## Marchant Stadium



**2301 Lakeland Hills Blvd**

**FOR TICKETS PLEASE CALL (863) 686-8075**

### [Map Me](#)

Established in 1965, the Spring Training home of the Detroit Tigers seats 5,000 spectators with 3,700 grandstand seats, 450 box seats and 850 bleacher seats.

### **History**

The plot of land upon which Joker Marchant Stadium stands and Tigertown was built had an established history as a training ground before it became a training complex for baseball.

It all started on September 14, 1940, when the Lodwick School of Aeronautics began primary flight instruction by contract with the United States Army Air Corps. The school's proprietor, Harvard educated Albert Lodwick, leased the Lakeland Municipal Airport for his school's mission, which was to provide basic flight training to cadets for service in World War II. Lodwick's school did that for nearly five years and by the time it closed on August 7, 1945, over 6,000 American and 1,200 British pilots had graduated from the Lakeland academy.

Ironically, construction on the airport leased by Lodwick began in 1934, the same year the Tigers first

set up camp in Lakeland, and in 1953, five years after the airport was renamed Al Lodwick Field, the land's primary usage began to switch from aviation to athletics, with Detroit's minor leaguers moving into the school's abandoned barracks and setting up their operations at "Tigertown."

During its inaugural spring training, the Tigertown complex had "four first-class working diamonds, a batting cage with automatic throwing device, and all the facilities needed by the teams in training." So reported the *Ottawa Citizen* in its April 11, 1953 issue during a story about the city's minor league team, the Ottawa Athletics, who were "housed in barrack blocks" during their five day stay at "the former U.S. Army training base" that would be phased out as Lakeland's main airport over a three-year period. Lodwick Field was closed to air traffic on March 12, 1960.

While construction of Tigertown began in October of 1952, it would be another 155 months before construction would commence on a main stadium for the complex. Construction on that stadium, known as Joker Marchant Stadium from the outset, began in September 1965 and six months later the Tigers' organization was at last unified within Tigertown, as the major leaguers no longer needed to train at nearby Henley Field, their original and 29-season home in Lakeland.

On March 12, 1966, Joker Marchant Stadium hosted its first game, a 4-2 victory for the Tigers over the Twins that was attended by 4,919 fans and the stadium's namesake, Marcus Thigpen Marchant, who went by the name "Joker" and often wore a white cowboy hat. That explains why a weathered plaque in the stadium's concourse that dates to 1966 is etched with a cowboy hat-wearing likeness of the city's longtime parks & rec director, who played a major role at keeping the Tigers in Tigertown while working for the city, which he did until retiring in 1978. Marchant died at his Lakeland home during spring training in 1983.

Joseph Skillman died the year before Joker Marchant did and while Skillman's name is not often associated with the stadium, he is the Lakeland civil engineer who designed it, along with the dormitories at Tigertown that were dedicated in 1971 in honor of John Fetzer, who owned the Tigers then and when Joker Marchant Stadium opened. Skillman did his design work while under the employ of Lakeland Engineering Associates, a firm today known as Chastain-Skillman, Inc.

The year after the Skillman-designed dorms opened, the City of Lakeland installed a \$160,000 set of lights that enabled the stadium to host its first night game on March 31, 1972, when the Tigers beat the Red Sox, 6-2.

Shortly after the inaugural night game at Joker Marchant ended the first strike in baseball history began, as players officially walked out at midnight over concerns about their pension plan. The unprecedented action of labor strife dominated the next day's newspapers, so the 8:00 game attended

by 3,552 fans was a footnote, even in the local paper, the *Lakeland Ledger*, which labeled the proceedings "second-class in the midst of more significant happenings."

As to be expected of any ballpark its age, Joker Marchant Stadium has been renovated and expanded over the years, and to the point it now has space for more than twice as many fans within its confines as it did when it opened as a 4,900-seater.

Two renovations stand out.

In 1988, a whopper of a bleacher section was added down the left field line and the stadium's first significant addition expanded its seating capacity to 7,027.

Fifteen years later, a stadium version of Extreme Makeover occurred when a modern Joker Marchant Stadium was unveiled following 10 months and \$10 million worth of work on it after a nationally renowned architectural firm (HKS) designed and a locally based contractor (Rodda Construction) built what four entities paid for. The State of Florida's \$4.5 million grant was the biggest financing chunk, while the Polk County Tourist Development Council chipped in \$2 million. The remainder of the renovation's cost was paid for by the Tigers and the City of Lakeland.

As part of the millions spent, the city owned and operated stadium got an exterior facelift, redone in a Mediterranean-style, but the do-over did remove four pieces of Tigers' nostalgia from the main façade, where large banners containing artistic renditions of Tiger greats Norm Cash, Al Kaline, Alan Trammell and Lou Whitaker had been hung.

Behind the new face of the stadium, just about everything inside was touched up or improved upon, with fans, players and press all benefiting.

For those who pay to watch the game, enough new seating and standing room areas were added that Joker Marchant Stadium crowds can now swell to five figures, a milestone that was reached for the first time on March 27, 2010, when 10,219 paid to watch a Yankees-Tigers game. Such a lofty attendance was made possible by the addition of a berm in left field, hundreds of new box seats behind home plate and along the first base line, and six suites. Also, all seating in the grandstand was replaced, which meant the bright orange box seats below the cross aisle were removed, as were the less appealing aluminum bleachers with blue seat backs above the interior aisle. As a result, since 2003 all of the stadium's grandstands have been filled with modern molded plastic stadium seats, each one painted dark green.

Much of the new box seating was made possible by the removal of the Tigers' bullpen from the edge

of the first base grandstand to beyond the right-center field wall, where it was added alongside the visitor's pen, which was relocated from its prior placement down the left field line. More importantly to the visiting team, their clubhouse was significantly expanded from its paltry 16" x 32" size. Meanwhile, Tigers' hitters had more opportunities to prepare for facing opposition pitching thanks to the addition of four indoor batting cages in a building beyond right field.

The first time the Tigers' faced opposition in their new stadium was on February 26, 2003, when they showed the local kids from Florida Southern College who was boss in a 19-2 Detroit win that 2,255 paid to see. Those that reported the outcome of that game did so from a new press box, and one that was air-conditioned for the first time in stadium history.

The one thing missing from Version 2.0 of Joker Marchant Stadium was a modern scoreboard, but when the basic line score model that dated to the mid-1990s was destroyed by the 100 mph winds of Hurricane Jeanne on September 26, 2004, the city decided on a \$300,000 live video capable Daktronics replacement, which they chose to place in the same right-center field spot as the previous scoreboard, which had cost \$95,000. Because it had been damaged by a natural disaster, FEMA gave Lakeland \$78,000 in financial aid to help pay for the replacement. And because that replacement wasn't scheduled to arrive from South Dakota until about 72 hours before the Tigers' first home Grapefruit League game in 2005, the city opted to place a small auxiliary scoreboard in left-center field just in case there was a delay.

Besides trashing the scoreboard, Hurricane Jeanne also caused about \$1 million in damage to Joker Marchant's roof, seats and lights, which were collectively replaced or repaired by the same Lakeland-based construction company that had overseen the \$10 million overhaul completed in 2003.

Despite the trend, the combined cost of upgrades and repairs were not offset by the sale of the stadium's naming rights. Not that the team and city didn't try, at least in a roundabout way, as in the summer of 2002 they announced that the naming rights to the playing field would be sold to the highest corporate bidder.

While the Tigers and Lakeland agreed on how the rights fee would be split -- 60% to the team and 40% to the city -- neither party was able to reach an agreement with a willing sponsor. So the completely renovated stadium has never been partly rebranded and all these years after it opened Joker Marchant Stadium is the only name by which it has ever been known, just as the Detroit Tigers are the only team to ever call the stadium its winter home.

*information provided by [www.baseballpilgrimages.com](http://www.baseballpilgrimages.com)*

*written by Graham Knight*

**ORDINANCE NO. 2013-001**

**AN ORDINANCE OF THE BOARD OF COUNTY COMMISSIONERS OF POLK COUNTY, FLORIDA AMENDING ORDINANCE 86-27, AS AMENDED, RELATING TO THE LOCAL OPTION TOURIST DEVELOPMENT TAX; PROVIDING FOR FINDINGS; PROVIDING FOR LEVYING, CONTINUATION, EXTENSION AND RE-IMPOSITION OF THE ADDITIONAL ONE-HALF PERCENT (1/2 %) TOURIST DEVELOPMENT TAX AUTHORIZED BY SECTION 125.0104(3)(I), FLORIDA STATUTES, AND IMPOSED BY THE POLK COUNTY BOARD OF COUNTY COMMISSIONERS IN 1993 BY ORDINANCE 93-52 IN A SUBDISTRICT OF POLK COUNTY; PROVIDING FOR AMENDMENT AND RESTATEMENT OF THE TOURIST DEVELOPMENT PLAN; PROVIDING FOR CONFLICTS; PROVIDING FOR SEVERABILITY; PROVIDING AN EFFECTIVE DATE.**

**BE IT ORDAINED BY THE BOARD OF COUNTY COMMISSIONERS OF POLK COUNTY, FLORIDA:**

**SECTION 1. FINDINGS. It is hereby found and determined that:**

(A) In 1986, the Board of County Commissioners of Polk County (the "Board") enacted Ordinance 86-27 to impose the two percent tourist development tax authorized by Section 125.0104 (3)(c), Florida Statutes and said levy was subsequently approved by the voters of Polk County (hereinafter the "First Cent" and "Second Cent").

(B) In 1990, the Board, by extraordinary vote, enacted Ordinance 90-13 to impose the additional one percent tourist development tax authorized by Section 125.0104(3)(d), Florida Statutes, for a total tourist development tax of three percent (hereinafter the "Third Cent").

(C) In 1993, the Board enacted Ordinances 93-45 and 93-52 to impose the additional one percent tourist development tax authorized by Section 125.0104(3)(I), Florida Statutes by imposing one-half-cent countywide; imposing one-half-cent within a subdistrict generally including the area of Lakeland, Florida (the First Subdistrict), and one-half-cent in a Second Subdistrict made up of the rest of the area of the county not

**COMMISSIONERS OF POLK COUNTY, FLORIDA, THAT:**

**SECTION 2. AMENDMENT TO SECTION 1 OF POLK COUNTY ORDINANCE**

**86-27, AS AMENDED.** Section 1 of Polk County Ordinance 86-27 is hereby amended and restated in its entirety to read as follows:

**Section 1.** (a)(i) Pursuant to Section 125.0104(c) and Section 125.0104(d), Florida Statutes, there is hereby levied and imposed and set a tourist development tax throughout Polk County, Florida at a rate of three percent (3%) and (ii) pursuant to Section 125.0104(l), Florida Statutes, there is hereby levied and imposed and set a tourist development tax throughout Polk County, Florida, at a rate of one-half percent (0.5%), of each whole and major fraction of each dollar of the total rental charged each person who rents, leases or lets for consideration any living quarters or accommodations in any hotel, apartment hotel, motel, resort motel, apartment, apartment motel, rooming house, tourist or trailer camp or condominium for a term of six (6) months or less.

(b) A subdistrict including the following described property:

A parcel of land lying in Polk County, Florida, described as follows:  
Begin at the intersection of the centerline of the  
Withlacoochee river and the west boundary of Township 28,  
thence Southerly along said west township line 25.4 miles,  
more or less to the centerline of Shepherd Road; thence  
Easterly along said centerline of the CSX Railroad; thence  
Southwesterly along said Centerline of CSX Railroad 0.4  
miles; thence East 6.6 miles, more or less, to the centerline  
of E.F. Griffin Road; thence Northerly along said centerline  
of E.F. Griffin Road 1.3 miles, more or less, to the centerline  
of U.S. 98; thence Northwesterly along said centerline of  
U.S. 98 0.7 miles, more or less, to the centerline of Hancock  
Avenue, S.E.; thence Easterly along said centerline of  
Hancock Avenue, S.E. 1.0 miles, more or less, to the west

the total rental charged each person who rents, leases or lets for consideration any living quarters or accommodations in any hotel, apartment hotel, motel, resort motel, apartment, apartment motel, rooming house, tourist or trailer camp or condominium for a term of six (6) months or less.

(d) Pursuant to Section 125.0104(n), Florida Statutes, there is hereby levied and imposed and set an additional tourist development tax throughout Polk County, Florida at a rate of one percent (1%), on each whole and major fraction of each dollar of the total rental charged each person who rents, leases or lets for consideration any living quarters or accommodations in any hotel, apartment hotel, motel, resort motel, apartment, apartment motel, rooming house, tourist or trailer camp or condominium for a term of six (6) months or less.

(e) The tourist development tax imposed herein, which totals 5%, shall be in addition to any other taxes, fees and considerations for the rental or lease.

(f) The tourist development tax shall be charged by the person receiving the consideration for the lease or rental, and it shall be collected for the lease or rental, and it shall be collected from the lessee, tenant or customer at the time of payment of the consideration for such lease or rental.

(g) The person receiving the consideration for such rental or lease shall receive, account for, and remit the tax to the Polk County Tax Collector at the time and in the manner provided in Section 8 contained herein. The same duties and privileges imposed by Chapter 212, Florida Statutes, upon dealers in tangible property, respecting the collection and remission of tax, the making of returns, the keeping of books, records and accounts and the payment of a dealer's credit in compliance with the rules of the Tax Collector in the administration of Chapter 212 shall apply to and be binding upon all



**Statutes, Section 125.0104 which are consistent with the Polk County Tourist Development Plan including, but not limited to, operating, maintaining, repairing, renewing and/or replacing sports stadiums and arenas and the promotion and advertisement of tourism in the State of Florida and nationally and internationally.**

**(j) The additional funds raised by levying and imposing the one percent tourist development tax imposed pursuant to Section 125.0104(n), Florida Statutes and Section (d) above (the "Fifth Cent"), shall, to the extent necessary to insure the annual payment of required debt service, be used to pay the debt service on bonds issued to finance or refinance the construction, reconstruction or renovation of the Lake Myrtle Sports Complex, a venue having as one of its main purposes the attraction of tourists within Polk County, for the purpose of adding soccer fields and facilities required to accommodate the Florida Youth Soccer Association Headquarters and to provide a venue for additional competitive events. To the extent that the amounts of the Tourist Development Tax raised and levied by the imposition of the Fifth Cent of the tourist development tax imposed pursuant to Section (d) above shall exceed the required debt service payments in any fiscal year, the County may, at its option and in its sole discretion, apply such excess amounts to pay the principal or interest on such debt service or for any other use permitted by Florida law or by this Ordinance for the promotion of tourism.**

**SECTION 3. AMENDMENT TO SECTION 2 OF POLK COUNTY ORDINANCE 86-27, AS AMENDED. Section 2 of Polk County Ordinance 86-27 is hereby amended and restated in its entirety to read as follows:**

**Section 2:**

**The tax revenues received pursuant to this Ordinance shall be used to fund the**

**generation, growth and/or promotion of tourism, the enhancement of the tourist industry, and/or the attraction of tourists from within and without Florida to Polk County.**

**D. A maximum of fifteen percent (15%) per year of the expenditure of revenue from the first two cents levied pursuant to Florida Statutes, Section 125.0104(3)(c), as set out in Section 1 above, shall be allocated to cultural and arts activities, services, venues or events which have, as one of their main purposes, the attraction of tourists as evidenced by the promotion of the activity, service, venue or event to tourists. The following provisions apply to the allocation of Tourist Development Tax revenues to cultural and arts activities, services venues or events:**

**1. The Board may, in its sole discretion, (a) appoint an arts board made up of qualified members of the community familiar with both the visual and performing arts, (b) identify an existing group within the community, or (c) create a standing committee within the Tourist Development Council to be responsible for recommending to the Tourist Development Council a variety of grants for cultural and arts activities, services, venues or events which have, as one of their main purposes, the attraction of tourists.**

**2. In the event the Board appoints an arts board or community group to recommend grants, it is understood that:**

**i. no revenues shall be allocated specifically for salaries related to the group selected to distribute the grant monies on behalf of the arts. However, it is recognized that the contracted services to the County by an appointed arts organization for management services can**

STATE OF FLORIDA     )  
                                  )  
COUNTY OF POLK        )

I Stacy M. Butterfield, County Clerk and Comptroller for Polk County, Florida, hereby certify that the foregoing is a true and correct copy of Ordinance No.13-001 adopted by the Board on January 22, 2013.

WITNESS my hand and official seal on this 24th day of January 2013.

STACY M. BUTTERFIELD, CLERK

By: Alison Prevatt  
Alison Prevatt  
Deputy Clerk





**FLORIDA DEPARTMENT of STATE**

**RICK SCOTT**  
Governor

**KEN DETZNER**  
Secretary of State

January 31, 2013

Ms. Alison Prevatt  
Deputy Clerk  
Finance and Accounting  
Post Office Box 988  
Bartow, Florida 33831-0988

Dear Ms. Prevatt:

Pursuant to the provisions of Section 125.66, Florida Statutes, this will acknowledge receipt of your letter dated January 25, 2013 and certified copies of Polk County Ordinance Nos. 2013-001 and 13-002, which were filed in this office on January 31, 2103.

Sincerely,

A handwritten signature in cursive script that reads "Liz Cloud".

Liz Cloud  
Program Administrator

LC/elr

**RECEIVED**

*Prevatt 2/12/13*  
Clerk Of The Board



The 2014 season celebrated the 100th Anniversary of Spring Training Baseball in Pinellas County, the birthplace of Florida Spring Training as we know it today. It was 1914 when Al Lang brought the St. Louis Browns to St. Petersburg, for pre-season workouts, opening the door for more teams to follow.

Since that time, the “off season” workouts have become an economic benefit to the state as Florida Spring Training Baseball provides the State of Florida a \$753 million economic impact each year. The total was determined by an economic impact survey, compiled during the 2009 season, by Bonn Marketing Research Group of Tallahassee.

Since the 2000 season a total of 23,464,074 fans have attended Spring Training Baseball games in the State of Florida.

#### **2014 Team-by-Team Florida Spring Training Attendance**

**Atlanta Braves - Disney's Wide World of Sports, Lake Buena Vista**

17 Games: 124,493 total attendance; 7,323 average per game

Largest Crowd: 10,445 vs. St. Louis Cardinals, Saturday, March 15

**Baltimore Orioles - Ed Smith Stadium, Sarasota**

12 Games (3 rain outs); 89,448 total attendance; 7,454 average per game  
Largest Crowd: 8,602 vs. New York Yankees, Saturday, March 15

**Boston Red Sox - JetBlue Park, Fort Myers**

15 Games; 147,669 total attendance; 9,845 average per game  
Largest Crowd: 10,147, vs. Baltimore Orioles, Wednesday, March 26

**Detroit Tigers - Joker Marchant Stadium, Lakeland**

15 Games (2 Rainouts); 116,226 total attendance; 8,302 average per game  
Largest Crowd: 9,246 vs. Toronto Blue Jays, Tuesday, March 11

**Houston Astros - Osceola County Stadium, Kissimmee**

12 Games (1 Rainout); 44,715 total attendance; 3,726 average per game  
Largest Crowd: 5,115, vs. St. Louis Cardinals, Saturday, March 22

**Miami Marlins - Roger Dean Stadium, Jupiter**

14 Games; 60,260 total attendance; 4,304 average per game  
Largest Crowd: 6,850 vs. St. Louis Cardinals, Thursday, March 20

**Minnesota Twins - Hammond Stadium, Fort Myers**

14 Games (2 Rainouts); 107,806 total attendance; 7,700 average per game  
Largest Crowd: 9,298 vs. New York Yankees, Saturday, March 22

**New York Mets – Tradition Field, Port St. Lucie**

14 Games; 76,091 total attendance; 5,435 average per game  
Largest Crowd: 7,678 vs. Atlanta Braves, Sunday, March 9

**New York Yankees - Steinbrenner Field, Tampa**

15 Games (1 Rainout); 151,564 total attendance; 10,104 average per game  
Largest Crowd: 11,032, vs. Boston Red Sox, Tuesday, March 18

**Philadelphia Phillies - Bright House Field, Clearwater**

15 Games (1 Rainout); 121,915 total attendance; 8,128 average per game  
Largest Crowd: 11,210, vs. Boston Red Sox, Friday, March 21

**Pittsburgh Pirates - McKechnie Field, Bradenton**

12 Games (3 Rainouts); 91,046 total attendance; 7,587 average per game  
Largest Crowd: 8,566, vs. Philadelphia Phillies, Saturday, March 22

**St. Louis Cardinals - Roger Dean Stadium, Jupiter**

14 Games; 96,791 total attendance; 6,914 average per game  
Largest Crowd: 7,844, vs. Boston Red Sox, Wednesday, March 5

**Tampa Bay Rays - Charlotte Sports Park, Port Charlotte**

14 Games; 78,624 total attendance; 5,616 average per game  
Largest Crowd: 7,852 vs. Boston Red Sox, Sunday, March 16

**Toronto Blue Jays – Florida Auto Exchange Stadium, Dunedin**

14 Games; 67,900 total attendance; 4,850 average per game  
Largest Crowd: 5,553, vs. New York Yankees, Sunday, March 2

**Washington Nationals - Space Coast Stadium, Viera**

14 Games; 77,564 total attendance; 5,540 per game average  
Largest Crowd: 7,623 vs. St. Louis Cardinals, Sunday, March 9

**Florida Spring Training Total Attendance**

211 Games; 1,452,112 total attendance; 6,882 per game

**-end-**

**City of Sarasota  
(Baltimore Orioles)**



Sarasota County Board of County Commissioners  
 Capital Project Report  
 Spring Training Facilities - 93055  
 Project to Date Through June 2014\*\*

Fund Org Code	Total Project Budget	Current Year Budget	Commitments	Year to Date Expenditures	Project to Date Expenditures	Available Balance
390 93055300 Ed Smith Spring Training Fac	15,262,513.00	-	-	-	15,262,513.00	-
323 93055301 Ed Smith Spring Training Fac	3,140,378.00	-	12,223.12	-	3,120,842.83	7,312.05
399 93055302 Ed Smith Spring Training Fac	-	-	-	-	-	-
390 93055303 Twin Lakes Spring Training Fac	2,250,801.00	-	-	-	2,250,801.00	-
323 93055304 Twin Lakes Spring Training Fac	4,441.00	-	-	-	1,107.25	3,333.75
390 93055305 Ed Smith Orioles Contribution	2,666,000.00	-	-	-	2,666,000.00	-
399 93055306 Spring Training Twin Lakes	525,408.00	-	-	-	525,407.37	0.63
390 93055307 Ed Smith City of SRQ Contribu*	1,396,087.00	-	-	-	1,396,087.00	-
366 93055308 STF Environmental Remediation	-	-	-	-	-	-
366 93055309 Ed Smith Clubhouse*	5,634,165.00	-	4,135.00	-	5,618,232.89	11,797.11
306 93055310 Ed Smith Spring Training Facil	1,797,854.00	-	-	-	1,797,854.00	-
390 93055311 Ed Smith Clubhouse SRQ Contrib*	272,238.00	-	-	-	272,175.00	63.00
366 93055312 Ed Smith Stadium-City SRQ OTTED*	1,664,604.00	-	-	1,791.84	1,664,603.90	0.10
399 93055313 Ed Smith Clubhouse	45,861.00	-	-	-	44,651.14	1,209.86
306 93055314 Ed Smith Clubhouse	43,356.00	-	-	-	42,895.00	461.00
390 93055315 Ed Smith Clubhouse Orioles	1,080,792.00	-	-	-	1,080,792.00	-
Project Total	35,784,498.00	-	16,358.12	1,791.84	35,743,962.38	24,177.50

\* Represents the OTTED Funding (includes \$272,294.00 in Interest Earnings)

\*\* This report contains the County Contribution, City Contribution, Orioles Contribution, and Interest Earnings.

Sarasota County Board of County Commissioners  
 Capital Project Report  
 Ed Smith Environmental Remedia - 93056  
 Project to Date Through June 2014

Fund Org Code	Total Project Budget	Current Year Budget	Commitments	Year to Date Expenditures	Project to Date Expenditures	Available Balance
366 93056300 Ed Smith Environmental Remedia*	1,000,000.00	-	-	1,568.00	745,005.91	254,994.09
Project Total	1,000,000.00	-	-	1,568.00	745,005.91	254,994.09

Total project costs are \$35,743,962.38 plus \$745,005.91 for a total of \$36,488,968.29. The City provided the County with \$9,753,524.00 that was used by the County for the renovation of the Stadium and is included in the total of \$36,488,968.29. The \$9,753,524.00 came from the OTTED grant funds on hand through 8/15/2011 and the proceeds of bonds issued by the City. Funding of the bond principal and interest payments is covered by the OTTED funds received since 8/15/2011. Since the bond principal and interest is being paid with the OTTED funds, the OTTED funds on hand as of 8/15/2011 and the bond proceeds are State funds, and the difference is local funds. Therefore, of the \$36,488,968.29 in total project costs, \$26,735,444.29 is local funds and \$9,753,524.00 is State funds.

\* Represents the OTTED Funding

Account Quarterly Report 6-30-14

BOARD RECORDS  
FILED FOR RECORD

CONTRACT NO. 2009-398  
BCC APPROVED 7/22/09

Exhibit 2

2009 JUL 24 PM 3:36

KAREN E. RUSHING  
CLERK OF CIRCUIT COURT  
SARASOTA COUNTY, FL

INTERLOCAL AGREEMENT  
BETWEEN THE  
CITY OF SARASOTA  
AND  
SARASOTA COUNTY  
FOR  
MAJOR LEAGUE BASEBALL SPRING TRAINING USE  
BY THE  
BALTIMORE ORIOLES

This Interlocal Agreement is entered into this 24<sup>th</sup> day of July, 2009 by and between the City of Sarasota, Florida and Sarasota County, Florida.

Section 1. Recitals.

- 1.1 The City owns a Major League Baseball Spring Training Complex which is referred to as the City of Sarasota Sports Complex.
- 1.2 The Sports Complex has been used for Major League Baseball Spring Training Activities since 1989. The Sports Complex is presently leased to the Cincinnati Reds Major League Baseball club under a lease that will expire on October 31, 2009.
- 1.3 The City and the County each desire that the Sports Complex continue to be used for Major League Baseball Spring Training Activities.
- 1.4 The Sports Complex requires substantial renovation in order to attract a Major League Baseball team to conduct its Spring Training Activities at the Sports Complex.
- 1.5 The City has expressed its desire to transfer ownership of the Sports Complex to the County for use as a substantially renovated Major League Baseball Spring Training facility.
- 1.6 The County is interested in acquiring ownership of the Sports Complex for such use.

Section 2. Legal Authority.

2. This Agreement is entered into under the authority of Chapters 125 and 166, Florida Statutes and Section 163.01, Florida Statutes.

**Section 3. Definitions.**

**“City” means the City of Sarasota, Florida a municipal corporation.**

**“County” means Sarasota County, Florida a political subdivision of the State of Florida.**

**“Environmental Monitoring and Reporting Requirements” means obligations of the City under applicable environmental laws and as set forth in a consent order entered into between the City and the Florida Department of Environmental Protection with respect to the Sports Complex.**

**“Furniture, Fixtures and Equipment” means all of the furniture, fixtures and equipment used and useful in connection with the operation, maintenance and use of the Sports Complex as more fully described on the attached Exhibit “A”.**

**“OTTED” means the Florida Office of Tourism, Trade, and Economic Development.**

**“OTTED Funds” means grant funds provide by the State of Florida to the City through OTTED for the purpose of constructing new or substantially renovated Major League Baseball Spring Training facilities in order to attract or retain a Major League Baseball club to conduct its Spring Training Activities within the State of Florida.**

**“Spring Training Activities” means Major and Minor League player preseason training, Major and Minor League games, player rehabilitation, extended spring training operations and other year-round baseball related activities.**

**“Sports Complex” means the City of Sarasota Sports Complex consisting of approximately 37 acres of land and improvements located at the intersection of 12<sup>th</sup> Street and Tuttle Avenue, together with approximately 15 acres of additional lands located North of 12<sup>th</sup> Street and South of 17<sup>th</sup> Street more particularly described on the attached Exhibit “B”.**

**“TDT Revenues” means Tourist Development Tax Revenues collected by the County as authorized by Section 114-64 of the Sarasota County Code, to be used to fund the costs to construct and maintain Major League Baseball Spring Training facility.**

**Section 4. City Obligations.**

4. Subject to the Conditions Precedent set forth in Section 6 hereof, the City agrees as follows:
  - 4.1 The City agrees to transfer ownership of the Sports Complex to the County by fee simple deed at such time as the County shall reasonably request after the lease of the Sports Complex to the Cincinnati Reds has expired.
  - 4.2 The City agrees to continue to perform its Environmental Monitoring and Reporting Requirements after the effective date of this Interlocal Agreement and following transfer of title to the Sports Complex to the County.
  - 4.3 The City agrees to transfer the Furniture, Fixture and Equipment to the County by Bill of Sale to be delivered to the County simultaneously with the delivery of the deed to the Sports Complex.
  - 4.4 The City agrees to provide the County with copies of all documents, surveys and reports pertaining to the condition of and use of the Sports Complex as requested by the County.
  - 4.5 The City agrees to take such action as may reasonably be necessary, including the filing of an amendment to its OTTED grant funding application, to satisfy OTTED that the grant funding will be made available and can be used to fund the substantial renovation of the Sports Complex to be leased to the Baltimore Orioles Major League Baseball club.
  - 4.6 The City agrees to use its best efforts to issue its bonds to be repaid by the OTTED funds no later than thirty (30) days following receipt of notice from the County that it, or its designee, is prepared to authorize a contract for the substantial renovation of the Sports Complex.
  - 4.7 The City agrees to transfer the accumulated OTTED funds and actual OTTED bond proceeds, less reasonable costs of issuance, to the County in an amount estimated to be not less than \$7.5 million within three (3) days after the bond closing.
  - 4.8 The City agrees to provide expedited review and priority scheduling for any permit or development approval submitted to the City by the County, or its designee, in connection with the renovation, expansion or use of the Sports Complex.
  - 4.9 The City agrees to be bound by the terms of the Environmental Indemnification in favor of the Baltimore Orioles and the County as set forth in the attached Exhibit "C." Upon adoption of this Interlocal Agreement, the City and County shall promptly present to the Orioles for acceptance the terms and conditions of Exhibit "C." Upon written acceptance by the Baltimore Orioles, the Environmental Indemnification and the rights and obligations of the City, the County and the Orioles set forth in Exhibit "C" shall be fully enforceable with all remedies at law and in equity available to the City, County and the Orioles.

Section 5. County Obligations.

5. Subject to the Conditions Precedent set forth in section 6 hereof, the County agrees as follows:
  - 5.1 The County agrees to accept the transfer of ownership of the Sports Complex from the City for use as a Major League Spring Training and community use facility. The purchase price to be paid by the County to the City at the time of transfer shall be One dollar.
  - 5.2 The County agrees to use its best efforts to negotiate the terms of a Memorandum of Understanding with the Baltimore Orioles Major League Baseball club which would obligate the County and the Baltimore Orioles to design and complete a substantial renovation to the Sports Complex for use by the Baltimore Orioles pursuant to the terms of a thirty (30) year lease. The Memorandum of Understanding shall include provisions insuring the continued community use of the Sports Complex for not less than twenty-one (21) days per year and may include provisions granting naming rights to the Sports Complex to the Baltimore Orioles.
  - 5.3 The County agrees that it shall take all actions necessary to insure that the Baltimore Orioles continue to occupy the Sports Complex and to otherwise comply with the OTTED grant conditions during the term of the OTTED grant obligations, including the filing of a civil lawsuit seeking injunctive relief or specific performance, if necessary.
  - 5.4 The County agrees to conduct the public hearing necessary to allow it to amend its TDT plan to allow the use of up to one-half of one percent of its TDT Revenues to construct Major League Baseball Spring Training facility.
  - 5.5 The County agrees to use its best efforts to issue its bonds to be repaid from its TDT Revenues no later than thirty (30) days after it notifies the City that it, or its designee, is prepared to authorize a contract for the substantial renovation of the Sports Complex.
  - 5.6 The County agrees that the City shall have no financial obligation to provide funding for the substantial renovation of the Sports Complex other than the City's obligations with respect to the OTTED funds.
  - 5.7 The County agrees that the City shall have no financial obligation to provide funding for the operation and maintenance of or capital repairs and improvements to the Sports Complex during the time that the Sports Complex is in County ownership.
  - 5.8 The County agrees that the City will have no financial obligation to pay ad valorem taxes or assessments levied or imposed against the Sports Complex during the time that the Sports Complex is in County ownership.

- 5.9 The County agrees that the plaques honoring Ed Smith and Red Ermish presently at the Sports Complex will be displayed at the Sports Complex following its substantial renovation.
- 5.10 The County agrees that the City shall have the right to access tickets provided to the County for economic development purposes for Major League Spring Training games through a process to be established by the County provided that such use shall be for economic development purposes.
- 5.11 The County agrees to notify the City at such time as any bonds, including refunding bonds, issued to fund capital improvements to the Sports Complex are repaid in full.

#### Section 6. Conditions Precedent.

6. The obligations of the City and County are conditioned upon the satisfaction of the following conditions precedent:
  - 6.1 Receipt of concurrence from OTTED, or other State office or official having the requisite authority, indicating that the OTTED Funds may be transferred by the City to the County for use in connection with a substantial renovation of the Sports Complex and long term lease of the Sports Complex to the Baltimore Orioles.
  - 6.2 Execution of a Memorandum of Understanding between the County and the Baltimore Orioles pursuant to which the County and the Baltimore Orioles agree to cause the substantial renovation of the Sports Complex using OTTED bond proceeds, and accumulated OTTED funds, TDT bond proceeds, and legally available accumulated TDT funds, and funds contributed to the project by the Baltimore Orioles, if required, as well as agreement on the terms of a lease of not less than thirty (30) years pursuant to which the Baltimore Orioles will be obligated to hold Spring Training Activities at the Sports Complex.

In the event that one or both of the above-described conditions precedent are not satisfied prior to September 30, 2009 then either the City or the County may elect to terminate this Interlocal Agreement by providing written notice of termination to the other party.

#### Section 7. Future Use and Ownership of the Sports Complex.

- 7.1 The County shall have the obligation to transfer ownership of the Sports Complex back to the City in the event that: (1) Major League Spring Training Activities at the Sports Complex are discontinued by the Baltimore Orioles for a period of two (2) years and no other Major League Baseball club agrees to use the Sports Complex for Spring Training Activities, and (2) the County has repaid any and all debt issued in connection with the substantial

renovation of the Sports Complex or any future capital repair or improvement; provided, however, that the County shall not issue debt having payment obligations that extend beyond the term of the lease, or any lease extension, between the County and the Baltimore Orioles. In order to effectuate this obligation the City must first notify the County in writing that it is of the opinion that the two above-described events have occurred including a demand that ownership of the Sports Complex be transferred back to the City. The purchase price to be paid by the City to the County at the time of transfer shall be One dollar.

- 7.2 Upon transfer of the Sports Complex back to the City the Sports Complex shall be used for public recreational or other public use. In the event that the City desires to make the Sports Complex available for non-public uses the County shall have the option to purchase or lease the Sports Complex from the City. If the Sports Complex is purchased, the purchase price to be paid by the County to the City at the time of transfer shall be the appraised value of the Sports Complex land exclusive of the value of the improvements assuming its use as a publicly owned Sports Complex. If the Sports Complex is leased, the rent to be paid by the County to the City shall be established on the basis that it is a land lease only and shall exclude the value of the improvements.

#### Section 8. Assignment.

No assignment, delegation, transfer or novation of this Interlocal Agreement or any part thereof shall be made, unless approved in writing by City and County.

#### Section 9. Notices.

Any notices or other documents permitted or required to be delivered pursuant to this Interlocal Agreement shall be delivered in writing by hand or United States Postal Service, certified mail, return receipt requested to the following address:

Notices to City shall be sent to:  
City of Sarasota, Florida  
1565 First Street  
Sarasota, Florida 34236  
Attn: City Manager

Notices to County shall be sent to:  
Sarasota County  
1660 Ringling Boulevard

Sarasota, Florida 34236  
Attn: County Administrator

Section 10. Effective Date.

This Interlocal shall become effective upon recording of a certified copy in the Official Records of Sarasota County pursuant to Section 163.01 (11), Florida Statutes.

IN WITNESS WHEREOF, this Interlocal Agreement was signed and sealed in duplicate by the respective parties hereto.

CITY OF SARASOTA, FLORIDA

By: Richard Clapp  
Richard Clapp, Mayor

Dated: 7-23-09

ATTEST:  
Rich E. Robinson  
City Auditor & Clerk

COUNTY OF SARASOTA  
By its Board of County Commissioners

By: Jori Thaxton  
Jori Thaxton, Chair

Dated: 7/24/2009

ATTEST:

Karen E. Rushing, Clerk of Circuit Court and Ex Officio Clerk of the Board of County Commissioners of Sarasota County, Florida

By: Paula J. Clinton  
Deputy Clerk

Approved as to form and correctness:  
Robert M. Fournier  
City Attorney

Approved as to form and correctness:  
Steph G. DeWitt  
County Attorney



EXHIBIT "A"  
EXISTING EQUIPMENT AND IMPROVEMENTS

CONCESSION - FIRST BASE

4	SODA UNITS	3 Pepsi Soda Units (Owned by Pepsi)
1	SERVING COUNTER	1 Serving Counter
1	BEER SYSTEM (4 TOWER)	1 Beer System (5 tower) (New in 2001)
5	CASH DRAWERS	6 registers with cash drawers (non working?)
4	ROLL WARMERS	6 2-drawer Toastmaster - All working
2	PRETZEL DISPLAYS	5 pretzel displays (Owned by J&J Snack Foods)
2	MENU BOARDS	3 menu boards (replaced in 2006 or 2007)
1	BACK BAR	1 back counter
2	POPCORN WARMERS	4 popcorn warmers, 3 working, 1 not working
1	HOT WATER HEATER	1 hot water heater
2	HAND LAV	2 hand sinks
1	SINK UNIT	1 sink unit
1	WALK-IN BEER BOX	1 Walk-in Cooler
1	PRETZEL BAKER	1 pretzel machine (Owned by J&J Snack Foods)
3	PREP. TABLES	4 Stainless Steel prep tables
1	HOTDOG COOKER	1 Hot dog cooker replaced in 2001
1	ICE MACHINE AND BIN	1 ice machine & bin (replaced in 2001)
1	CONDIMENT STAND	Scrap
2	CONDIMENT SERVERS	Scrap
5	SHELVE UNITS	13 shelve units plus 1 plastic 5 liter unit
3	Coffee Maker	3 Newco 2-warmer coffee maker, 1 works-2 don't
2	Nacho Cheese Dispensers	2 Gehlis Nacho Cheese Dispensers
1	Freezer Box	1 OmniCube Freezer Box (doesn't work)
2	Freezer Units	2 Tabletop Ice Cream Freezers (small)
1	Convection Oven	1 Garland Convection Oven
1	Coffee Cambro	1 Rubbermaid Coffee Cambro
6	Pot Warmers	6 Electric Pot Warmers
1	Water filtration system	1-2 filter water filtration system on ice maker
4	SODA UNITS	3 Pepsi Soda Units (Owned by Pepsi)
1	SERVING COUNTER	1 Serving Counter
1	BEER SYSTEM (4 TOWER)	1 beer system-doesn't work; new one purchased in 2007 (4-tower)
6	CASH DRAWERS	5-6 Cash drawers; 4-5 Cash boxes
5	ROLL WARMERS	5 2-drawer Warmers; 4 are Toastmaster, 1 is unk brand
3	PRETZEL DISPLAYS	4 pretzel displays (Owned by J&J Snack Foods)
2	MENU BOARDS	2 Menu boards (were replaced in 2006 or 2007)
1	BACK BAR	1 back counter

Additions

CONCESSION - THIRD BASE

2	POPCORN WARMERS	2 popcorn warmers
1	HOT WATER HEATER	1 hot water heater
2	HAND LAV	2 hand sinks
1	SINK UNIT	1 sink unit
1	WALK-IN BEER BOX	1 walk-in cooler
1	PRETZEL BAKER	1 Impinger Pretzel maker (purchased in 2001)
3	PREP. TABLE	5 Stainless steel prep tables; 1 with a utensil drawer
1	HOT DOG COOKER	1 hot dog cooker (purchased in 2001)
1	ICE MACHINE AND BIN	1 ice machine purchased in 2001
1	CONDIMENT STAND	Scrap
2	CONDIMENT SERVERS	Scrap
5	SHELVES UNITS	8 shelve units
1	Coffee Maker	1 Newco 2-warmer coffee maker
2	Nacho Cheese Dispensers	2 Gehls Nacho Cheese Dispensers
1	Convection Oven	1 Bloodgatt Convection Oven
3	Coffee Cambro	3 Rubbermaid Coffee Cambro
1	Water filtration system	1-2filter water filtration system on ice maker
2	SODA UNITS	4 soda units (Owned by Pepsi)
1	SERVING COUNTER	1 serving counter
1	BEER SYSTEM (4 TOWER)	1 non-working system; 1 new system in 2006 (6 tower)
6	CASH DRAWERS	1 register, 2 cash boxes, 2 cash drawers
5	ROLL WARMERS	6 roll warmers, 5 Alto Sham; 1 Toastmaster
3	PRETZEL DISPLAYS	2 pretzel displays 850B & 850 (Owned by J&J Snack Foods)
4	MENU BOARDS	4 menu boards (replaced in 2006)?
1	BACK BAR	1 back counter
2	POPCORN WARMERS	2 popcorn warmers
1	HOT WATER HEATER	1 hot water heater
2	HAND LAV	2 hand sinks
1	SINK UNIT	1 sink unit
1	WALK-IN BEER BOX	1 walk-in cooler
1	PRETZEL BAKER	1 Impinger pretzel maker (purchased 2001)
4	PREP TABLE	4 standard Stainless Steel; 1-4' Stainless Steel
1	HOTDOG COOKER	1 hot dog cooker (purchased in 2001)
1	ICE MACHINE AND BIN	1 ice machine purchased in 2001
1	CONDIMENT STAND	Scrap
2	CONDIMENT SERVERS	Scrap
6	SHELF UNITS	6 shelf units
1	GRILL	1 grill
1	FRYER BATTERY	2 - 2 basket fryers
1	UP-DRAFT EXHAUST UNIT	1 exhaust unit

**Additions**

**CONCESSION - HOME PLATE**

1	FIRE PROTECTION SYSTEM	1 fire protection system
2	HOT FOOD HOLDING UNITS	2 hot food holding units
1	DUMP STATION	
1	Coffee Maker	1 Newco 2-warmer coffee maker
2	Nacho Cheese Dispensers	2 Gehl's Nacho Cheese Dispensers
2	Freezer Units	2 Ice Cream Freezers (Good Humor)
2	Freezer Units	2 Tabletop Ice Cream Freezers (small)
1	Convection Oven	1 Garland Convection Oven
		1 Taylor IC Machine 2 compartment but only 1 compartment works
1	Ice Cream Machine	1 Electric Pot Warmers
1	Pot Warmers	1-2 filter water filtration system on ice maker
1	Water filtration system	
1	WALK-IN REFRIGERATOR/FREEZER	1 walk-in cooler, 1 walk-in freezer
1	HOTDOG COOKER	1 hot dog cooker purchased in 2001
1	ICE MACHINE	1 ice machine (purchased in 2001)
1	HAND LAV	1 hand sink
1	SINK UNIT	1 sink unit
1	FAST FILL UNIT	Scrap
1	STADIUM POPPER	1 stadium popper (doesn't work); 1 popper purchased in 2003
15	SHELF UNITS	15 shelf units
2	PREP. TABLES	
3	PICKUP TABLES	
3	CASH DRAWERS	
1	Shelves	1 4-tier plastic shelf
1	Washer	1 Kanmore Heavy Duty Washer
1	Dryer	1 GE Select Dryer
3	Uniform Racks	3 uniform racks
1	Uniform Cabinet	1 Uniform Cabinet
2-4	PORTABLE NOVELTY STANDS	
		3 Sold in 2008, 1 3-keg unit @ Spec Beer, 1 2-keg unit @ 1st Base
5	PORTABLE BEER UNITS	
2	FILE CABINETS	7 file cabinets; 3 in office, 3 in 3rd Base, 1 in Commissary
2	DESKS AND CHAIRS	2 desks in office; 1 desk in HP; chairs for all desks
2	CALCULATORS	2 calculators in office
		1 copy machine outside office (does not work-can't get parts anymore)
1	COPY MACHINE	
2	SAFES	1 in HP (unk combo); 1 in Office
2	ALARM SECURITY SYSTEMS (HP & 3RD BASE)	Keypads installed but only Office is hooked up

**Additions**

**COMMISSARY**

**Additions**

**MISCELLANEOUS**

		4 electrical outlets with 3 8-breaker boxes (fence); 2 elec outlets on front of 1st Base Concessions; 2 elec boxes in fenced area
3	ELECTRICAL OUTLETS (FENCE)	
4	EXHAUST FANS IN ALL FOUR STANDS	4 exhaust fans in all stands and commissary
1	OFFICE WITH AIR CONDITIONING	1 office with air conditioning
	Misc. Smallwares	Many misc pots, pans, etc.
	Misc. Beer Tubs	Misc Beer and Bus Tubs
	Misc. Chip Racks	Misc. chip racks in all stands and Commissary
	First Aid Kits	First Aid Kits in all stands & commissary
1	Time Clock	Time Clock in HP
1	Sandwich Prep Table	1 Electric Sandwich Prep Table (compressor out) in picnic area
	Misc.	Extension cords, tables
1	Radio and Charger	Motorola Radius GP300 Radio and Charger
4-5	HOTDOG CARTS	2 HD Carts in 1st Base, all others scrapped
10-15	STANDING WARMER CABINETS	8 in 1st Base; 1 in 3rd Base, 1 in HP, all others scrapped

**Additions**

**NEW IMPROVEMENTS**

ASSET #	Purchase Price	Item	Serial #	Org. Pur. Date	Date Acq.	Value
A014796	17,606.00	STADIUM SOUND SYSTEM		03/30/1989	03/30/1989	
A016086	1,400.00	CONCRETE WASTE CONTAINERS		04/03/1990	04/03/1990	
A016934	1,200.00	BLUE TOPS/CONCRETE WASTE CONTA		01/29/1991	01/29/1991	
A017598	1,723.00	PORTABLE TURNSTILE		12/12/1991	12/12/1991	
A018250	30,005.00	WARRENS TERRA COVER		12/03/1991	12/03/1991	
A020844	850.00	71" DESK		10/03/1996	10/03/1996	
A020845	2,100.00	CREDENZA		10/03/1996	10/03/1996	
A020996	1,822.00	BATTING TUNNEL NET		02/17/1997	02/17/1997	
A021814	2,785.16	LOADER	W00440X016	02/26/1998	02/26/1998	\$350
A021815	1,832.04	TILLER	W00550X160	02/26/1998	02/26/1998	\$200
A021816	15,160.29	TRACTOR	M00970817C	02/26/1998	02/26/1998	\$1,000
A021817	2,778.13	MOWER W ATTACHMENT	M00297X160	02/26/1998	02/26/1998	
A021844	2,190.00	6' DESK W/BOOKCASE		03/30/1998	03/30/1998	
A023152	3,395.00	DESK (RECEPTION AREA)		09/22/1999	09/22/1999	
A023248	2,000.00	SERVING COUNTER		01/15/2000	01/15/2000	
A023249	1,000.00	BEER SYSTEM (4 TOWER)		01/15/2000	01/15/2000	
A023250	1,000.00	BACK BAR		01/15/2000	01/15/2000	
A023251	2,500.00	WATER-IN BEER BOX		01/15/2000	01/15/2000	
A023252	500.00	HOTDOG COOKER		01/15/2000	01/15/2000	
A023253	1,000.00	ICE MACHINE AND BIN		01/15/2000	01/15/2000	
A023254	1,000.00	SERVING COUNTER		01/15/2000	01/15/2000	
A023255	1,000.00	BEER SYSTEM (4 TOWER)		01/15/2000	01/15/2000	
A023256	750.00	BACK BAR		01/15/2000	01/15/2000	
A023257	2,500.00	WATER-IN BEER BOX		01/15/2000	01/15/2000	
A023258	1,000.00	ICE MACHINE AND BIN		01/15/2000	01/15/2000	
A023259	1,500.00	SERVING COUNTER		01/15/2000	01/15/2000	
A023260	1,000.00	BEER SYSTEM (4 TOWER)		01/15/2000	01/15/2000	
A023261	1,000.00	BACK BAR		01/15/2000	01/15/2000	
A023262	2,500.00	WALK-IN BEER BOX		01/15/2000	01/15/2000	
A023263	500.00	HOTDOG COOKER		01/15/2000	01/15/2000	
A023264	500.00	FRYER BATTERY		01/15/2000	01/15/2000	
A023265	1,000.00	ICE MACHINE AND BIN		01/15/2000	01/15/2000	
A023266	750.00	UP-DRAFT EXHAUST UNIT		01/15/2000	01/15/2000	
A023267	500.00	FIRE PROTECTION SYSTEM		01/15/2000	01/15/2000	
A023268	3,000.00	WALK-IN REFRIG/FREEZER		01/15/2000	01/15/2000	
A023269	500.00	HOTDOG COOKER		01/15/2000	01/15/2000	

A023270	1,250.00	ICE MACHINE	01/15/2000	01/15/2000			
A023271	1,000.00	STADIUM POPPER	01/15/2000	01/15/2000			
A023277	1,000.00	PORTABLE BEER UNIT	01/15/2000	01/15/2000			
A023279	500.00	SAFE	01/15/2000	01/15/2000			
A023280	500.00	SAFE	01/15/2000	01/15/2000			
A024094	3,976.50	WORKHORSE 1000E	02/12/2001	02/12/2001	1388659	\$	500.00
A025076	3,500.00	NON-FOLDING CAGE	10/16/2002	10/16/2002		\$	300.00
A025308	2,406.85	LIFEPAK 500 AED UNIT & CABINET	03/10/2003	03/10/2003	30881684	\$	50.00
A025636	731.00	5 HP VAC PUSH BLOWER	09/16/2003	09/16/2003	04090371	\$	
A025917	6,690.75	LAPTOP COMPUTER-CLICK EFFECTS	01/13/2004	01/13/2004		\$	100.00
A025918	3,967.25	HOSHIZAKI FLAKER MACHINE	02/10/2004	02/10/2004	P01078M		
A025984	4,799.83	100' X 30' SPECTRA NETTING	02/27/2004	02/27/2004			
A026069	7,782.00	MOWER	08/26/2004	08/26/2004	240000703	\$	1,000.00
A026728	575.00	2ND BASE SCREEN	01/28/2005	01/28/2005			
A026729	16,145.81	MULTI PRO 1250 SPRAYER	12/22/2004	12/22/2004	240000514	\$	4,800.00
A026730	7,279.04	SAND PRO 2020	12/22/2004	12/22/2004	250000126	\$	500.00
A026731	5,146.87	GREENMASTER WALK BEHIND MOWER	12/23/2004	12/23/2004	240000699	\$	500.00
A026732	10,753.40	TORO WORKMAN 3100	01/05/2005	01/05/2005	240000255	\$	4,000.00
A026733	20,002.76	REELMASTER 3100	01/05/2005	01/05/2005	240000290	\$	8,000.00
A026734	28,964.64	REELMASTER 5500	01/13/2005	01/13/2005	240000775	\$	12,000.00
A026735	18,121.97	WORKMAN 3200 LCG	01/26/2005	01/26/2005	250000117	\$	6,000.00
A027306	740.00	TILT TRUCK	03/06/2006	03/06/2006			
A027307	10,279.48	SAND PRO 3020	02/24/2006	02/24/2006	250000683	\$	5,400.00
A027308	1,651.89	FINISH GRADER W/SCARIFIER BAR	02/24/2006	02/24/2006	260000104	\$	500.00
A027326	2,000.00	BATTING CAGE NET	01/31/2006	01/31/2006			
A027327	600.00	SECOND BASE SCREEN	02/06/2006	02/06/2006			
A027328	600.00	SECOND BASE SCREEN	02/06/2006	02/06/2006			
A027887	1,398.00	PRESSURE WASHER	11/04/2006	11/04/2006		\$	400.00
A028151	23,460.20	REELMASTER 3100-D	12/14/2006	12/14/2006	270000116	\$	12,000.00
A028699	1,200.00	SECOND BASE SCREEN	01/17/2008	01/17/2008			
A029317	2,660.00	JOHN DEERE TILLER	12/31/2008	12/31/2008	LV0665A1403	\$	1,000.00
A03278	1,000.00	PORTABLE BEER UNIT	01/15/2000	01/15/2000			

\$58,600TLT

**EXHIBIT B: Parcel Identification**  
2023-01-0014 - 1433 Stringfield Ave  
2023-01-0037 - 1500 Stringfield Ave  
2023-01-0054 - Lowry Avenue  
2023-01-0056 - 1550 Lowry Ave  
2023-01-0058 - Lowry Avenue  
2023-01-0059 - 1520 Lowry Ave  
2023-01-0060 - 1520 Lowry Ave  
2023-08-0015 - 1205 Stringfield Ave  
2023-09-0001 - 2700 12th St

Ed Smith Stadium

Aerial

## EXHIBIT "C"

## Environmental Indemnification

The City covenants and agrees, at its sole cost and expense, to defend, hold harmless, indemnify, protect and save: (i) the Orioles, including its directors, officers, partners, employees, consultants, vendors, contractors or agents; (ii) any persons or entities owned or controlled by, under common control or affiliated with the Orioles; (iii) the heirs, personal representatives, successors and assigns of each of the aforementioned persons or entities; and (iv) the County, including its commissioners, officers, employees, consultants, vendors, contractors or agents; (individually and collectively, "Indemnified Parties"), now and forever, against and from any demand, claim, assessment, costs, disbursements, expenses, penalty, liability, judgment, verdict, obligation, attorneys fees, suits or proceedings, of any kind and any nature, including personal injury, property damage, death, disability, or other damage of or to any person or property, which may at any time be required, imposed, incurred, asserted or awarded against an Indemnified Party, whether arising directly or indirectly from, or in any way related to:

- a. The existence of any hazardous materials on, in, under, affecting or emanating from all or any portion of (1) the real property located at 12<sup>th</sup> Street and Tuttle which has historically been used as a Major League Spring Training facility and includes training facilities, practice fields, clubhouses, offices, the "Ed Smith Stadium" and other improvements and fixtures located thereon, as well as (2) the real property located North of 12<sup>th</sup> Street and South of 17<sup>th</sup> Street and the corner parcel North of 12<sup>th</sup> Street (collectively, the "Major League Site");
- b. Any act, omission, event or circumstance existing or occurring in connection with the handling, treatment, containment, removal, storage, decontamination, clean-up, transport or disposal of any hazardous material existing on, in, under, affecting or emanating from all or any portion of the Major League Site, including any development of the Major League Site;
- c. Any violation of any State of Florida or Federal environmental laws, rules, guidelines, regulations or ordinances regardless of whether any act, omission, event or circumstance giving rise to the violation constituted a



violation at the time of the occurrence or inception of such act, omission, event or circumstance; and/or

- d. Any environmental claim or the filing or imposition of any environmental lien against the Major League Site, because of, resulting from, in connection with, or arising out of any of the matters referred to in (a) through (c) above.

In addition, the City shall indemnify the Indemnified Parties for, without limitation, all of the following: (i) the costs of remediation, removal or abatement of hazardous materials from the Major League Site or, when applicable, the surrounding areas; (ii) additional costs required to take necessary precautions to protect against, or to mitigate the effects of, the release of hazardous materials on, in, under, affecting or emanating from the Major League Site or into the air, any body of water, any other public domain or any surrounding areas, including any professional consultative fees and costs related thereto; and (iii) costs incurred to comply, in connection with all or any portion of the Major League Site or, when applicable, any surrounding areas, with all applicable Laws with respect to hazardous materials. Notwithstanding the above, the foregoing indemnity shall not apply to the extent any of the foregoing relates to hazardous materials transported onto the Major League Site by the Indemnified Parties subsequent to execution of this Indemnity.

The City shall provide, in a timely manner and in the manner required by the County's and the Orioles' Project Representatives, Project architects and General Contractor, such environmental information as may be necessary or beneficial to the Project and its timely completion within the established budget, including any consultative reports or other material information regarding the environmental conditions of the Major League Site and or any updates regarding the negotiations with State or Federal environmental agencies to achieve No Further Action (NFA) status for the Major League Site.

The City shall have the right to participate and provide input in any scheduled project development meeting(s) scheduled and attended by the County's and Orioles' Project Representatives, the Project architects and General Contractor wherein decisions as to the Project are made which may materially affect the City's environmental monitoring, remediation, removal, abatement cleanup or indemnification obligations.

The County's and Orioles' Project Representatives, Project architects and General Contractor shall give due and reasonable consideration to the environmental information provided by the City and/or its environmental consultants and will endeavor to accommodate the reasonable requests of the City and its environmental consultants if practicable within the scope and design of the Project and provided that such requests do not cause any unreasonable modification or diminution of the Project or its design and provided that such requests do not cause any unreasonable additional expense or unreasonable delay in the timely completion of the Project.

To the extent that remediation, removal or abatement of hazardous materials on, in, under, affecting or emanating from the Major League Site is necessary, the City, the County and the Orioles shall meet and confer to discuss the various options available for such remediation. Time being of the essence, upon identification of the remediation option(s), subject to permitting and regulating agency approval, the City shall expeditiously retain qualified vendor(s), unless the City, the Orioles and the County agree to otherwise retain qualified vendor(s), to perform the remediation, removal or abatement who shall, upon retention, coordinate with the Orioles' and County's Project representatives, Project architects and General Contractor as to all such remediation, removal or abatement, including as to the dates, times, conditions and manner for the performance of the remediation, removal or abatement.

Without limiting any other obligation of the City herein, any cost or expenses caused by the accommodation or implementation of the City's and/or its environmental consultants' request(s) and remediation, removal or abatement shall be the sole responsibility of the City.

STATE OF FLORIDA  
COUNTY OF SARASOTA  
I HEREBY CERTIFY THAT THE FOREGOING IS A  
TRUE AND CORRECT COPY OF THE ORIGINAL FILES  
IN THIS OFFICE WITNESS MY HAND AND OFFICIAL  
SEAL THIS DATE 7/24/2009  
KAREN E. RUSHING, CLERK OF THE CIRCUIT COURT  
EX-OFFICIO CLERK TO THE BOARD OF COUNTY  
COMMISSIONERS, SARASOTA COUNTY, FLORIDA  
BY Paula J. [Signature]  
CITY CLERK

CONTRACT NO. 2009-399

BCC APPROVED 7/22/09

**SPRING TRAINING FACILITY**  
**MEMORANDUM OF UNDERSTANDING**

THIS SPRING TRAINING FACILITY MEMORANDUM OF UNDERSTANDING ("Agreement") is made and entered into effective as of the 22<sup>nd</sup> day of July, 2009 (the "Effective Date"), by and between SARASOTA COUNTY, a political subdivision of the State of Florida ("County") and the Baltimore Orioles Limited Partnership, a Maryland limited partnership ("Orioles"). The County and the Orioles each may be referred to herein as a "Party" and collectively as the "Parties."

BOARD RECORDS  
FILED FOR RECORD  
JUL 22 PM 1:32  
KAREN E. RUSHING  
CLERK OF CIRCUIT COURT  
SARASOTA COUNTY FLORIDA

**RECITALS**

WHEREAS the City of Sarasota (the "City") is the owner of: (1) the real property located at 12<sup>th</sup> Street and Tuttle which has historically been used as a Major League Spring Training facility and includes training facilities, practice fields, clubhouses, offices, the "Ed Smith Stadium" and other improvements and fixtures located thereon, as well as (2) the real property located North of 12<sup>th</sup> Street and South of 17<sup>th</sup> Street and the corner parcel North of 12<sup>th</sup> Street, which are both utilized for parking for the Major League Spring Training facility and as are more particularly set forth in Exhibit 1 attached hereto (collectively, the "City Land");

WHEREAS, the City adopted its Resolution No. 09R-2094 on May 4, 2009 indicating its willingness to make its Ed Smith Stadium complex available to the Baltimore Orioles for Spring Training and other Major League Baseball purposes and to transfer to the County the aforementioned City Land, along with ancillary parcels of real property (and improvements) in connection therewith for the full beneficial use by the Orioles, which parcels together consist of +/-53 acres of real property more particularly described on Exhibit 1 attached hereto (collectively, with all furniture, fixtures, equipment and improvements, the "Major League Site"), and the City and the County have entered into an interlocal agreement (the "Interlocal Agreement") which includes the foregoing and the purchase of the City Land, including the Major League Site, and other terms and conditions;

WHEREAS, the Orioles own and operate the Major League Baseball Team known as the Baltimore Orioles and currently conduct their Minor League spring training operations in the County at the County-owned Twin Lakes Park containing the Buck O'Neil Baseball Complex described on Exhibit 2, attached hereto, consisting of +/- 36 acres of real property which contains improvements and fixtures located thereon, including but not limited to fields, a clubhouse and other furniture, fixtures, equipment and improvements (collectively, the "Minor League Site");

WHEREAS, the Orioles desire to consolidate its Major League and Minor League spring training operations in the County, including Major League player preseason training, player rehabilitation, extended spring training operations and other year-round baseball-related activities (collectively, "Spring Training Operations") at the Major League Site and the Minor League Site (individually, a "Site" and collectively, the "Sites");

WHEREAS, the County has agreed to provide for the Orioles' use and occupancy of the Sites and to provide, upon the terms and conditions expressed in this Agreement, for certain funds and funding for the renovation and improvement of the Sites, including the Ed Smith

Stadium (the "Major League Stadium"), clubhouses, administration offices, fields, parking facilities, infrastructure, utilities and other usual and customary facilities, furniture, fixtures, and equipment at the Sites and as further described in this Agreement pursuant to the Orioles' Design Plan as more particularly set forth herein (the "Project");

WHEREAS, the County shall provide \$23.7 million to the Project (the "County's Guaranteed Project Funds") from sources identified by the County;

WHEREAS, in order to provide for the County's Guaranteed Project Funds, the County shall conduct the necessary public hearing required to amend its Tourist Development Ordinance to incorporate certain of the project funding into its Tourist Development Plan, thereby permitting it to dedicate up to one-half (1/2) of one percent (1%) of its Tourism Development Tax revenues to service certain County bonds, which it shall cause to be issued in a timely manner. The par amount of the County bonds shall be the maximum amount permitted to be issued without voter referendum as allowed under Section 5.2D of the Sarasota County Charter. The amount of the bonding limitation is currently \$20.715 million. The net proceeds of the County bonds will be made available as project funds and added to such other County funds as may be required to fulfill the County's Guaranteed Project Funds obligation;

WHEREAS, as a condition of the Interlocal Agreement and this Agreement, the City shall promptly issue bonds serviced by funds from the State of Florida Office of Tourism, Trade and Development ("OTTED") and promptly contribute all bond proceeds, net only of reasonable, usual and customary costs and expenses directly associated with issuance of such bonds, to the Project, as more particular set forth herein ("OTTED Funds"). The City may elect, in its sole discretion, to provide the funds from other sources. It is estimated that the net OTTED Funds available from the City will be approximately \$7.5 million;

WHEREAS, together the County's Guaranteed Project Funds and the OTTED Funds are the "Governmental Project Funds". The Governmental Project Funds' principal contribution shall be and not exceed \$31.2 million from all governmental sources. Upon availability in accordance with the schedule contained in this Agreement, the Governmental Project Funds shall be promptly deposited in a dedicated interest-bearing Construction Fund Account and all interest accrued thereon shall inure to the benefit of the Project (the "Maximum Governmental Project Funds");

WHEREAS, the County desires to lease the Sites to the Orioles and the Orioles desire to use and occupy the Sites on a year-round basis for the Orioles' Major League and Minor League Spring Training Operations, baseball-related events and other Orioles' beneficial uses of and to the Sites as provided herein;

WHEREAS, the Board of County Commissioners finds that the Orioles are the only entity capable of using the Sites as Major League Baseball facilities and, pursuant to the authority of Section 2-362(2) of the Sarasota County Code, the County has entered into direct negotiations with the Orioles for the lease of the Sites;

WHEREAS, the Parties recognize that the development of the Project and the lease of the Sites to the Orioles shall be subject to the terms of a definitive Project Development Agreement,

Lease and other relevant documents (collectively, the "Project Documents"), which may contain additional terms and conditions consistent with this Agreement. The Parties agree that the terms set forth herein will be incorporated into the Project Documents and that this Agreement reflects the basic business deal between the Parties and is intended to be binding on the Parties and their respective successors and assigns. The Parties shall use their best efforts, in good faith, to promptly negotiate and execute the Project Documents, unless the Parties deem the provisions of this Agreement are adequate for such purpose(s);

WHEREAS, the benefits and obligations expressed in this Agreement will further improve and promote gainful employment, economic development and tourism within the State of Florida, the County and the City and enhance the economic prosperity of the State of Florida, the County and the City and their residents;

WHEREAS, the benefits and obligations expressed in this Agreement are in the public interest and, among other things, will provide additional recreational facilities, generate significant economic development, tourism and promotional benefits, as more particularly set forth herein;

WHEREAS, the Sites have been used historically by both the City and the County for local youth sports, tournaments, and other community based events, and this community use has brought value to the community in the form of tourism and other benefits and the continuation and importance of which are recognized by the Parties;

WHEREAS, the County intends to utilize the Sites in preparing for and responding to natural disasters, provided that the Orioles and the County shall mutually determine the locations at the Sites for emergency response personnel and equipment and material during the term of the Lease, as more particularly set forth herein;

WHEREAS, the Orioles are a party to a Facility Use Agreement, dated December 28, 2006 with the City of Fort Lauderdale, Florida for the construction and lease of new Major League Baseball and Minor League Baseball facilities upon certain terms, conditions, and conditions precedent set forth therein (the "Ft. Lauderdale FUA"), the Orioles represent and warrant to the County that the conditions precedent to the effectiveness of the Ft. Lauderdale FUA have not been met, and that the Orioles have the right to enter into this Agreement; and

WHEREAS, the County represents and warrants that it has the authority to enter into this Agreement as provided by Chapter 125 F.S. and other relevant provisions of Florida law and provide the Orioles with the rights contained in this Agreement and in the Project Documents.

NOW, THEREFORE, in consideration of the foregoing recitals which are incorporated herein, and the mutual covenants, promises, conditions and representations set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto AGREE AS FOLLOWS:

**1. THE PROJECT.**

1.1 The Parties acknowledge that certain improvements are required to be made to the

Sites in order for the Orioles to enter into a lease with the County for the full and beneficial use of the Sites and to conduct its Major League and Minor League Spring Training Operations at the Sites. The Parties agree that the design, development and construction process shall be a cooperative mutual endeavor in which the County and the Orioles will work together and participate in all phases of such process. The County and the Orioles each acknowledge and agree that the Project will be financed, designed, developed and constructed in accordance with the terms, conditions and schedules expressed in this Agreement.

1.2 The Orioles will have primary responsibility for and will take the lead in developing the design plans, specifications and elevations for the Project, subject to all applicable County and City codes and ordinances, which Project Design Plan may be amended from time to time ("Project Design Plan") (for illustrative purposes only, attached as Exhibit 3 are preliminary Site sketches). The Project Design Plan shall also include the style, design and materials for all fixtures, furnishings, appointments and equipment. The County shall have the right to participate in all phases of the design process. The Orioles shall keep the County informed on a regular basis as to the development of the Project Design Plan and any material and substantial amendments thereto. The Orioles and the County shall schedule regular briefings to discuss and preliminarily review the Project Design Plan. The Orioles shall present the Project Design Plan, including site sketches and elevations under consideration by the Orioles, to the County within one hundred fifty (150) days after the execution of this Agreement. The County shall have the right to review, comment upon and approve the Project Design Plan and all decisions and documentation with respect thereto, including without limitation, all architectural programs, schematic designs, plans and specifications, and any material amendments thereto which the Orioles deem necessary or desirable after the County's initial approval for the Project Design Plan has been granted. The Orioles shall have the right to select, in its sole discretion, the furniture, fixtures, and equipment in the Orioles' exclusive use areas, including the Orioles' offices, coaches' offices, training rooms, player locker rooms, weight rooms and other exclusive areas such furniture, fixtures, and equipment which shall be comparable to other Major League Baseball spring training facilities. In all instances, the County's review and approval under this Section shall be promptly exercised and shall not be unreasonably withheld, conditioned or delayed. When completed by the Orioles and reviewed and approved by the County, the Project Design Plan shall be attached hereto and to the Project Development Agreement and incorporated herein and therein for all intents and purposes. The Project Design Plan shall include placement of the existing (or new) plaques honoring Ed Smith and Red Ermish presently affixed at the Sports Complex.

1.3 The Project Design Plan for the Project shall include, among other things, specifications for:

1.3.1 A state-of-the-art renovation (and possible expansion) of the Major League Stadium consistent with the quality and appointments of similar substantially renovated spring training facility projects in Florida (e.g., as generally compared against the most recent renovation of comparable cost) with an approximate seating capacity of between 8,500 and 9,000, including approximately 7,500, but not less than 6,500, fixed seat positions plus berm seating, picnic areas, standing room areas, party decks, luxury/corporate suites, sun shading, radio and television booths and broadcasting and telecasting production facilities and studios, press areas, communications and data systems, television monitors and equipment (including all conduit,

wiring, fiber, cable, head-end equipment, data switches and terminals as may be required), camera stations, state-of-the-art scoreboards, sound systems and control room, concession stands/equipment, food preparation areas and kitchens, retail and novelty stores, fan service and first aid areas, locker rooms, weight rooms, and other usual and customary stadium facilities, equipment, areas and amenities.

1.3.2 On the Major League Site: the Major League Stadium plus an additional three and a half (3.5) practice fields of Major League dimensions and quality; a renovated and expanded state-of-the-art clubhouse consisting of approximately 35,000 square feet of air conditioned space, including administration offices, locker rooms, training facilities, weight rooms, and other usual and customary clubhouse facilities, equipment and areas, player development areas, indoor and outdoor batting cages, pitching mounds, dedicated parking facilities, infrastructure, utilities (including wiring, cable, fiber and data equipment), and such other usual and customary improvements, fixtures, furnishings, equipment and amenities as may be necessary for the Orioles' full and beneficial use of and to the Site.

1.3.3 On the Minor League Site: five (5) practice fields of Major League dimensions and quality, a renovated and expanded Minor League clubhouse consisting of approximately 25,000 square feet of air conditioned space, including administration offices, locker rooms, training facilities, weight rooms, and other usual and customary Minor League clubhouse facilities, equipment and areas, player development areas, indoor and outdoor batting cages, pitching mounds, dedicated, but not exclusive, parking facilities, infrastructure, utilities (including wiring, cable, fiber and data equipment), and such other usual and customary improvements, fixtures, furnishings, equipment and amenities as may be necessary for the Orioles' full and beneficial use of and to the Site.

## **2. PROJECT FINANCING.**

2.1 The Governmental Project Funds shall consist of the following:

2.1.1 From the County:

2.1.1.A Net proceeds from the County's bond issue from the issuance of County's bonds in a par amount which shall not exceed the maximum amount permitted to be issued without voter referendum, expected to be approximately \$18.7 Million on or about October 1, 2009.

2.1.1.B Cash collections of one-half (1/2) of one percent (1%) of the County's Tourist Development Tax beginning as of March 1, 2008 estimated to be approximately \$2 million by the date of issuance of the County bonds.

2.1.1.C County cash contributions from legally available non-ad valorem revenues in an amount not to exceed \$3 million.

2.1.1.D And/or such other County funds from legally available, non ad valorem revenues as may be required to fund the County's Guaranteed Project Funds obligation in the amount of \$23.7 million.

2.1.1.E Net proceeds from the City's bond issue from the City's OTTED grant funding or a cash equivalent from legally available, non-ad valorem revenues in an amount no less than \$7.5 million.

2.1.1.F Collectively, the Governmental Project Funds shall be and not exceed \$31.2 million for the Project.

2.2 All Governmental Project Funds shall be made available for the Project no later than thirty (30) days after the execution of the Project Documents (unless otherwise agreed by the Parties and as otherwise contemplated in Section 3.14) and shall immediately be placed in a construction fund account (the "Construction Fund Account") administered by the County for the sole and exclusive benefit of the Project. All interest accrued on the Governmental Project Funds (except for bond debt service reserve fund interest) shall be made available for the Project and together with the Governmental Project Funds shall constitute the Maximum Governmental Project Funds.

2.3 The Orioles shall provide the County, as part of the Project Design Plan, with a detailed cost estimate of the total Project costs, including the uses of the Maximum Governmental Project Funds and such other funds, goods or services as might be required from or arranged by the Orioles ("Project Costs").

2.4 Except as provided in, and subject to the terms of, this Agreement or the Project Documents, and further provided that the County fulfills its obligations in this Agreement and the Project Documents, the Orioles shall complete the Project and shall be responsible for the payment of any and all Project Costs in excess of the Maximum Governmental Project Funds (the "Orioles Project Contributions"). With regard to the funding of any Project Costs in excess of the Maximum Governmental Project Funds, the Orioles, at its discretion, shall either deposit the required funds directly in the Construction Fund Account prior to the incurrence of such excess Project Costs, or shall provide to the County any necessary assurances reasonably required by the County (e.g., letter of credit) that the Orioles Project Contributions shall be available in a timely manner, or discharge such payment obligations directly with vendors, concessionaires, contractors or project service providers, in which case the Orioles shall provide the County with written documentation of the payment discharge or in-kind transaction as more particularly set forth in Subsection 2.5. The Orioles also shall comply with any applicable County ordinance or Florida statute related to construction funding requirements for public projects.

2.5 The Orioles shall have the right to enter into any manner of agreements with its vendors, concessionaires or others to provide goods, materials and/or equipment to the Project, which shall be considered, for all intents and purposes, as part of the Orioles' Project Contributions. (For example, the Orioles' concessionaire for the Major League Stadium may be permitted to provide concessionaire equipment to the Sites.) The Orioles will inform the County, in writing, with a description of any Orioles' Project Contributions to the Sites made by any Orioles' vendors, contractors, concessionaires or other third parties and shall summarize relevant terms of such agreements and any other agreements that could impact the County's ownership interests in the Sites. The description shall be jointly submitted on behalf of the Orioles and the respective vendor, contractor, concessionaire or other such third party as may be



appropriate. Any such third party agreement shall be made in accordance and comply with applicable County ordinances and regulations.

2.6 In connection with the Orioles' Project Contributions, the County and the Orioles shall promptly meet after the execution of this Agreement and review the feasibility of issuing taxable or tax-exempt bonds at the request of the Orioles supported by Orioles' funds and/or rent, as the case may be, payment in lieu of taxes or such other funding mechanism as may be mutually agreeable to the Parties; however, the County shall be under no obligation to establish any such funding mechanism for the Orioles Project Contributions. To the extent that any such mutually agreeable funding mechanism requires the City to issue bonds, the County agrees to request that the City take reasonable steps to issue said bonds. To the extent that bonds are issued as part of the Orioles Project Contributions, the bond proceeds, net of all reasonable and customary expenses and costs, shall be deposited in the Construction Fund Account for the benefit of the Project.

### **3. DEVELOPMENT AND CONSTRUCTION OF THE PROJECT.**

3.1 The County and the Orioles will execute a definitive, long form project development agreement for the Project which shall incorporate the relevant terms and conditions contained in this Agreement, and such other terms and conditions as are customarily included in similar agreements and as may be mutually agreed, and will establish the framework for the design and construction of the Project, within one hundred fifty (150) days after the execution of this Agreement (the "Project Development Agreement"), unless the Parties, in their respective sole discretion, deem the provisions of this Section 3 are adequate for such purpose.

3.2 The Project Development Agreement shall include the Project Design Plan and a detailed schedule outlining the time and actions anticipated necessary with respect to the Project, including a project design schedule that will address the coordination necessary to prepare the project scope, selection criteria and timeline for the procurement process (the "Project Schedule").

3.3 Time being of the essence, the County shall take all such action as is necessary to expeditiously conduct all of its Project reviews and exercise its approval rights, which in all instances may not be unreasonably withheld, conditioned or delayed. The County shall support the issuance of all City permits and approvals necessary for the Project and shall use its best efforts to obtain a commitment from the City in the Interlocal Agreement to provide expedited review and priority scheduling for any permit or development approval submitted to the City for the Project.

3.4 After the Project Development Agreement is finalized and approved by the County, the County agrees to promptly proceed with authorizing and issuing any and all procurements necessary for the Project. To the fullest extent permitted by law, regulation or ordinance, the Orioles shall be permitted to participate with the County and approve the selection of the architects, contractors, subcontractors, vendors and other professionals for the Project. The Orioles shall also have, to the fullest extent permitted by law, primary responsibility for and will take the lead in developing and constructing the Project, the right to approve any agreements to be entered into by the County for the Project (and any phase, portion or work order thereof), and

the right to approve the selection of any goods, materials, equipment, fixtures and furnishings for the Project.

3.5 Time being of the essence, the selection criteria for the architect of record shall include, but not be limited to: whether the architect has past performance with the Project Site(s) and/or with the Orioles; experience in the architectural design of Major League Baseball professional baseball facilities, and in particular, design experience specifically related to Major League Baseball spring training projects; and, professional personnel committed to the Project shall have had significant experience in projects of a similar nature or have worked on at least five (5) similar project types. Time being of the essence, the County, or the Orioles through the Project Development Agreement, shall promptly select and enter into contracts with all architects, contractors, subcontractors, vendors and other professionals for the Project. In the event that the Parties mutually agree to have either the County or the Orioles enter into a contract for the architect of record before the Project Documents are finalized, they shall reach a separate agreement for the funding of that contract from the Construction Fund Account.

3.6 The Project Development Agreement shall require, and the County shall obtain, guaranteed maximum price contract(s) (or such other arrangements as may be mutually agreed to and generally permissible under Florida Statutes) as part of the competitive selection process, in order to ensure that such contract(s) obtain the maximum value in relation to cost for each phase and portion of the Project and control the overall cost of the Project. No amendments or adjustments (including, but not limited to, change orders) shall be made to any maximum price contract(s), except as agreed to by the County and the Orioles. The County agrees not to request any amendments or adjustments (including, but not limited to, change orders) and shall have no right to adjust the scope of the Project and/or the Project Schedule unless mutually agreed. To the extent that the Orioles request an amendment or adjustment (including, but not limited to, change orders) which is agreed to by the County resulting in a Project Cost in excess of the Maximum Governmental Project Funds, then the Orioles shall comply with the provisions set forth in Section 2.4 above. The County agrees that the construction and design contracts which it enters into in connection with the Project shall contain provisions acceptable to the Orioles providing for liquidated damages in commercially reasonable amounts if the Project is not completed on time and prior to the completion date set forth in the Project Development Agreement. All such provisions must comply with Florida Statutes and be agreed to by the County and the Orioles. The County agrees that it shall strictly enforce any such liquidated damage provisions and diligently pursue any liquidated damages to which it is entitled. Any liquidated damages received by the County shall be allocated first to any damages caused to the Project by the breach or other wrongful act to compensate the party harmed. Unless otherwise provided in this Agreement or the Project Documents, the Orioles' sole remedy for damages resulting from any delay in the completion of the Project shall be the rights to receive liquidated damages under the construction and design contracts for the Project. The County shall, at the Orioles' request, take all reasonable action necessary to enforce the liquidated damages or other remedy provisions necessary to effectuate this provision. The County and the Orioles shall not be liable to each other for the payment of any construction delay damages, provided that the delay is not caused by the gross negligence, willful misconduct or the breach of a material provision of this Agreement or the Project Development Agreement. The Parties acknowledge that a construction contract cannot be entered into until the Project Documents are finalized (unless otherwise agreed by the Parties).

3.7 The Project Development Agreement shall require each architect, contractor, subcontractor, vendor or Project professional to secure and retain such policy or policies of insurance as are required by the Project and shall ensure that all contractors and vendors furnish payment and performance bonds in a commercially reasonable amount established by the County and shall list the Orioles as an additional insured party.

3.8 The Project Development Agreement shall also provide that, to the fullest extent permitted by law, the Orioles shall have the right and primary responsibility to coordinate the development and construction of the Project and, at the Orioles' discretion, conduct progress meetings at mutually agreed upon frequency of all of the architect, contractor(s), subcontractor(s), vendors and other professionals. The County shall have the right to retain an owner's representative with experience in the construction of sports facilities. The reasonable and customary cost of the County's owner's representative shall be included in the Project Cost, provided that such costs have been presented to the Orioles for review and approval prior to payment, such review and approval not to be unreasonably withheld, conditioned or delayed. The Orioles may retain a representative and/or design consultant with experience in the construction of sports facilities. The reasonable and customary costs of the Orioles representative and/or design consultant shall be included in the Project Cost, provided that such costs have been presented to the County for review and approval prior to payment, such review and approval not to be unreasonably withheld, conditioned or delayed. The Orioles shall provide for such cost estimates associated with the Orioles' and County's representatives in the Project Design Plan. Except as provided in this Section, the County and the Orioles shall not impose any management or administrative fees to the Project (or any procurement, phase, portion or work order thereof) nor seek reimbursement from the Construction Fund Account for any costs or expenses, other than costs or expenses directly related to the Project that are typically outsourced and outside of the County's operating budget (and specifically not including legal fees, County staff time, internal project management and the like) for which the County seeks reimbursement or payment from the Construction Fund Account. Any such request for payment from the Construction Fund Account shall be first provided to the Orioles for approval, such approval may not be unreasonably withheld, conditioned or delayed. The County and the Orioles shall participate in the development and construction of the Project and shall keep each other fully and timely informed of, and actively involved in, all material decisions regarding the development and construction of the Project, at all phases of the development and construction process. Customary County permit fees shall be chargeable to the Construction Fund Account.

3.9 The Project Development Agreement shall provide that each of the Orioles and the County shall designate representative(s) with authority to act in connection with all issues requiring such Party's approval, agreement or concurrence with regard to the design, development and construction of the Project within all applicable laws, ordinances and policies. All approvals, agreements or concurrences required in Sections 1 and 3 shall be the responsibility of and shall be made by such representative(s). Such representative(s) shall be invited to participate in all development and construction meetings held in connection with the Project.

3.10 The Project Development Agreement shall provide that the County shall place the Governmental Project Funds and any applicable Orioles Project Contributions in the Construction Fund Account for the benefit of the Project. The Orioles shall have the right to monitor the draw

schedule and progress payments, progress of construction and the funds remaining in the Construction Fund Account, and the Orioles shall be regularly kept informed by the County as to the Construction Fund Account balances. The County shall hold the funds in the Construction Fund Account for the benefit of the Project and shall promptly release, without delay, reduction or offset, such funds only upon approval for disbursement by the Orioles and the County, such approval not to be unreasonably withheld, conditioned or delayed.

3.11 If the Project is anticipated to exceed any maximum price contract(s), either because of a change order(s) or for any other reason beyond that which is contained in the Project agreements (and specifically excluding items resulting from an error or omission by the County, the Orioles or any architect, contractor, subcontractor, vendor or other professional), such cost increases must be approved by the Parties. Change orders and/or Project cost overruns resulting from an error or omission by any architect, contractor, subcontractor, vendor or other professional engaged on the Project shall be the responsibility of the person or entity committing such error or omission. Subject to the provisions of Section 2.4 hereof, the Orioles may adjust the scope of the Project, including any procurement, phase, portion or work order thereof; provided, however that any material changes to the Project Design Plan which increases the Project Cost must be reviewed and approved by the County, which approval may not be unreasonably withheld, conditioned or delayed. Notwithstanding the preceding sentence, the Orioles shall not materially and substantially reduce the estimated number of fixed seating positions in the Major League Stadium, the estimated square footage of the Major League clubhouse or the number of fields as set forth in Section 2 hereof without the express prior written approval of the County.

3.12 The County represents and warrants to the best of its knowledge that no zoning changes are necessary or required in order to construct the Project and there are no known restrictions on the Sites. The County agrees to the fullest extent permitted by law to refrain from taking any action to request that the City diminish or restrict the zoning and the Orioles existing zoning rights on the Major League Baseball Site for the duration of the Lease. Should the Orioles intend to seek a zoning change at any time during the Lease, in connection with the Major League Site, the County shall take such action within its control to place such matters before the City for consideration on an expedited basis.

3.13 To the fullest extent permitted by law, the Orioles and/or its designees shall have full rights and discretion as to the placement and orientation of all improvements and uses, points of ingress and egress and internal circulation on the Sites, so long as the required buffers and setbacks and all other requirements of the zoning category and other governing regulations, ordinances and statutes are satisfied and subject to the County's review and approval, which approval shall not be unreasonably withheld, conditioned or delayed. The Orioles and/or its designees, with County input and approval, shall have discretion as to the architectural style and character of all improvements on the Sites, so long as the required buffers and setbacks and all other requirements of the zoning category and other governing regulations, ordinances and statutes are satisfied.

3.14 If the Orioles elect to conduct Major League Spring Training at the Major League Site in 2010, the Orioles shall be entitled to use (or seek reimbursement from) the Construction Fund Account for costs and expenses reasonably incurred to re-brand Ed Smith Stadium for use

by the Orioles, subject to the approval of the County, which approval shall not be unreasonably withheld, conditioned or delayed.

#### 4. LEASE TERM; RENT.

4.1 Lease Term. The Parties shall execute a definitive, long form Lease within one hundred fifty (150) days after the execution of this Agreement, incorporating the relevant terms and conditions contained in this Agreement, and such other terms and conditions as are customarily included in similar leases and as may be mutually agreed, unless the Parties, in their respective sole discretion, deem the provisions of this Section 4 and other applicable provisions of this Agreement are adequate for such purpose. The Term of the Lease shall be for thirty (30) years commencing November 1, 2009 and continuing through October 31, 2039 (the "Term"). The Orioles intend to commence Major League and Minor League Spring Training Operations at the Sites beginning with the 2010 spring training season. The Parties acknowledge that adjustments to the commencement of Spring Training Operations may need to be made based upon the Project schedule and maximizing the value of the Governmental Project Funds, which determination will be made by the Orioles, after consultation with the County. The Orioles agree that during the Term they shall play their Major League spring training home games at the Major League Site, except for those spring training games played by the Orioles as it returns to Baltimore to open the Major League championship season (no more than five spring training games) or as otherwise may be scheduled by Major League Baseball (i.e., international goodwill games) or otherwise provided in this Agreement or the Project Documents. As part of the definitive Lease, the Orioles will enter into a binding and enforceable non-relocation agreement with the County that includes appropriate specific performance and injunctive relief provisions. Except as provided in Section 20 of this Agreement, during the Term, the Orioles shall not relocate its Major League and Minor League Spring Training Operations from the County.

4.2 Rent. The Rent for the Term shall be one dollar and 00/100 (\$1.00), payable in advance for the entire Term at the time of execution of the Lease.

4.3 Revenues Generated. Except as provided herein, the Orioles shall have the sole and exclusive right to all commercial activity on the Sites and to retain any and all proceeds, revenues and fees generated by or through the Orioles' use or occupancy of the Sites during the Term, including, but not limited to all revenues derived from all events at the Sites, all revenues from tickets, parking fees, promotions, sponsorships, advertising, signage, concessions, license fees, and all other sources of revenues. The Lease shall contain agreement(s) for the County use of Major League Site and the Minor League Site as referenced in Section 5 hereof. As to the Orioles' use of the Sites, the Orioles shall have the sole responsibility to pay all sales, use and federal income tax due with respect to revenues and fees that they collect or receive. With respect to the parcel(s) North of 12<sup>th</sup> Street, the Orioles shall have the right to seek to develop the parcel(s) and shall have the right to make an application(s) for a zoning category change, if necessary, or seek any other zoning mechanism to permit commercial activity on the parcel(s). Such application(s) shall be subject to all County and City processes, procedures, codes and ordinances and the approval(s) of the appropriate governmental entity(ies). The County shall have the right to approve any development proposal submitted by the Orioles.

## 5. LEASED PREMISES; USE AND OPERATION.

5.1 Major League Site. The County agrees to lease to the Orioles the Major League Site, including all improvements, fixtures and furnishings located or constructed thereon relating to any of the same for the duration of the Term for the Orioles' full beneficial use of and to the Site. The Orioles' right to utilize the Major League Site shall be on an exclusive basis during the Term for all lawful purposes, except as provided in Sections 5.4 and 5.5 herein but the Orioles shall have the exclusive right to use, on a year-round basis, the offices, clubhouse area and other locations on the Major League Site that may be constructed or renovated following the date hereof which may be designated by the Orioles as included in the Orioles' exclusive areas, subject to the County's approval, which may not be unreasonably withheld, conditioned or delayed. During the Spring Training Period, from December 15<sup>th</sup> to April 30<sup>th</sup> of each calendar year during the Term (the "Spring Training Period") except as otherwise provided in Section 5.4(a), the Orioles shall have the exclusive use of the Major League Site and may utilize the Major League Site for all lawful purposes.

5.2 Minor League Site. The County agrees to lease to the Orioles the Minor League Site, including all improvements, fixtures and furnishings located or constructed thereon relating to any of the same for the duration of the Term for the Orioles' full beneficial use of and to the Site. Except as otherwise provided in this Agreement, the Orioles shall have the right to utilize the Minor League Site on an exclusive basis for all lawful purposes, from January 15<sup>th</sup> to April 30<sup>th</sup> of each calendar year ("Minor League STP"), and on a non-exclusive basis (other than the Orioles' exclusive use areas as defined below, which are exclusive to the Orioles on a year-round basis) for all lawful purposes. During the Minor League STP, the Orioles shall have the full, beneficial and exclusive use of fields number 1 and 2 at all times and the non-exclusive use of fields number 3, 4 and 5 as provided in this Subsection. During the Minor League STP, fields number 3, 4 and 5 shall be exclusive to the Orioles at all times necessary, in the Orioles' reasonable discretion, to conduct its spring training operations. During the Minor League STP, the County may make fields number 3, 4 and 5 available for public recreational purposes with the Orioles' prior approval to each such use and the terms, conditions, dates and times of such use. The Orioles' approval as to any use request under this Subsection shall not be unreasonably withheld, conditioned or delayed. Any public recreational use authorized during the Minor League STP pursuant to this Subsection shall not (a) interfere with the Orioles' spring training baseball activities or (b) be permitted under weather or other conditions which would adversely impact the condition of any playing fields. The County shall require that all public recreation uses of the fields carry full and adequate insurances, naming the Orioles (and the County if appropriate) as a named insured and such other requirements as provided for in Sections 5.4 and 5.8. The Orioles agree that the County shall have the right to enter into an agreement with the high school team which has historically utilized field number 5 during the Spring Training Period for high school practices and games on terms, conditions, dates and times reasonably acceptable to the Orioles and consistent with current practices, this Subsection and Section 5.4. The high school team shall be authorized to display its logo and colors during high school practices, games and tournaments held on field number 5 and shall retain rights to the sponsor recognition signs along the inside face of the outfield fence provided that (i) any such sponsorship or signage does not conflict with an Orioles exclusive sponsorship; and (ii) the Orioles retain the right to also display signs. The Orioles shall have the exclusive right to use, on a year-round basis, the offices, clubhouse area and other locations (the "Team's Exclusive Minor League Areas") and

other areas on the Minor League Site that may be constructed or renovated following the date hereof which may be designated by the Orioles as included in the Team's Exclusive Minor League Areas, but not including the fields and public parking areas, subject to the County's approval, which may not be unreasonably withheld, conditioned or delayed. The subparcel of the Minor League Site set forth in Section 14 shall be, upon completion, deemed part of the Team's Exclusive Minor League Areas.

5.3 Orioles As Promoter of the Sites. During the Term, at all times, the Orioles shall be the "promoter" of the Major League Site and the Minor League Site for all lawful purposes, including all events conducted thereon or therein, except as expressly provided herein. The Orioles shall use commercially reasonable efforts to market the Sites actively during the Term. The Orioles shall be entitled to retain all "promoter" fees, if any, in connection with any for profit events at the Sites, except for Historical Events as defined in section 5.4(a) (unless the Orioles and the Historical Event party expressly agree otherwise).

5.4 Historical Events. The Orioles spring training operations, baseball-related events and other Orioles' beneficial uses of the Sites shall have priority scheduling status at all times on the Sites. The Parties acknowledge that the Sites have at times historically hosted certain events other than spring training operations and baseball-related events. The following shall be referred to as "Historical Events":

(a) Major League Site: (i) Booker High School – six (6) event day uses, including one (1) event use at the Major League Stadium; (ii) Cardinal Mooney High School – six (6) event day uses, including one (1) event use at the Major League Stadium; (iii) Sarasota Baseball Classic, provided that it is not scheduled between December 15<sup>th</sup> and April 7<sup>th</sup> in any calendar year; (iv) Florida High School Athletic Association State Baseball Championship Finals at the Major League Site provided that it is not scheduled between December 15<sup>th</sup> and April 7<sup>th</sup> in any calendar year and is held for no more than seven (7) consecutive days; (v) the City Blues Festival for three (3) consecutive days or less, provided it is held exclusively on the practice fields adjacent to the stadium, conducted in accordance with historical practice and further provided that City Blues Festival is held in October or the first week of November; (vi) the AAU 14 and under Division 1 National Championships, provided that it is scheduled in July or August; (vii) Circus Sarasota, provided that it is located on the parking parcel North of 12<sup>th</sup> Street, unless otherwise agreed by the Orioles and Circus Sarasota, and within the months of January and/or February and that it does not interfere with the Orioles' spring training events; and (viii) the Sarasota Spartans youth soccer program for limited use of the parking parcel North of 12<sup>th</sup> Street during the months August through November on a temporary basis, such temporary use not lasting more than four (4) years from the date of this Agreement. The Orioles shall accommodate the aforementioned Historical Events at the Major League Site (excluding the Orioles' exclusive use areas), under the terms and conditions provided in this Section and consistent with the Orioles' priority of use for spring training operations; and

(b) Minor League Site: During the Minor League STP, as provided in Section 5.2. At times other than during the Minor League STP, the County may utilize the Minor League Site (other than the Team's Exclusive Minor League Areas) for public recreational use under the terms and conditions of Section 5. The Orioles shall endeavor in good faith to work with the County and the community to accommodate the aforementioned Historical Events at the Minor

League Site (excluding the Team's Exclusive Minor League Areas), under the terms and conditions provided in this Section and consistent with the Orioles' priority of use for spring training operations.

(c) **Other Uses:** In addition to any other Orioles' uses of the Sites, the Orioles may, in its sole discretion, permit the use of the Sites for other historical events, including AAU baseball practices and games, or other historical events.

As to each Historical Event authorized in this Section, the Historical Event shall be conditioned upon the Historical Event party (which may be the County or a third party) obtaining the Orioles' prior approval as to the date and time of the requested Historical Event and entering into a contract with the Orioles for use of the Site requested, which contract shall include a requirement to carry full and adequate insurances, naming the Orioles (and the County as appropriate) as named insureds, provisions for the payment of all actual and incremental costs and expenses associated with the use and such other terms and conditions as may be reasonable or necessary. The Historical Event shall not be on dates and times that (a) interfere with the Orioles' baseball activities or (b) under such weather or other conditions which would adversely impact the condition of any playing fields. To the extent that tickets are sold for Historical Events that are for-profit, if any, the ticket surcharge shall be applicable to all such tickets, unless otherwise determined by the Orioles, in its sole discretion. Any Historical Event must be requested in writing to the Orioles annually prior to November 30<sup>th</sup> for the following twelve (12) month period. Should the Historical Event desire to propose the scheduling of a Historical Event under this Agreement other than as provided in the preceding sentence, the Historical Event shall propose such event to the Orioles for consideration and approval as soon as practicable and in a reasonable enough period of time to allow the Orioles full consideration of the request.

**5.5 County Use of Major League Site.** Other than as provided in Section 5.4(a) (with regard to Historical Events), the County may use or authorize for use the Major League Site for civic-oriented non-profit events for up to eight (8) days per year outside of the Orioles' Spring Training Period, as defined in Section 5.1 hereof, and only with the Orioles' prior written approval, not to be unreasonably withheld, conditioned or delayed, at no charge to the County other than for reimbursing the Orioles as provided in Section 5.8 below. The County may sublease its rights contained in this Section 5.5 to the City of Sarasota for City sponsored civic-oriented non-profit events, subject to the Orioles' approval of the third party contract or other agreement governing the event, which approval shall not be unreasonably withheld, conditioned or delayed. The Parties acknowledge that the Sites shall not be used on dates and times that (a) interfere with the Orioles' baseball activities and/or (b) under such weather or other conditions which would adversely impact the condition of any playing fields. The Orioles spring training operations, baseball-related events and other Orioles' beneficial uses of the Sites shall have priority scheduling status at all times on the Sites. For scheduling purposes and to avoid any interference with the Orioles' beneficial use of the Sites, the County shall annually, prior to November 30<sup>th</sup> of each year, provide the Orioles with a proposed schedule of any civic-oriented non-profit uses for following twelve (12) month period for which the County requests the Orioles' approval. Should the County desire to propose the scheduling of a permissible event under this Agreement other than as provided in the preceding sentence, the County shall propose such event to the Orioles for consideration and approval as soon as practicable and in a reasonable enough period of time to allow the Orioles full consideration of the request. The dates



and times during which the County may use the Major League Site shall be selected by mutual agreement of the Parties and the Orioles agree to take into consideration the historical practice of certain event dates which have been utilized for City and County sponsored events.

5.6 [Intentionally Omitted]

5.7 County Use of Minor League Site. The County may use or authorize for use the Minor League Site, excluding the Team's Exclusive Minor League Areas, in accordance with Section 5.4, for civic-oriented non-profit use subject to the prior approval of the Orioles, not to be unreasonably withheld, conditioned or delayed. The Orioles shall have scheduling priority for the use of the Minor League Site.

5.8 General Conditions of Use of the Sites. The County shall be responsible for the payment of all actual and incremental, out-of-pocket operating and maintenance expenses for all County-authorized civic and recreational uses of the Sites. The costs, reimbursements and expenses for Historical Events requested by third parties under Section 5.4 shall be the responsibility of the requesting party, in accordance with the terms and conditions provided in that section, unless otherwise agreed to by the Orioles. The County shall be responsible to restore the fields and related facilities to the condition at the time prior to such County-authorized civic or recreational use, so as to provide the Orioles with the full beneficial use of and to the Sites. To the extent that the Orioles incur costs or expenses to operate, maintain, repair or restore the Sites as a direct result of the County-authorized civic or recreational use of the Sites, the County shall reimburse the Orioles for such costs and expenses in a timely manner upon invoice. The County shall remain solely responsible for any damage or destruction that may occur as a direct result of such use by the County or its invitees or authorized parties. In accordance with the provisions of Section 5, the Orioles and the County shall enter in an event agreement(s) for any County-authorized use under Section 5.4 (as appropriate), Section 5.5 or Section 5.7 prior to such events setting forth the terms and conditions for such County use and further delineating the County's reimbursement obligations.

5.9 County's Right of Entry. The County reserves the right to enter any portion of the Sites upon reasonable prior notice to the Orioles, notwithstanding the exclusive right of the Orioles to use such portion, if in the reasonable judgment of the County, entry is necessary to inspect, repair or maintain the Site, or is necessary to protect the public health, safety or welfare.

5.10 Quiet Enjoyment. During the Term and subject to the terms of the Lease, the Orioles shall be entitled to peacefully have and enjoy the use of the Sites, without unreasonable interruption or interference, subject to the County's rights of use and access, as provided in this Agreement.

6. **TICKET SALES; PARKING.**

6.1 The Orioles shall set the ticket prices for all spring training games and other events at the Major League Site and the Minor League Site for which tickets are sold, other than as Historical Events and County (City or authorized public) civic-oriented non-profit events provided for in Section 5. The Orioles shall manage all ticketing operations, including ticket sales for all events at the Sites other than at Historical Events and County civic-oriented, non-

profit events, and the Orioles shall be entitled to receive all Gross Revenues from Ticket Sales collected by the Orioles on an annual basis during the Term. All Gross Revenues From Ticket Sales shall be the sole and exclusive property of the Orioles, except as provided for in Section 5 for County ticket sales from applicable County (or City or authorized public entity) sponsored events which shall be managed, sold, and belong to the County (or City or authorized public entity), and except for ticket sales from Historical Events. For purposes of this Agreement, "Gross Revenues From Ticket Sales" shall mean the total gross revenues from ticket sales less any taxes or charges imposed by Major League Baseball or any governmental, regulatory or taxing authority generally, included in the gross price of the ticket to the purchaser and required to be remitted by the Orioles as the portion of such receipts payable to the visiting team or to any such governmental, regulatory or taxing authority. The ticket surcharge provided for in Section 12 shall be charged and applicable on all tickets sold in connection with for-profit events at the Sites, whether Orioles, County or City sponsored events. The ticket surcharge provided for in Section 12 shall be charged and applicable on all tickets sold for profit historical events at the Sites, unless otherwise determined by the Orioles, in its sole discretion. The Parties agree that Gross Revenues from Ticket Sales shall also exclude and be reduced by the surcharge as described in Section 12. All ticket surcharges collected by the Orioles, County or City or any party authorized to utilize the Sites for which tickets are sold shall be deposited in a timely fashion in the Capital Repair and Improvements Fund established and described in Section 12.

6.2 The Orioles or its designee shall control the parking at the Sites, and without limiting anything contained in Section 4.3 above, the Orioles shall collect and retain all parking fees and related revenues derived therefrom, except for parking revenues from County (or City) sponsored civic-oriented non-profit events as provided for in Section 5.4, 5.5 and 5.7, for which the net revenues (after payment of applicable expenses as provided in Section 5.8, including any taxes or charges or payment to any parking operator(s) and reimbursement of incremental, out-of-pocket expenses in connection with the collection of parking revenues) shall belong to the County.

## 7. CONCESSIONS.

7.1 The Orioles shall control and receive all revenues from the sale of all foods, beverages, merchandise, novelties and logo items and the like, including, but not limited to, scorecards, yearbooks and novelty items carrying the logo or marks of the Orioles or of any other Major League team (collectively, commonly called "concessions") on the Major League Site and the Minor League Site. The Orioles shall be free to operate the concessions in-house or contract with a third party(ies) to operate such concessions on terms and conditions approved by the Orioles

7.2 No outside concessionaire or vendor shall be permitted on the Sites, including for a Historical Event, without the Orioles' prior written approval. For all authorized County (or City) uses of the Sites under Section 5.5, and for any Historical Events under Section 5.4, the County (or City) or Historical Event party shall use the Orioles' concessionaire for all food services unless the Orioles and/or the Orioles' concessionaire determine, in their sole discretion, not to provide concession services for the event. If the Orioles or its concessionaire determine not to provide such concession services, the County (or City) or Historical Event party may request that the Orioles' approve the use of a third party food service concessionaire on the Site to

service the event. The Orioles' written approval shall not be unreasonably withheld, conditioned or delayed. For all authorized County (or City) uses of the Sites under Section 5.5, the Orioles will endeavor to require in its food service concession agreements or extensions with its concessionaire that the concessionaire, if it agrees to provide food service for a County (or City) event pursuant to Section 5.5, that the concessionaire will consider entering into a revenue-sharing agreement with the County (or City) to share a portion of its profits, if any, with the County (or City) or provide a fair and reasonable discount for its food services. Any such profit sharing or discount shall be determined on a case-by-case basis and within the sole discretion of the Orioles and the Orioles' concessionaire. As to all such events pursuant to Section 5.5, the concessionaire may not charge the County (or City) more than its usual and customary food and service charges (but may charge less) associated with an Orioles event. In the event that the County (or City) or a Historical Event party under the terms and conditions of this Section, are permitted to use a third party concessionaire with the Orioles' approval and desire to use the Orioles' concessionaire's equipment or facilities, the County (or City) or Historical Event party shall enter into an agreement for such use with the Orioles and the Orioles' concessionaire on such terms and conditions as may be acceptable to the parties. The County shall notify the Orioles of any proposed County civic-oriented, non-profit events under Section 5.5 for which it desires that the Orioles' concessionaire provide concessions operations no less than fifteen (15) business days prior to the date of such event.

7.3 The County shall use its best efforts to ensure that all concession equipment, along with all furniture, fixtures and equipment, at the Major League Site and the Minor League Site that is County or City owned or is anticipated to be left by the current tenant is inventoried and conveyed to the benefit of the Project to the extent it is deemed by the Orioles to be beneficial to the Project, subject to the County's approval, not to be unreasonably withheld, conditioned or delayed.

## **8. SCOREBOARD AND NAMING RIGHTS.**

8.1 The Orioles shall have all rights to sell or otherwise assign naming and/or presenting sponsorship rights to all or any portion of the Major League Site and the Minor League Site, including the Major League Stadium. The Parties acknowledge the Minor League Site is currently referred to as the Buck O'Neil Baseball Complex and the Orioles will endeavor to refer to the baseball complex as such in materials and publications. The Orioles shall obtain the County's consent only as to whether the County objects to the association of the County with the naming and/or presenting sponsor and contends that such association is materially adverse to the County and will damage its reputation or the public's interests. The Orioles agree that the name of a tobacco company or product will not be used. The County may not unreasonably withhold, condition or delay its consent to a naming rights or presenting sponsor.

8.2 The Orioles shall control the scoreboard message center (the "Scoreboard"), the sound, public address and related systems at the Sites (collectively, the "AV Information Systems") for any and all events at the Sites during the Term. The Orioles will work cooperatively with the County to include a limited number of public service announcements and announcements of County programs and civic-oriented events at Orioles' events. The Orioles' personnel or designee shall operate all AV Information Systems at all times during the Term unless the Orioles agree otherwise; however, during Historical Events or County (or City) or

authorized public) civic-oriented non-profit events, and subject to the Orioles' right and obligation to operate the AV Information Systems, the County shall have the right to determine the audio content and sell temporary event day only electronic message advertising on the Scoreboard content display. If Orioles personnel are utilized to operate the AV Information Systems, the Orioles shall be reimbursed for such actual incremental, out-of-pocket costs and expenses and other applicable expenses as provided in Section 5.8. Without limiting the foregoing, in no event may the County sell any temporary event day electronic message advertising on the Scoreboard content display to an entity if the sale or content of such electronic advertising would cause the Orioles to breach any exclusivity granted to a naming rights, presenting sponsor or any exclusive Orioles' sponsor.

## **9. BROADCASTING.**

9.1 The County will cooperate with the Orioles in identifying locations and available connectivity of commercial fiber, cabling, electrical, communications data transmission systems and the nearest head-ends (the "Broadcast Interface Equipment") in order for the Orioles to broadcast games played by the Orioles during the Term. The Orioles shall be responsible for all connectivity charges or fees payable to the vendor or utility. The County shall not charge the Orioles any fees or connectivity charges and the Orioles shall be permitted to use available easements on the Sites for connectivity purposes.

9.2 The Orioles shall have the exclusive broadcasting rights for all events at the Sites, other than as provided in this Subsection during the Term and all revenues derived therefrom shall be the property of the Orioles, including but not limited to all park and power fees and other charges levied upon visiting teams or for or in connection with other productions year-round. The Orioles shall have all rights to determine the content of any Orioles' broadcast and the Orioles shall have all rights to sell any advertising on any Orioles' broadcast during the Term. Subject to the rights of third parties, the Orioles shall have a fully-paid, transferable, license to broadcast and re-broadcast worldwide in perpetuity, images, photographs, audio and audio/visual recordings of all events of and from the Sites. The County shall have the non-exclusive right to broadcast the Historical Events and the approved County (or City or authorized public) civic-oriented non-profit events at the Sites utilizing its broadcasting equipment and personnel or, upon mutually acceptable terms, the Orioles' broadcasting equipment and personnel. Subject to the rights of third parties, the Orioles may broadcast any of the Historical Events or County (or City or authorized public) civic-oriented non-profit events from the Sites at its discretion.

## **10. PROMOTION AND TOURISM.**

10.1 The Orioles acknowledge that the County is undertaking a substantial financial responsibility to fund portions of the Project. The Orioles and County agree to develop an ongoing promotional relationship for the purpose of promoting Sarasota County and the Greater Sarasota County region as a desirable and attractive year-round vacation and meeting destination venue and for the promotion of the Orioles' spring training games and ticket sales related thereto. The Orioles shall make available on an annual basis after consultation with the Sarasota Convention and Visitor's Board and the Sarasota Tourism Development Council, certain promotional and tourism opportunities set forth in Exhibit 4. The Parties shall meet on an annual basis to review and amend Exhibit 4 as may be mutually agreeable from time to time.

10.2 The parties acknowledge that the Minor League Site is located at County-owned Twin Lakes Park which contains identifying signage and will continue to do so. To the extent permitted by Major League Baseball rules and regulations, the Orioles will provide the County with certain limited use rights as to the Orioles' marks and logos, subject to the Orioles' prior written approval in each instance, which will allow the County to promote its partnership with the Orioles at the Sites and on County literature and advertisements.

10.3 The Orioles shall provide the County with ten (10) prime location tickets (in groups of two (2) and four (4)), as determined by the Orioles, for all games and events at the Major League Site free of charge throughout the Term. In addition, the Orioles shall provide the County with event tickets for all seats in a luxury suite for up to four (4) Orioles spring training games per year; provided, however, that the suites have not been sold to a corporate or other purchaser and are available for the Orioles use and assignment. The County shall also be provided at no cost with adequate, preferred parking for all events for which tickets have been provided. The luxury suite, tickets and parking provided hereunder shall be used for tourism promotion and economic development purposes. The surcharge provided in Section 12 shall not be applicable to any complimentary event tickets or any tickets for which no payment is made by the County or other third party.

## **11. OPERATIONS AND MAINTENANCE.**

11.1 Except as to Historical Events and County (or City or authorized public) civic-oriented non-profit events and as provided in Section 5.8, the Orioles, as lessee of the Sites, shall be responsible solely for payment of all operating expenses and routine maintenance and repairs of the Sites during the Term. The Orioles shall operate the Sites in a safe, clean, attractive, and first class manner comparable to that of other Major League Baseball spring training and minor league facilities and shall provide on-Site fire, EMS, police and traffic control for games and other events at the Major League Site under the Orioles' control as may be necessary. The County shall be responsible to provide such on-Site fire, EMS, police and traffic control for all County civic-oriented, non-profit events as may be necessary. Throughout the Term and except as otherwise expressly provided herein, the Orioles shall be responsible for and provide all cleaning and operational maintenance services for the Sites, including the playing and practice fields located thereon, in conformity with the practices of Major League Baseball spring training facilities and Major League Baseball standards, rules and regulations. For purposes of this Agreement, operating expenses and routine maintenance and repair services shall mean those ordinary cleaning, maintenance and ordinary repair services necessary to keep the Sites in first class, good and working condition and are ordinary and recurring expenses for current repair and maintenance that do not improve an asset or add to its useful life and that are not treated as capital expenses for federal income tax purposes. The County shall have no responsibility for any operating or routine maintenance or repair expenses for the Sites except as related to County civic-oriented, non-profit events or County approved recreational events pursuant to Section 5 or in connection with Section 18. The requesting party for Historical Events shall be responsible for any operating or routine maintenance or repair expenses for such Historical Events which shall be included in the contract described in Section 5.4 above, unless otherwise agreed by the Orioles. In the event that the County utilizes the Sites or authorizes their use, in whole or in part, the County shall be responsible to maintain and repair the fields and related facilities to the condition

prior to the time of County use, so as to provide the Orioles with the full beneficial use of and to the Sites. To the extent that the Orioles incur costs or expenses to maintain or repair the Sites as a direct result of the County's use of the Sites, the County shall reimburse the Orioles for all actual incremental, out-of-pocket costs and expenses associated therewith and other applicable expenses as provided in Section 5.8, in a timely manner upon invoice.

**12. CAPITAL REPAIR AND IMPROVEMENTS FUND.**

12.1 The County shall establish, administer and maintain a Capital Repair and Improvements Fund in an interest bearing account dedicated for the exclusive benefit of the Sites for the purposes expressed in this Section.

12.2 The Parties acknowledge that during the Term there will be capital repair and improvement items necessary to maintain or preserve the condition, structural integrity, safety or functionality of the Sites or to address physical obsolescence. Physical obsolescence means that the structure, foundation, surface, components, systems, fixtures or condition: (i) no longer adequately functions for the purposes for which it was intended, (ii) is dysfunctional in whole or in part, or (iii) poses a hazard to the public's accommodation. The Capital Repair and Improvements Fund shall not be used for the Orioles' general operations and routine maintenance and ordinary repair obligations or for any County (or City) obligations to reimburse the Orioles or pay for costs and expenses associated with the County's (or City's) use of the Sites or the use of the Sites by the public. This Fund is intended only for capital repairs and improvements as expressed in this Section, and which would customarily be treated as a capital item for federal income tax purposes. Capital repairs and improvements shall include all expenditures for a fixed asset, or which extends the useful life longer than one (1) year or adds value to or increases the usefulness or productivity of an existing asset.

12.3 The Capital Repair and Improvements Fund shall be funded by annual contributions from each of the Parties in accordance with the following schedule:

<u>For the Years</u>	<u>Annual Contribution</u>
2011 through 2015	\$125,000
2016 through 2020	150,000
2021 through 2025	175,000
2026 through 2030	200,000
2031 through 2035	225,000
2036 through 2039	250,000

12.3.1 A surcharge upon all Orioles game tickets sold and all other for-profit ticketed events conducted at the Sites shall be considered a contribution to the Capital Repair and Improvements Fund as if made by the Orioles directly:

12.3.1.A For all tickets with a face value of \$5.00 or less, the ticket surcharge shall be fifty (50) cents per ticket sold.

12.3.1.B For all tickets with a face value in excess of \$5.00 but less than \$10.00, the ticket surcharge shall be \$1.25 per ticket sold.

12.3.1.C For all tickets with a face value of \$10.00 or more but less than \$20.00, the surcharge shall be \$1.75 per ticket sold.

12.3.1.D For all tickets with a face value of \$20.00 or more but less than \$30.00, the surcharge shall be \$2.00 per ticket sold.

12.3.1.E For all tickets with a face value of \$30.00 or more, the surcharge shall be \$2.50 per ticket sold.

12.3.2 In any year, the Orioles shall have the sole right to charge or modify the ticket surcharge in its sole judgment.

12.3.3 Notwithstanding the foregoing, if the amount of the annual surcharge collected is: (A) less than the Orioles' Annual Contribution, the Orioles shall contribute the difference to the Capital Repair and Improvements Fund; (B) more than the Orioles' Annual Contribution, the amount of such excess shall not be credited toward its Annual Contribution for any other year.

12.4 Contributions to the Capital Repair and Improvements Fund shall be made by the County and the Orioles no later than January 15 of each year for the preceding year. No expenditures may be made from the Capital Repair and Improvements Fund without the prior approval of both the County and the Orioles.

12.5 All interest accruing on the Capital Repair and Improvements Fund shall be added to the Fund and available for Fund purposes.

12.6 The Orioles and the County shall jointly review the Fund balance on an annual basis. Beginning in the fifth (5<sup>th</sup>) year after substantial completion of the Project and every five (5) years thereafter, the Parties shall conduct an independent structural and engineering analysis of the Sites. The cost of such analysis shall be paid from the Capital Repair and Improvements Fund. To the extent that the structural and engineering analysis provided for in this Section 12.6 identifies a material structural or engineering condition that should be addressed by this Section, the Capital Repair and Improvements Fund will be made available to the extent that the Orioles and the County agree to authorize those repairs or improvements.

12.7 The County and the Orioles shall annually cooperatively develop a rolling five (5) year capital repairs and improvement plan for the Sites. The Orioles shall submit to the County, on or before June 1 of each year, a proposed budget of anticipated capital repairs and capital improvements for the succeeding year. The proposed budget shall include a detailed statement of the reason for and cost of proposed capital expenditures. The County shall review the proposed budget and notify the Orioles on or before August 1 of the same year whether it has approved all or any portion thereof, which approval will not be unreasonably withheld, conditioned or delayed. In the event of an emergency requiring a capital expenditure or other capital expenditure deemed necessary by the Orioles but not included in the budget, the Orioles shall promptly notify the

County after discovery of the emergency or need for the capital expenditure, and the Orioles and the County shall work cooperatively together in good faith to address the need for the capital expenditure.

12.8 The County shall be responsible for identification of funding sources and the timely payment of all approved capital expenditures that cannot be paid out of the then-remaining balance in the Capital Repair and Improvements Fund. The Orioles acknowledge that any such payment by the County is subject to appropriation and approval by the County Commissioners.

12.9 The Orioles, with the cooperation of the County, shall supervise the making of all capital repairs and improvements to the Sites.

12.10 Notwithstanding anything provided in this Section 12, the insurances required in Section 16 of this Agreement shall be maintained in full force and effect.

### **13. FUTURE IMPROVEMENTS.**

13.1 Subject to the applicable provisions of Section 4.3 hereof, the Orioles may develop and construct additional improvements on the Sites during the Term which are permitted by the zoning on the Sites, and any such improvements shall immediately be subject to the Lease. The Orioles shall prepare and provide to the County a plan showing such additional improvements, an estimate of the cost of the improvements and the Orioles commitment to pay for and a funding plan for such improvements prior to construction. The County shall have the right to review and approve all such improvements, such approval not to be unreasonably withheld, conditioned or delayed. The development and construction of any such additional improvements on the Sites during the Term shall be completed by the Orioles in accordance with applicable law.

### **14. YOUTH BASEBALL ACADEMY AND FACILITIES.**

14.1 The Parties acknowledge that it is mutually beneficial to facilitate the establishment of a youth baseball academy and youth tournaments, serving both the Greater Sarasota County region and players and teams from other areas. The Orioles and Ripken Baseball have expressed a desire and are willing to locate a Cal Ripken Youth Baseball Academy and youth tournaments at the Minor League Site. The County has agreed to permit the Orioles to sublease or co-locate a portion of the Minor League Site (as identified on the preliminary Site sketch attached hereto as Exhibit 2) as a possible and acceptable location for the youth baseball academy, facilities and fields and the County has agreed to provide said area to the Orioles for such purposes as a cleared and leveled portion of the parcel. The County consents to the development and use of the aforementioned areas for all such fields and facilities as may be necessary and appropriate for the full and beneficial use of those areas for a youth baseball academy and youth tournaments. The Orioles and/or Ripken Baseball with review and approval of the County, which shall not be unreasonably withheld, conditioned or delayed, shall have full rights to the design and architectural style of the fields and facilities. The timing of the development and construction of the youth fields and facilities is dependent upon raising the necessary funds to proceed with the project. Notwithstanding the preceding sentence, the Orioles and Ripken Baseball will commit to provide a commercially reasonable level of youth baseball activities in the Greater Sarasota County region pending the establishment and construction of the



youth baseball fields and facilities and the availability of requisite fields and facilities. The development and construction of youth baseball facilities pursuant to this Section shall be subject to the provisions of Section 13 hereof.

**15. NO IMPACT FEES.**

15.1 To the extent legally permissible, the Orioles shall not be responsible for the payment of any road impact fees, justice impact fees and general government impact fees in connection with the development or use of the Project.

**16. INSURANCE.**

16.1 Orioles Insurance Requirements. The Orioles shall procure and maintain, during the term of this Agreement and the Project Documents, insurance as listed below. The policies of insurance shall be primary and written on forms acceptable to the County and placed with insurance carriers approved and licensed by the Insurance Department in the State of Florida and meet a minimum financial AM Best Company rating of no less than "A-Excellent". No changes are to be made to these specifications without prior written specific approval by the County's Risk Management Department.

**Commercial General Liability:** Including but not limited to bodily injury, property damage, contractual, products and completed operations and personal injury with limits of not less than \$1,000,000 each occurrence and carry such umbrella liability coverage as the Orioles deem appropriate.

**Business Automobile Liability:** Orioles shall agree to maintain Business Automobile Liability insurance as required by law.

**Worker's Compensation Insurance:** Orioles shall agree to maintain Workers' Compensation insurance as required by law.

**Property Insurance:** The Orioles shall be responsible to provide property insurance to ensure against damage or destruction to the Orioles' furnishings and equipment and personal property located at the Sites.

The County shall retain the right to review certificates, declarations and policies of insurance, at any time, in order to confirm coverage, form, and amount of insurance in accordance with this Agreement. The County shall be named as an additional insured on all Orioles' policies of insurance under this Agreement and the Project Documents.

Notices of Accidents (occurrences) and Notices of Claims associated with this Agreement shall be provided to the Orioles insurance company and County Risk Management as soon as practicable after notice to the insured.

16.2 County Insurance Requirements. The County shall procure and maintain, during the term of this Agreement and the Project Documents insurance as listed below.

**Commercial General Liability:** The County is self-insured for all liability claims and related expenses pursuant to the provisions of Florida Statute 768.28.

**Property Insurance:** The County shall maintain in force, at its expense the types and amounts of property insurance, including boiler and machinery insurance, as necessary to cover the full replacement value of the Sites. The County shall provide a copy of the Certificate of Insurance listing the Orioles as the additional insured. The property insurance shall insure against damage or destruction to any components of the Sites, providing "all risk" peril coverage, including coverage against hurricane, flood, sewer backup and earthquake. In the event of a loss or damage as described above, the County shall be responsible to retain a project manager to obtain an inspection and estimation of damages and repair and/or replacement costs to bring the Sites to their pre-loss condition in a timely and efficient manner. The County shall promptly report in a timely manner all claims and shall pay all deductibles in connection with such claim. Insurance proceeds recovered from submitted property damage claims for the Sites pursuant to this Section shall be placed in a joint escrow account and used to repair or rebuild the Sites and the County shall be obligated to promptly restore the Sites to its original or better condition. In the event that the insurance proceeds are insufficient to repair and restore the Sites to their previous pre-loss or substantially similar condition, the Orioles shall have no obligation to utilize its own funds to repair or restore the Sites. In the event the County determines that the Major League Site and/or the Minor League Site should not be repaired, the Orioles are entitled to immediate termination of this Agreement, and the Project Documents or any portion thereof (e.g. termination of the Major League Site but not the Minor League Site) without penalty. In the event the Orioles elect to terminate this Agreement and the Project Documents, there shall be an abatement of all monies due hereunder from the date of unavailability. The County, as applicable, shall be required to immediately notify its insurance carrier(s) in the event of any loss and shall promptly submit all claims, and all insurance proceeds of such policies paid for property damage to the Sites shall be for the benefit of the Sites and the Orioles and promptly applied to the repair, replacement and refurbishment and restoration of the Sites, and in accordance with the procedures established by the County and the Orioles and/or its designees for the initial construction of the Project, unless otherwise agreed upon by the County and the Orioles.

## **17. ENVIRONMENTAL.**

17.1 The Major League Site has been used for Major League Spring Training for more than twenty (20) years. Portions of the Major League Site were used as a landfill and asphalt plant in the past. The Major League Site is the subject of a consent order between the City and the Florida Department of Environmental Protection. The Interlocal Agreement with the City obligates the City, as set forth in the consent order, to continue to perform its environmental monitoring, reporting and other requirements under applicable environmental laws, following transfer of title to the Sports Complex to the County. It is contemplated that the City will need to enter into an amendment to the consent order providing for the closeout of the consent order. If it is determined that the Major League Site cannot be used as depicted on the preliminary project plans or that the Site presents a potential hazard to the public's health and safety or if the State of Florida or any other governmental agency requires remediation efforts, then the Orioles and the

County shall discuss funding the remediation costs, and if no agreement is reached prior to commencement of construction on the Major League Site, the Orioles shall have the right, in its sole discretion, to terminate this Agreement upon thirty (30) days written notice to the County.

**18. DISASTER PREPAREDNESS/SHELTER.**

18.1 The Sites may be used, in areas agreed upon by the Parties, for emergency response personnel and equipment, debris and debris-removal equipment for natural disaster preparations, response, and potential shelter. In the event the County uses the Sites pursuant to this Section, the County agrees to completely remove all disaster/hurricane-related debris and materials from the Sites and take such other remedial action as may be necessary within a reasonable period of time prior to the Spring Training Period so as to allow the Orioles full beneficial use of and to the Sites. The County shall be responsible for all damage, clean-up, maintenance, repairs and costs and expenses in connection with the use of the Sites for disaster purposes, and the County shall promptly clean up, repair and restore the Sites, all at no cost or liability to the Orioles. Notwithstanding anything in this Agreement to the contrary, the County shall be responsible for any liability arising out of or in connection with the County's (and its invitees) or the public's use of the Sites pursuant to this Section and the County agrees to indemnify, defend and hold the Orioles and its officers, directors, partners, employees, agents and representatives harmless in connection with such use of the Sites by the County (and its invitees) or the public.

**19. TAXES; AVAILABILITY OF ADDITIONAL STATE FUNDS.**

19.1 The County represents that (1) it shall acquire from the City and shall continue to have throughout the Term, all ownership interests in the Major League Site, (2) as of the date hereof, it has and shall continue to have throughout the Term, all ownership interests in the Minor League Site, (3) as such, has the full authority to grant the Orioles the rights provided hereunder, and (4) this Agreement has been entered into for the public purpose of promoting tourism, gainful employment and economic growth in Sarasota County and the State of Florida. It is the intent and understanding of the Parties that the leasehold interest to be held by the Orioles pursuant to the Lease shall be immune from Property Taxes, including ad valorem taxation for long as such constitutional immunity remains in effect.

19.2 For purposes of this Agreement, "Property Taxes" shall mean all ad valorem taxes, real estate taxes and assessments or payments in lieu of real estate taxes which are levied against the Lease and/or the Sites (and any improvements thereon), including all general and special taxes levied by the County, the City or any political subdivision or taxing authority of the County or the City or the State of Florida, including but not limited to school districts, or transit authorities, so long as such tax is based upon or measured by the valuation of the land, the improvements (including the Project), or any of their respective leasing arrangements.

19.3 If the Orioles and/or its designees may be eligible for any tax benefits, exemptions, abatements, credits, grants or other refunds the County shall cooperate with the Orioles in pursuing such.

19.4 The County and the Orioles shall each use their best efforts to obtain additional funds from the State of Florida, authorized for the use of spring training facilities construction or renovation, for economic development, tourism, disaster relief or staging, hurricane hardening purposes and/or any other purpose that can be made available for the Sites in connection with the Orioles' use and occupancy thereof and to dedicate such additional funds to the Capital Repair and Improvements Fund.

## **20. FORCE MAJEURE.**

20.1 Neither party hereto shall be liable for any delay or failure in the performance of any obligation under this Agreement or the Project Documents or for any loss or damage (including indirect or consequential damage) to the extent that such nonperformance, delay, loss or damage results from any "Force Majeure". For purposes of this Agreement, a "Force Majeure" shall mean and include without limitation, any fire, flood, explosion, damage by third parties whether negligently or intentionally caused, acts of God or Nature or other casualties, strikes (including, without limitation, any strike by the Major League Baseball Players Association), lockouts (including, without limitation, any lockout by the League), work stoppages, picketing or other concerted action by any employees or any labor organization, national emergency or state of war, the laws or actions of any governmental authority, or any other event or cause that is beyond the control of the Parties. Notwithstanding anything contained in this provision, a strike by the MLBPA or lockout by the League will not be a Force Majeure event with respect to the Project Development Agreement.

Without limiting any remedies available at law or in equity, in the event the purposes of this Agreement and/or the Project Documents are frustrated as a result of the actions, rulings, determinations, findings, orders, judgments or directives of any state or federal or other governmental agency or as a result of the actions of third parties in connection with, relating to, or arising from, the existence of any hazardous materials on, in, under, affecting or emanating from all or any portion of: (1) the real property located at 12th Street and Tuttle which has historically been used as a Major League Spring Training facility and includes training facilities, practice fields, clubhouses, offices, the "Ed Smith Stadium" and other improvements and fixtures located thereon, and/or (2) the real property located North of 12th Street and South of 17th Street and the corner parcel North of 12th Street (the "Major League Site") which may cause (i) substantial and material delay to the Project, (ii) substantial and material additional costs to the Project, (iii) substantially and materially restrict or prohibit the Project or its substantial completion or (iv) in any other way substantially and materially frustrates the purposes of this Agreement and/or the Project Documents, then the Orioles and the County shall discuss such situation, and if no mutually acceptable agreement is reached between the Parties to resolve the situation, then either Party shall have the right to terminate this Agreement and the Project Documents upon thirty (30) days written notice to the other Party; provided that, any Party may submit this matter to binding arbitration, which arbitration must be requested, conducted and fully concluded within sixty (60) days of the written notice of termination, solely as to the issue of whether that Party's termination was reasonable under the facts and circumstances, including the purposes of this Agreement and the Project Documents and based upon the delay, additional costs, restriction or prohibition as expressed in this Section.

20.2 If as a result of any Force Majeure the Sites are unavailable for Spring Training in any of the years during the Term, this Agreement and the Project Documents shall be regarded as suspended for the period of unavailability without liability to either Party so long as the period of unavailability is no more than two (2) consecutive Spring Training Periods during the Term. If the Sites shall be unavailable for two (2) consecutive Spring Training Periods during the Term, the Orioles shall have the right to terminate this Agreement and the Project Documents without any further liability to the County. To the extent that the Sites are unavailable for a Spring Training Period, the County shall use its best efforts to assist the Orioles in securing, at no cost to the Orioles, suitable facilities in the County to conduct its Spring Training Operations. If no suitable facilities are available, in the Orioles' sole discretion, the Orioles may locate its Spring Training Operations at facilities outside the County and the Orioles shall be relieved of all obligations under this Agreement and the Project Documents for such period.

## 21. DEFAULT, REMEDIES AND TERMINATION.

21.1 If either Party hereto (the "Defaulting Party") shall fail to perform any of its obligations under this Agreement or any of the Project Documents, then the Party not in default (the "Non-Defaulting Party") shall provide notice of such failure to the Defaulting Party and afford the Defaulting Party a grace period to cure said failure, as follows:

21.1.1 Where a grace period is specifically provided, that specific grace period shall apply.

21.1.2 Where a grace period is not specifically provided, the Defaulting Party shall afford the Non-Defaulting Party a grace period of: (i) five (5) business days to cure monetary failure; and (ii) thirty (30) days to cure any non-monetary default; provided, however, that if any non-monetary failure cannot be cured within such thirty (30) day period, the Defaulting Party shall be afforded such additional time as shall be reasonably required to cure such failure, if the Defaulting Party has commenced the appropriate cure within said initial thirty (30) day period and thereafter proceeds with reasonable diligence to cure said failure.

21.1.3 If any failure to perform shall not have been cured by the expiration of the applicable grace period, then a "Default" shall be deemed to have occurred and the Non-Defaulting Party shall have the rights and remedies set forth in Section 21.2 below.

21.2. If a Default shall occur, the Non-Defaulting Party shall have the right (but not the obligation to cure such default on behalf of the Defaulting Party, in which event the Defaulting Party shall immediately reimburse the Non-Defaulting Party for all sums paid by it to effect such cure, together with interest thereon at the annual rate of interest equal to the prime rate of interest charged by the County's primary financial institution to its commercial customers with the highest credit rating plus one and one-half percent ("the Default Rate").

21.3 County Termination. The County may terminate this Agreement or any of the Project Documents upon thirty (30) days prior written notice to the Orioles of any of the following events (collectively hereinafter referred to as the "Orioles Defaults"):

21.3.1 If the Orioles desert or vacate one or both of the Sites;

21.3.2 If, by order of a competent authority, a receiver, liquidator or trustee of the Orioles shall be appointed and such receiver, liquidator or trustee shall not have been discharged within thirty (30) days after the making of such order, or if by decree of such authority the Orioles shall be adjudicated or determined to be bankrupt or insolvent, or if the Orioles shall file a petition in voluntary bankruptcy, shall make an assignment for the benefit of or enter into a composition with its creditors, shall seek to terminate its existence or shall otherwise seek to wind up its affairs;

21.3.3 If the Orioles fail to make any payments to the County pursuant to this Agreement or any of the Project Documents within sixty (60) days following written notice of such payment Default; provided however, the Orioles shall have the right to withhold any amounts disputed in good faith until the settlement of any such dispute; or

21.3.4 If the Orioles breach any material provision, agreement or obligation under this Agreement or any of the Project Documents, that is not cured within sixty (60) days after notice of such Default; provided, however, that if such Default cannot be cured within such sixty (60) day period, but the Default is capable of cure within a reasonable period of time which is acceptable to the County, and the Orioles diligently pursue such cure, the Orioles shall be allowed such agreed upon time period to cure such Default.

21.4 Orioles Termination. In addition to the termination rights contained elsewhere in this Agreement, the Orioles may terminate this Agreement or any of the Project Documents upon thirty (30) days prior written notice to the County of any of the following events (collectively hereinafter referred to as the "County Defaults"):

21.4.1 If, by order of a competent authority, a receiver, liquidator or trustee of the County shall be appointed and such receiver, liquidator or trustee shall not have been discharged within thirty (30) days of the making of such order, or if by decree of such authority the County shall be adjudicated or determined to be bankrupt or insolvent, or if the County shall file a petition in voluntary bankruptcy, shall make an assignment for the benefit of or enter into a composition with its creditors, shall seek to terminate its existence or shall otherwise seek to wind up its affairs;

21.4.2 If the County fails to make any required payments or deposits to the Governmental Project Fund, Construction Fund Account or the Capital Repair and Improvements Fund or fails to make any payments to the Orioles pursuant to this Agreement or any of the Project Documents within sixty (60) days following written notice of such payment Default; provided, however, the County shall have the right to withhold any amounts disputed in good faith until the settlement of any such dispute; or

21.4.3 If the County breaches any material provision, agreement or obligation under this Agreement or any of the Project Documents that is not cured within sixty (60) days after notice of such Default; provided, however, that if such Default cannot be cured within such sixty (60) day period, but the Default is capable of cure within a reasonable period of time which is acceptable to the Orioles, and the County diligently pursues such cure, the County shall be allowed such agreed upon time period to cure such Default.

21.5 Cumulative Rights. The remedies heretofore described in this Section 21 shall be in addition to any other remedy the Non-Defaulting Party may have at law or in equity in the event of a Default, including without limitation:

21.5.1 An action to recover monies then due and owing from the Defaulting Party, together with interest thereon at the Default Rate, from the date on which such monies were due;

21.5.2 An action for specific performance of non-monetary covenants and agreements on the part of the Defaulting Party; and/or

21.5.3 An action for recovery of all actual losses, costs and reasonable attorneys' fees incurred by the Non-Defaulting Party in connection with, arising out of or in any way related to the Default.

21.6 Injunctive Relief. Without limiting any other remedies of the County on account of a Default by the Orioles available in accordance with Section 23 of this Agreement, the County will be irreparably harmed if the Orioles violate the Lease by the transfer, move or other relocation of the Orioles' spring training activities to locations other than the Sites during the Term otherwise than as provided or permitted by this Agreement or the Project Documents. Accordingly, the Orioles hereby agree that in the event of such a violation or threatened violation of the Lease, the County shall be entitled to seek and obtain a temporary restraining order, together with preliminary and permanent injunctive relief, from any court of competent jurisdiction to enjoin any such violation or threatened violation. The Orioles waive any requirement that the County post a bond or other security in connection with such injunctive relief. In the event of such attempted or actual transfer, move or other relocation of the Orioles' spring training activities to, or the playing of Home Games at, any location other than the Sites, the County is not able to obtain the injunctive relief provided for in this Section 21.6, the County shall be entitled, at its option, to seek monetary damages.

## 22. NOTICES.

22.1 All notices and other communications required or permitted to be given under this Agreement and the Project Documents shall be in writing, and shall be hand-delivered, sent overnight delivery by a reputable overnight delivery carrier or mailed by United States registered or certified mail, return receipt requested, postage prepaid, to the address set forth below:

If to the County: Sarasota County  
1660 Ringling Boulevard, 2<sup>nd</sup> Floor  
Sarasota, Florida 34236  
Attention: County Administrator  
Phone: 941-861-5000  
Facsimile: 941-  
countyadministrator@scgov.net

With a courtesy  
copy to:

Stephen E. DeMarsh, County Attorney  
Office of the County Attorney  
1660 Ringling Boulevard, 2nd Floor  
Sarasota, FL 34236  
Phone: 941-861-7255  
Facsimile: 941-861-7226  
sdemarsh@scgov.net

If to the Orioles:

Baltimore Orioles Limited Partnership  
333 West Camden Street  
Baltimore, MD 21201  
Attention: Peter G. Angelos  
Phone: (410) 649-2000  
Facsimile: (410) 659-1782

With a courtesy  
copy to:

Rifkin, Livingston, Levitan & Silver, LLC  
225 Duke of Gloucester Street  
Annapolis, Maryland 21401  
Attention: Alan M. Rifkin, Esq.  
Phone: (410) 269-5066  
Facsimile: (410) 269-5274  
arifkin@rlls.com

or to such other address or telephone number as a Party may notify the other Party in writing. Notices hand-delivered in accordance with this provision shall be deemed to have been received on the date so hand-delivered, notices sent overnight delivery shall be deemed to have been received one (1) day after the date provided to such carrier, and notices sent via U.S. mail shall be deemed to have been received three (3) days after the date so mailed.

### **23. DISPUTE RESOLUTION.**

23.1 The Parties acknowledge that their rights and responsibilities under this Agreement and the Project Documents involve coordination and cooperation with respect to the design, development and construction of, and capital repairs and improvements to, the Project. Accordingly, the Parties agree that it would be to their mutual benefit to establish a dispute resolution process to deal with any dispute arising out of this Agreement or the Project Documents.

23.2 The Parties agree to attempt to settle any dispute or controversy that may arise between the Parties regarding any provision or obligation set forth in this Agreement or the Project Documents by non binding mediation.

23.3 If the Parties are unable to resolve any dispute with respect to the design, development and construction of, and capital repairs or improvements to, the Project or with respect to the Parties' obligations to finalize and execute the Project Documents, the matter in



dispute shall be submitted to binding arbitration under the Arbitration Laws of the State of Florida (Chapter 682, Florida Statutes) in accordance with applicable Commercial Arbitration Rules of the American Arbitration Association ("AAA") then in effect. The venue of the arbitration may be in Sarasota County. The arbitration shall be expedited to completion within ninety (90) days after notice of electing to arbitrate sent by one Party to the other Party. Both Parties shall agree in good faith to cooperate and facilitate the completion of the arbitration within said ninety (90) day period. In the event the Parties are unable to agree on a single arbitrator within thirty (30) days of the notice of electing to arbitrate, each Party shall within ten (10) business days thereafter select an arbitrator from a panel of eligible arbitrators provided by AAA and thereafter the two selected arbitrators shall select a third arbitrator. After all the evidence has been presented and the hearing has concluded, the Arbitrator(s) shall issue an award, in writing, within thirty (30) days. A judgment upon that award shall be enforceable in any court having jurisdiction of such matters in the State of Florida.

#### **24. TRANSFER OF THE SITES.**

24.1 The County represents, warrants and covenants that no part of the Sites will be sold, assigned or transferred by the County during the Term and the County shall not take (or refrain from taking) any action to restrict or condition, and shall not be permitted to sell or otherwise transfer, any portion of the Sites to any unaffiliated third party, without the prior written approval of the Orioles, which may be granted or withheld in the Orioles' sole discretion. If the Orioles approve the sale or transfer of any portion of the Sites, such County purchaser and/or transferee shall be obligated to perform in accordance with the terms of this Agreement and the Project Documents, including all the obligations, duties and responsibilities of the County contained therein, and such purchaser and/or transferee shall explicitly assume in writing all such obligations, duties and responsibilities. Further, if at any time during the Term, with the prior written approval of the Orioles, the County offers to sell the Sites, or any portion thereof, to an unaffiliated third party, the Orioles shall have a right of first refusal to purchase the Sites, or portion thereof at the price acceptable to such unaffiliated third party.

#### **25. CONDITIONS TO THE EFFECTIVENESS OF THIS AGREEMENT.**

25.1 Notwithstanding any provision of this Agreement to the contrary, the effectiveness of this Agreement is expressly conditioned upon the certification by the State of Florida of the Sites as a retained spring training facility for which funding under Section 288.1162FS has been approved and all necessary funds under the aforementioned Florida statutes are committed by the State Office of Tourism, Trade and Economic Development ("OTTED") to be released or continue to be released to the City for the benefit of the Project. All approvals and commitments as to the funding or continuation of funding under this Section shall be confirmed in writing by OTTED within seven (7) days after the satisfaction of all conditions set forth in the OTTED letter dated July 17, 2009 to the Sarasota County Commission Chairman as a condition precedent to the effectiveness of this Agreement.

25.2 Notwithstanding any provision of this Agreement to the contrary, the effectiveness of this Agreement is expressly conditioned upon the receipt by the Parties from the City of an environmental indemnity in form and substance satisfactory to the Parties within seven (7) days after the date of this Agreement.

**26. MISCELLANEOUS.**

26.1 Amendments. This Agreement may not be changed, modified, or discharged orally, but only by an instrument in writing signed by the Parties.

26.2 Binding Effect. This Agreement shall be binding upon and inure to the benefit of each of the Parties, and each of their respective successors. The Parties by executing this Agreement represent and warrant to each other that they have the full authority to enter into this Agreement and to bind such Parties to its terms and conditions.

26.3 Conflicting Agreements. Each Party represents and warrants to the other Party that the execution of this Agreement and the performance of its obligations hereunder will not breach or be in conflict with any other agreement to which it may be a Party or may be bound.

26.4 Construction. The Parties hereby acknowledge that this Agreement is the product of negotiation between the Parties and/or their respective legal counsel and that no provision of this Agreement shall be construed against a Party solely because that Party or that Party's counsel drafted such provision.

26.5 Exhibits; Headings. The Exhibits attached hereto are substantive parts hereof; headings of the Sections of this Agreement are for convenience of reference only and are not substantive parts hereof.

26.6 Further Actions of the Parties. Immediately upon the execution of this Agreement, the Parties shall take all action necessary to effectuate the purposes of this Agreement, and shall commence good faith negotiations to draft and, where appropriate, execute the Project Documents which implement the transaction(s) contemplated by this Agreement. In addition, and without limiting the foregoing, the County shall take any action necessary under the Interlocal Agreement(s).

26.7 Covenant Re: Negotiations. Upon the mutual execution and delivery of this Agreement and the satisfaction of any condition precedents to this Agreement, the Orioles will refrain from any further negotiations with any other jurisdiction for the location of the Orioles' long term Spring Training Operations. Pursuant to the terms and conditions of this Agreement, the Orioles shall notify the County on or before October 31, 2009 as to whether the Orioles will conduct its Spring Training Operations in 2010 at the Sites. The Orioles may, without violating this covenant in making such determinations, have discussions with its current landlord in Fort Lauderdale, Florida with regard to the Orioles' existing leasing arrangements, including the winding down of such arrangement. In the event that the City of Fort Lauderdale asserts a claim against the County arising from the execution of this Agreement, the Orioles agree to reimburse the County for any actual out-of-pocket costs, fees or expenses, judgments or awards, as a direct result of such claim by the City of Fort Lauderdale.

26.8 Governing Law. This Agreement is entered into in, and shall be governed by, construed and enforced in accordance with the laws of the State of Florida, without reference to principles of conflicts of laws.

26.9 Integrated Agreement. This Agreement represents the full, complete, entire and integrated agreement between the Parties with respect to the subject matter hereof, and supersedes all prior oral and written agreements, understandings and negotiations with respect to the subject matter hereof.

26.10 No Joint Venture. This Agreement shall not constitute a partnership, joint venture or create an agency relationship between the Parties.

26.11 No Waiver. The failure of either Party to object to, or to take affirmative action with respect to, any conduct of the other Party that violates any term or condition of this Agreement shall be limited to that particular instance, and shall not be construed as a waiver of that Party's rights for such breach or as a waiver of remedies for future breaches by the other Party.

26.12 Orioles' Full and Beneficial Use of the Sites. As provided for in this Agreement, the "Orioles' full and beneficial use of the Sites" shall mean all lawful uses of the Sites subject to the terms and conditions of this Agreement.

26.13 Rights Unique. The Parties acknowledge that each Party's rights and obligations hereunder, including but not limited to intellectual property assets (but other than the payment of money) are special, unique, extraordinary and impossible of replacement, which gives them a peculiar value, the loss of which could not be reasonably or adequately compensated in damages in an action at law, and that either Party's failure or refusal to perform its obligations hereunder would cause the other Party loss and damages. Except as permitted and otherwise provided for in this Agreement, if either Party fails or refuses to perform such obligations, the other Party shall be entitled to seek injunctive or other equitable relief against it, including temporary relief prior to a time at which a preliminary hearing may be held, by a court of competent jurisdiction to prevent the continuance of such failure or refusal or to prevent the breaching Party from granting rights to others in violation of this Agreement. The Parties waive any requirement that the other Party post a bond or other security in connection with such injunctive relief. In the event a Party is not able to obtain the injunctive relief provided for in this Section, such Party shall be entitled, at its option, to seek monetary damages.

26.14 Mutual Indemnification. The Orioles shall indemnify, defend and hold the County and County's agents harmless from and against all loss, cost, damage and expense (including reasonable attorneys' fees and disbursements) imposed upon or incurred by the County in connection with all claims arising out of or relating to the death of or injury to any person, or the loss of or damage to the property of any person (excluding the property of the County) arising out of or occurring during Spring Training games or Orioles' events or the Orioles' occupancy, management or use of the Sites, excluding death, injuries, and property loss and damage which arise out of or are related to the wrongful or negligent acts or omissions of the County, the County's agents or County's contractors or subcontractors. The County shall indemnify, defend and hold the Orioles and Orioles' agents harmless from and against all loss, cost, damage and expense (including reasonable attorneys' fees and disbursements) imposed upon or incurred by the Orioles in connection with all claims arising out of or relating to the death of or injury to any person, or the loss of or damage to the property of any person (excluding the personal property of

the Orioles) arising out of or occurring during County civic-oriented, non-profit events, or County-authorized use or events for the County's occupancy, capital repair or improvement or use of the Sites, excluding death, injuries, and property loss and damage which arise out of or are related to the wrongful or negligent acts or omissions of the Orioles, the Orioles' agents or Orioles' contractors or subcontractors.

26.15 Severability. The parties hereto agree that to the extent that any provision or portion of this Agreement shall be held, found or deemed to be unreasonable, unlawful or unenforceable by a court of competent jurisdiction, then any such provision or portion thereof shall be deemed to be modified to the extent necessary in order that any such provision or portion thereof shall be legally enforceable to the fullest extent permitted by applicable law.

26.16 Taxes; Recordation. The Orioles shall not be responsible for any fees, taxes (including but not limited to transfer taxes) or expenses in connection with the recordation of this Agreement or any of the Project Documents.

26.17 Time. Time is of the essence with regard to the Parties' obligations under this Agreement.

26.18 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which together shall be one and the same instrument.

26.19 Orioles Assignment. The Orioles shall not sell, assign or otherwise transfer all or any portion of its interest in this Agreement or the Project Documents without first obtaining the consent of the County; provided, however, that (i) the Orioles shall have the right, without consent, to sublease or transfer its rights and/or obligations, in whole or in part, under this Agreement and the Project Documents, including in furtherance of Section 14 of this Agreement, to any person or entity, provided that the Orioles shall remain liable for its obligations under this Agreement and the Project Documents, including, but not limited to, the playing of the Orioles' Spring Training games at the Sites as provided herein and (ii) the Orioles shall have the right, without consent, to transfer all of its rights and/or obligations, in whole or in part, under this Agreement or the Project Documents to any person or entity that shall thereafter own the Major League Baseball franchise now held by the Orioles on the condition that such transferee shall assume the obligations of the Orioles set forth in this Agreement and the Project Documents and on the further condition that Major League Baseball approves the transfer of the Orioles Major League Baseball franchise to such transferee.

IN WITNESS WHEREOF, the parties have executed this Agreement under seal as of the date set forth above.

WITNESS/ATTEST

SARASOTA COUNTY, FLORIDA

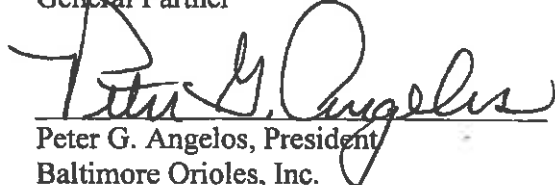
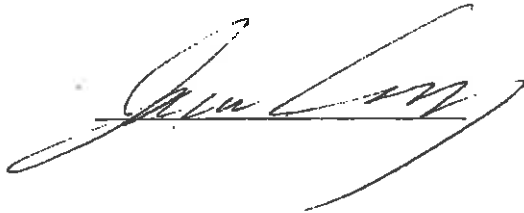
\_\_\_\_\_

By:  
Its:  
Date:

\_\_\_\_\_

BALTIMORE ORIOLES LIMITED  
PARTNERSHIP

By: Baltimore Orioles, Inc., its  
General Partner



By: Peter G. Angelos, President  
Baltimore Orioles, Inc.

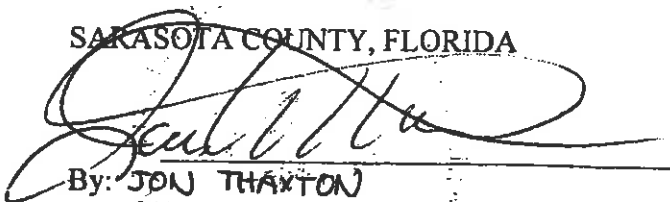
Date: 7/22/09

- Exhibit 1 – Major League Site Description – This Exhibit may be particularized by including the metes and bounds property descriptions.
- Exhibit 2 – Minor League Site Description– This Exhibit may be particularized by including the metes and bounds property descriptions.
- Exhibit 3 – Preliminary Site Sketches
- Exhibit 4 – Promotion Inventory

IN WITNESS WHEREOF, the parties have executed this Agreement under seal as of the date set forth above.

WITNESS/ATTEST

SARASOTA COUNTY, FLORIDA



By: JON THAXTON  
Its: CHAIR, BOARD OF COUNTY COMMISSIONERS  
Date: 7/22/09

ATTEST:  
KAREN E. RUSHING, Clerk of the Circuit Court and Ex-Officio Clerk of the Board of County Commissioners of Sarasota County, Florida

By:   
Deputy Clerk

BALTIMORE ORIOLES LIMITED PARTNERSHIP

Approved as to form and correctness:

By:   
County Attorney

By: Baltimore Orioles, Inc., its General Partner

By:   
Peter G. Angelos, President  
Baltimore Orioles, Inc.

Date:

Exhibit 1 – Major League Site Description – This Exhibit may be particularized by including the metes and bounds property descriptions.

Exhibit 2 – Minor League Site Description– This Exhibit may be particularized by including the metes and bounds property descriptions.

Exhibit 3 – Preliminary Site Sketches

Exhibit 4 – Promotion Inventory



 **Economic Impacts of the Spring Training Facility**

The estimated economic impact to Sarasota County is as follows:

	<b>July 1, 2013 - June 30, 2014</b>	<b>Project To Date</b>
<b>Jobs Created</b>	792.2	1,505.4
<b>Jobs Created have total compensation of</b>	\$18,204,213	\$40,530,004
<b>Total Economic Output in Sarasota County</b>	\$59,775,763	\$134,085,290



Exhibit 3

Economic Impacts of the Spring Training Facility

The attendees are separated into four category types:

- Non-Local: This indicates a visiting party from outside of Sarasota County.
- Local: This includes all Sarasota County residents.
- Team: This represents the amount of cash outlay (expenditures) by the Orioles themselves.
- Other: This represents capital expenditures by the County for the Stadium itself.

	DIRECT	INDIRECT	INDUCED	TOTAL	MULTIPLIER
Non-Local	16,451,392	6,151,915	7,441,223	30,044,530	1.8
Local	3,024,602	1,057,420	1,408,885	5,490,907	1.8
Team	10,332,927	7,368,436	4,156,446	21,857,809	2.1
Other	1,273,723	544,770	564,024	2,382,517	1.9
	31,082,644	15,122,541	13,570,578	59,775,763	1.9



August 15, 2014

John Lege, CGFO  
Finance Director  
City of Sarasota, Florida  
1565 1<sup>st</sup> Street  
Sarasota, FL 34236

Mr. Lege,

Per your request, this letter serves as notice that the conditions set forth in 2009 by the Office of Tourism, Trade and Economic Development (OTTED) continue to be satisfied by Sarasota County.

Attached is correspondence relating to the original response to the conditions and documentation of Sarasota County's status with regard to the construction activities on the Ed Smith Stadium site.

Sincerely,



Steve Botelho  
Chief Financial Management Officer / Acting Assistant County Administrator

Attachments:  
County Expenditures  
Cost-Benefit Analysis of Spring Training

Cc: David Flatt



CHARLIE CRIST  
GOVERNOR

STATE OF FLORIDA  
**Office of the Governor**

THE CAPITOL  
TALLAHASSEE, FLORIDA 32399-0001

www.flgov.com  
850-488-7146  
850-487-0801 fax

July 17, 2009

Chairman Jon Thaxton  
Sarasota County Commission  
1660 Ringling Boulevard  
Sarasota, FL 34236

Dear Chairman Thaxton:

Recent discussions with the Office of Tourism, Trade, and Economic Development (OTTED) have surrounded the departure of the Cincinnati Reds. We understand that the City of Sarasota and Sarasota County are working to preserve Spring Training in their area by negotiating an arrangement with the Baltimore Orioles. I have reviewed this issue carefully, and taking into account the intent of the Legislature, have determined that these funds may be used for a retained spring training facility in Sarasota, if the following conditions are met to OTTED's satisfaction:

1. An official letter in accordance with section 288.1162(5)(d), Florida Statutes, from the City of Fort Lauderdale acknowledging the Baltimore Orioles are relocating to Sarasota from their spring training location in Fort Lauderdale;
2. A signed agreement, in accordance with section 288.1162(5)(b)2, Florida Statutes, between Sarasota and Baltimore Orioles for a retained spring training franchise;
3. Documentation of the local match for at least 50 percent funds to be used for the spring training facility as required by section 288.1162(5)(b)3, Florida Statutes; and
4. Written agreement from Sarasota that the state funds will only be used for the renovation or expansion of the Ed Smith stadium complex and corresponding major league operations.

See pages 4 and 5 of this Exhibit 4

See page 3 of this Exhibit 4 and attached Exhibit 2

See attached Exhibit 1 detailing all funds expended on project

See pages 1 and 6 of this Exhibit 4

Once all these documents have been provided to my office and deemed satisfactory to OTTED, I will issue a final letter of approval for continuing release of the funds. Please feel free to contact me at (850) 487-2568 with any questions.

Sincerely,

Dale A. Brill, Ph.D.  
Director  
Office of Tourism, Trade and Economic Development

2009000196

# Office of the County Attorney

*County Attorney*  
Stephen E. DeMarsh



*Assistant County Attorneys*  
Scott T. Bossard  
Milan Brkich  
Maria D. Korn\*\*\*  
David M. Pearce  
Alan W. Roddy\*  
Karl A. Senkow  
Thomas R. Wolfe

*Deputy County Attorneys*  
Kathleen F. Schneider\*  
Frederick J. Elbrecht\*\*

\*Board Certified City, County and Local Government Law  
\*\*Board Certified Civil Trial Law

\*\*\*Board Certified Labor and Employment Law

September 11, 2009

Dale A. Brill, Ph.D.  
Director  
Office of Tourism, Trade and Economic Development  
The Capitol  
Tallahassee, FL 32399-0001

*c: Bullock  
Dewald  
9/11/09*

SARASOTA COUNTY  
GOVERNMENT  
COUNTY ADMINISTRATOR  
2009 SEP 11 P 2:23

Dear Dr. Brill:

In answer to your inquiry, please be advised that the lease terms as set forth in the Spring Training Facility Memorandum of Understanding between Sarasota County, Florida and the Baltimore Orioles Limited Partnership dated July 22, 2009, constitute a binding lease agreement between the parties for a term of 30 years.

Sincerely,

Stephen E. DeMarsh, Esq.  
County Attorney

Alan M. Rifkin, Esq.  
Rifkin, Livingston, Levitan & Silver, LLC  
Attorney for the Baltimore Orioles

Copies to: James L. Ley, County Administrator  
Michelle R. Dennard, Esq., OTTED  
Robert J. Bartolotta, City Manager, City of Sarasota

**Jenny Yarabek**

---

**From:** David Bullock  
**Sent:** Wednesday, September 02, 2009 12:52 PM  
**To:** Jenny Yarabek  
**Subject:** FW: City of Fort Lauderdale's Acknowledgement of Termination  
**Attachments:** 09-02-09 Letter from Ft Lauderdale Acknowledging Termination.pdf

fyi

**From:** Alan M. Rifkin [mailto:ARifkin@rlls.com]  
**Sent:** Wednesday, September 02, 2009 12:46 PM  
**To:** Michelle Dennard (michelle.dennard@eog.myflorida.com)  
**Cc:** John P. Angelos (jangelos@orioles.com); Stephen E. DeMarsh; David Bullock  
**Subject:** City of Fort Lauderdale's Acknowledgement of Termination

Michelle,

Attached please find the City of Fort Lauderdale's acknowledgement of the Orioles' termination of the new stadium facility use agreement dated December 28, 2006 from City Manager George Gretsas.

Alan

*Alan M. Rifkin, Esq.  
Rifkin, Livingston, Levitan & Silver, LLC  
225 Duke of Gloucester Street  
Annapolis, MD 21401  
(410) 269-5066  
(410) 269-5274 (fax)  
[www.rlls.com](http://www.rlls.com)*

**CIRCULAR 230 NOTICE:** To ensure compliance with requirements imposed by the IRS under Circular 230, we inform you that any U.S. federal tax advice contained in this communication (including attachments), unless otherwise specifically stated, was not intended or written to be used, and cannot be used, for the purpose of (1) avoiding penalties under the Internal Revenue Code or (2) promoting, marketing or recommending to another party any matters addressed herein.

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CITY OF  
FORT LAUDERDALE

*Venice of America*

**Via Email, Facsimile and Regular Mail**

September 2, 2009

Alan M. Rifkin, Esq.  
Baltimore Orioles  
Rifkin, Livingston, Levitan & Silver, LLC  
225 Duke of Gloucester Street  
Annapolis, MD 21401

Dear Mr. Rifkin:

On September 1, 2009, the City of Fort Lauderdale City Commission, by motion, acknowledged that the Orioles have terminated the Facility Use Agreement, dated December 28, 2006, by and between the City and the Orioles.

Very truly yours,

George Gretsas  
City Manager

cc: John Angelos  
Alan Koslow, Esq.  
Harry Stewart, City Attorney  
Cate McCaffrey, Business Enterprises





**SARASOTA COUNTY**  
*"Dedicated to Quality Service"*

July 23, 2009

Dale A. Brill, Ph.D.  
Director  
Office of Tourism, Trade and Economic Development  
The Capitol  
Tallahassee, FL 32399-0001

Dear Dr. Brill:

On July 22, 2009, the Sarasota County Commission approved a Memorandum of Understanding with the Baltimore Orioles to move the team to Sarasota County for spring training. Sarasota County will be providing funds in the amount of \$23.7 million to the spring training facility project which will include the renovation of the Ed Smith Stadium Complex and renovation of facilities at the minor league site at Twin Lakes Park. This will confirm that state funds will only be used for the renovation or expansion of the Ed Smith Stadium Complex and corresponding major league operations.

Sincerely,



James L. Ley  
County Administrator

Copies to: Alan M. Rifkin, Esq., Counsel for the Baltimore Orioles  
Stephen E. DeMarsh, Esq., County Attorney  
Michelle R. Dennard, Esq., OTTED  
Robert J. Bartolotta, City Manager, City of Sarasota

**Indian River County  
(Los Angeles Dodgers)**



## INDIAN RIVER COUNTY ANNUAL REPORT ON STATE SPRING TRAINING FUNDS

Dated: August 20, 2014

Indian River County is submitting its annual report to the Florida Department of Economic Opportunity in accordance with Florida Statute, Section 288.11631. Please find the requested information enclosed:

1. *A detailed report on all local and state funds expended to date on the project being financed under Section 288.11631, F.S.*

Attached is a detailed report of expenditures (**Attachment #1**) of the bond proceeds of the \$16,810,000 Indian River County, Florida, Revenue Bonds, (Spring Training Facility) Series 2001. Also please see a copy of the official statement for this bond issue (**Attachment #2**). These bonds are secured in part by the "Retained Spring Training Franchise" funds ("State Funds"). The current annual debt service for these bonds is \$1,221,333. The "State Funds" support \$500,000 (40.9%) and local funds support the remainder \$721,333 (59.1%).

Based on the portion of debt supported by the annual \$500,000 from the State of Florida, approximately \$6.9 million of the initial acquisition and construction costs (\$19 million) were funded by the "State Funds". The entire proceeds of the bond issue were expended by 2004. Additionally the County has continued to spend local funds since the bond issue was fully expended (See **Attachment #1A**). Total expenditures for this project now stand at approximately \$23.6 million.

2. *A copy of the contract between the certified local governmental entity and the spring training team.*

Please find a copy of the "Memorandum of Understanding" between the Los Angeles Dodgers, Inc. and the County entered into on August 9, 2000 (**Attachment #3**). Also, please find the Facility Lease Agreement between the Dodgers and Indian River County, entered into on September 1, 2000 (**Attachment #3A**), as well as the First, Second, Third, Fourth and Fifth Amendment to Facility Lease Agreement (**Attachments #3B, #3C, #3D, #3E and #3F**).

Further, the Certification of Indian River County as an authorized facility for a retained spring training facility pursuant to Section 228.1162, Florida Statutes, approved by OTTED on January 1, 2001, has been attached as well (**Attachment #4**).

3. *A cost-benefit analysis of the team's impact on the community*

Attached is a copy of the Economic Impact Report from the Treasure Coast Sports Commission for the 2014 Historic Dodgertown College and High School Spring Training held February 17, 2014 through April 25, 2014 (**Attachment #5**). This event resulted in 11,709 room nights in Indian River County, with an estimated \$4.5 million economic impact. It should be noted that Historic Dodgertown has activity throughout the year, not just during spring training. The total economic impact of this facility is shown in the attached report titled, "Economic Impact Study of the Vero Beach Sports Village on Indian River County" prepared by the Treasure Coast Sports Commission (**Attachment #5A**).

Also included is a copy of the "Economic Impact of Tourism" completed by the Center for Tourism Research & Development in December 2001 (**Attachment #5B**). This study estimated the total economic impact of Spring Training at Dodgertown at approximately \$119 million per year.

4. *Evidence that the certified governmental entity continues to meet the criteria in effect when the applicant was certified.*

As stated above, Indian River County entered into a Memorandum of Understanding (MOU) and a Facility Lease Agreement with the Dodgers in 2000. The MOU provided that the County would purchase the stadium from the Dodgers for \$10 million and provide \$7 million for the expansion and renovation of the facility. The Series 2001 Spring Training Facility Bonds were issued to finance the acquisition and improvements. This bond issue was secured partially by pledging the annual \$500,000 payments received in accordance with Section 121.20, Florida Statutes, through 2031. Several years later, the Dodgers terminated the lease agreement with Indian River County. Since that time, the County has entered into an agreement with Verotown (previously Minor League Baseball) to operate the facility. Please note, this agreement entered into on May 1, 2009, and as amended later, explicitly contemplates that Verotown will allow for and assist Indian River County in securing Spring Training opportunities at the facility (see **Attachment #6**). This agreement states, "Verotown (previously MiLB) acknowledges the community's desire to host, and agrees to promote the use of the Facility for Major League Baseball spring training activities and game events. Verotown agrees to negotiate with any Team expressing an interest in conducting spring training activities or game events at the Facility and will use its best efforts to enter into a sub lease or other use arrangement on such terms and conditions as Verotown deems commercially reasonable or feasible. Any such use by a Team shall require prompt review and approval by the County Administrator, which shall not be unreasonably withheld. In the event such approval is not timely forthcoming or otherwise withheld, Verotown may seek approval from the County Commission."

Please note, Section 288.11621(5)(f) states, “A local government as defined in s.218.369 may not be decertified by the department if it has paid or pledged for the payment of debt service on, or to fund debt service reserve funds, arbitrage rebate obligations, or other amounts payable with respect thereto, bonds issued for the acquisition, construction, reconstruction, or renovation of the facility for which the local government was certified, or for the reimbursement of such costs or the refinancing of bonds issued for the acquisition, construction, reconstruction, or renovation of the facility for which the local government was certified, or for the reimbursement of such costs or the refinancing of bonds issued for such purpose. This subsection does not preclude or restrict the ability of a certified local government to refinance, refund, or defease such bonds.”

As shown in Attachments #3, and #4, the County was certified as a retained spring training facility on January 1, 2001. Further, Attachment #2 is the official statement for bonds issued for the acquisition, construction, and renovation of Dodgertown. This issue pledged the retained spring training facility funds for a period of thirty years beginning on February 28, 2001.

Subsequently, Indian River County pledged the “State Funds” for the payment of debt service on bonds issued for the acquisition, construction, and renovation of this facility. This scenario is contemplated within Section 288.11621(5)(f) as recently amended. Per Section 288.11621(5)(f), the County “may not be decertified by the department” based upon the information provided herein.



Jason E. Brown  
Director, Management & Budget  
Indian River County Board of County Commissioners

**DODGERTOWN CAPITAL IMPROVEMENTS**

Detail of Payments

<b>Beginning Balance</b>	<b>\$17,000,000.00</b>
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Fiscal Year 2001/02 Expenditures	Check Number	Date	Amount
Purchase Facility			\$10,000,354.00
HOK Design + Build Inc.	AJ 221255	10/25/2002	\$416,626.26
HOK Design + Build Inc.	321670	4/17/2002	\$67,470.89
Los Angeles Dodgers	321700	4/17/2002	\$235,394.77
HOK Design + Build Inc.	323032	5/8/2002	\$111,072.78
HOK Design + Build Inc.	324746	6/4/2002	\$55,662.49
Detail Turf Incorporated	325886	6/24/2002	\$16,475.80
HOK Design + Build Inc.	325948	6/26/2002	\$75,420.85
HOK Design + Build Inc.	328309	8/6/2002	\$132,784.86
HOK Design + Build Inc.	329503	8/26/2002	\$544,108.75
HOK Design + Build Inc.	331733	10/9/2002	\$517,491.49

<b>Total - FY 2001/02 Expenditures:</b>	<b>\$12,172,862.94</b>
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Fiscal Year 2002/03 Expenditures	Check Number	Date	Amount
HOK Design + Build Inc.	103304	12/5/2002	\$524,609.91
HOK Design + Build Inc.	105252	1/9/2003	\$758,659.88
HOK Design + Build Inc.	106989	2/6/2003	\$616,949.24
Los Angeles Dodgers	107435	2/13/2003	\$340,408.26
HOK Design + Build Inc.	109102	3/13/2003	\$736,603.59
HOK Design + Build Inc.	111843	4/24/2003	\$88,005.73
Los Angeles Dodgers	112274	5/1/2003	\$525,572.85
Los Angeles Dodgers	114042	5/29/2003	\$330,682.19
HOK Design + Build Inc.	116092	7/2/2003	\$99,041.36
Los Angeles Dodgers	116597	7/10/2003	\$95,278.59
Los Angeles Dodgers	118764	8/14/2003	\$14,933.54

<b>Total - FY 2002/03 Expenditures:</b>	<b>\$4,130,745.14</b>
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Fiscal Year 2003/04 Expenditures	Check Number	Date	Amount
Los Angeles Dodgers	128156	1/21/2004	\$11,363.08
Los Angeles Dodgers	130555	3/4/2004	\$49,761.72
Los Angeles Dodgers	133803	4/19/2004	\$6,109.69
Los Angeles Dodgers	133803	4/19/2004	\$5,381.91
Los Angeles Dodgers	137108	6/17/2004	\$19,351.34
Los Angeles Dodgers	137463	6/23/2004	\$1,905.80
Los Angeles Dodgers	138717	7/14/2004	\$13,986.81
Los Angeles Dodgers	140973	8/18/2004	\$9,055.00
Los Angeles Dodgers	144681	10/28/2004	\$4,483.39

<b>Total- FY2003/04 Expenditures</b>	<b>\$121,398.74</b>
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Fiscal Year 2004/05 Expenditures	Check Number	Date	Amount
Los Angeles Dodgers	155656	5/11/2005	\$42,575.30
PY Expense		9/30/2005	\$48,297.84
PY Expense		9/30/2005	\$7,405.76
<b>Total- FY2004/05 Expenditures</b>			<b>\$98,278.90</b>

Fiscal Year 2005/06 Expenditures	Check Number	Date	Amount
Los Angeles Dodgers	168697	12/22/2005	\$40,789.22
Los Angeles Dodgers	169752	1/11/2006	\$5,038.89
Los Angeles Dodgers	171102	2/9/2006	\$40,403.33
Los Angeles Dodgers	174131	3/30/2006	\$54,079.26
Los Angeles Dodgers	174949	4/13/2006	\$135,893.06
Los Angeles Dodgers	176989	5/18/2006	\$41,033.23
Los Angeles Dodgers	179773	7/13/2006	\$1,072.43
Los Angeles Dodgers	179773	7/13/2006	\$69,003.94
Los Angeles Dodgers	181032	8/3/2006	\$4,890.59
Los Angeles Dodgers	184076	9/28/2006	\$28,222.24
Los Angeles Dodgers	184780	10/12/2006	\$64,990.64
<b>Total- FY2005/06 Expenditures</b>			<b>\$485,416.83</b>

<b>Grand Total-Expenditures</b>	<b>\$17,008,702.55</b>
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NEW ISSUE - BOOK-ENTRY ONLY

Ratings: Standard & Poor's: AAA  
 Fitch: AAA  
 (Financial Guaranty Insured)  
 See "RATINGS" herein

In the opinion of Bond Counsel, assuming continuing compliance by the County with certain covenants to comply with provisions of the Internal Revenue Code of 1986, as amended, interest on the Series 2001 Bonds is excluded from gross income for purposes of federal income taxation and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations under existing statutes, regulations and judicial decisions; although it should be noted that in the case of corporations (as defined for federal income tax purposes), such interest is taken into account in determining adjusted current earnings for purposes of such alternative minimum tax. Furthermore, in the opinion of Bond Counsel, the Series 2001 Bonds and the income therefrom are exempt from taxation under the laws of the State of Florida, except as to Florida estate taxes imposed by Chapter 198, Florida Statutes, as amended and net income and franchise taxes imposed by Chapter 220, Florida Statutes, as amended. See "TAX EXEMPTION" herein for further information.

\$16,810,000  
 INDIAN RIVER COUNTY, FLORIDA  
 Revenue Bonds  
 (Spring Training Facility)  
 Series 2001

Due: April 1, as shown below


Dated: August 1, 2001

Indian River County, Florida (the "County") is issuing its Revenue Bonds (Spring Training Facility), Series 2001 (the "Series 2001 Bonds"), in fully registered form in denominations of \$5,000 principal amount or any integral multiples thereof. Interest on the Series 2001 Bonds is payable on April 1, 2002 and semiannually thereafter on each April 1 and October 1, by check or draft of First Union National Bank, Miami, Florida, the Bond Registrar and Paying Agent, made out and mailed to each registered owner thereof at the address as it appears on the registration books kept by the Bond Registrar on the 15th day of the month preceding the applicable interest payment date. Principal of the Series 2001 Bonds and any redemption premium will be payable upon presentation and surrender of the Series 2001 Bonds, when due, at the principal corporate trust office of the Paying Agent. The Series 2001 Bonds are subject to optional and mandatory redemption prior to maturity, as provided herein.

The Series 2001 Bonds are being issued by the County to provide funds, together with other available funds, to (i) finance a portion of the cost of the acquisition, construction, rehabilitation and equipping of a spring training facility known as "Dodgertown"; (ii) pay a premium for a municipal bond insurance policy and a debt service reserve account/surety bond, and (iii) pay certain costs and expenses incurred in connection with the issuance of the Series 2001 Bonds, all as more particularly described herein.

The Series 2001 Bonds are special, limited obligations of the County, payable solely from and secured by a lien upon and pledge of the Pledged Revenues, in the manner provided in the Resolution. The Series 2001 Bonds do not constitute a general indebtedness of the County within the meaning of any constitutional, statutory or charter provision or limitation, and no Bondholder shall ever have the right to require or compel the exercise of the ad valorem taxing power of the County or taxation of any real or personal property therein for the payment of the principal of and interest on the Series 2001 Bonds or the making of any Debt Service Fund, reserve or other payments provided for in the Resolution.

Payment of the principal of and interest on the Series 2001 Bonds, when due, will be insured by a Municipal Bond New Issue Insurance Policy to be issued by Financial Guaranty Insurance Company simultaneously with the delivery of the Series 2001 Bonds. For a discussion of the terms and provisions of such policy, including the limitations thereof, see "MUNICIPAL BOND INSURANCE" herein.

 Financial Guaranty Insurance Company

FGIC is a registered service mark used by Financial Guaranty Insurance Company, a private company not affiliated with any U.S. Government agency.


MATURITIES, AMOUNTS, INTEREST RATES AND YIELDS  
 \$ Serial Bonds

Maturity	Amount	Interest Rate	Yield	Maturity	Amount	Interest Rate	Yield
April 1				April 1			
2002	\$360,000	3.50%	2.65%	2008	\$545,000	3.80%	3.88%
2003	460,000	3.50	3.00	2009	560,000	4.00	4.02
2004	475,000	3.50	3.13	2010	585,000	4.00	4.14
2005	490,000	3.30	3.33	2011	605,000	4.20	4.24
2006	505,000	3.40	3.51	2012	630,000	4.30	4.37
2007	520,000	3.60	3.70	2013	655,000	4.40	4.48

\$1,410,000 5.25% Term Bonds Due April 1, 2015 Yield: 4.65%  
 \$1,555,000 5.25% Term Bonds Due April 1, 2017 Yield: 4.80%  
 \$3,640,000 5.25% Term Bonds Due April 1, 2021 Yield: 4.95%  
 \$2,085,000 5.00% Term Bonds Due April 1, 2027 Yield: 5.09%  
 \$1,730,000 5.00% Term Bonds Due April 1, 2031 Yield: 5.12%

This cover contains certain information for quick reference only. It is not a summary of this issue. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision.

The Series 2001 Bonds are offered when, as and if issued and received by the Underwriters, subject to the approval of legality by Bryant, Miller and Olive, P.A., Tallahassee, Florida, Bond Counsel to the County. Certain legal matters will be passed upon for the County by Paul G. Banzel, Esquire, County Attorney, and by its Disclosure Counsel, Nabors, Giblin & Nickerson, P.A., Tampa, Florida. It is expected that the Series 2001 Bonds will be available for delivery in New York, New York, in definitive form on or about August 29, 2001.

 WILLIAM R. HOUGH & CO.

Hanifen, Imhoff  
 Division of Stifel, Nicolaus  
 & Company, Incorporated

## Dodgertown/ Vero Beach Sports Village Total Committed County From Inception (2001) through July 31, 2014

	State Funding	Local Funding	Total Expended @ 7/31/14
<b>Dodger Agreement Costs</b>			
Original Acquisition of Land and Facilities <sup>(1)</sup>	\$6,900,000	\$3,100,000	\$10,000,000
Capital Improvement Funds <sup>(1)</sup>	\$0	\$7,000,000	\$7,000,000
<b>Total Acquisition Costs</b>	<b>\$6,900,000</b>	<b>\$10,100,000</b>	<b>\$17,000,000</b>
Capital Reserve Account <sup>(2)</sup>	\$0	\$2,000,000	\$2,000,000
Capital Reserve Account <sup>(2a)</sup>	\$0	\$29,287	\$29,287
<b>Total Costs - Dodger Agreement</b>	<b>\$6,900,000</b>	<b>\$12,129,287</b>	<b>\$19,029,287</b>
<b>MilB Agreement Costs</b>			
Facility rebranding	\$0	\$100,000	\$100,000
Tourism promotion <sup>(3)</sup>	\$0	\$185,154	\$185,154
Operating reimbursement for May 2009 - Dec. 2009	\$0	\$741,935	\$741,935
Field lighting - 2 fields to AAA standard	\$0	\$693,724	\$693,724
Build four-field cloverleaf youth-dimensioned fields	\$0	\$2,407,395	\$2,407,395
Build one soccer field on property ( included above)	\$0	\$0	\$0
Convert 2 half-fields to youth dimensioned fields	\$0	\$0	\$0
Renovation of 66 hotel rooms	\$0	\$251,349	\$251,349
<b>Total Costs - MilB Agreement</b>	<b>\$0</b>	<b>\$4,379,557</b>	<b>\$4,379,557</b>
<b>County Operating Costs</b>			
Operating expenses from January 2009 - May 2009	\$0	\$203,707	\$203,707
<b>Total All Costs - Dodgertown/VBSV</b>	<b>\$6,900,000</b>	<b>\$16,712,551</b>	<b>\$23,612,551</b>

(1) Original Acquisition and capital improvements costs totaling \$17 million were funded through the Series 2001 - Spring Training Facility Bonds. These bonds are secured by a portion of Half-Cent Sales Tax, the Fourth Cent Local Option Sales Tax, and State funds of \$500,000 per year for a 30-year period. Based on the portion of debt supported by the annual contribution from the State, approximately \$6.9 million of the initial acquisition and construction costs were funded by the State funds.

(2) The Capital Reserve Account was jointly funded by the City and the County for the acquisition from the Dodgers in 2001. The City contributed \$1.4 million and the County contributed \$600,000 to this fund. A \$2 million Capital Reserve Account was approved at the inception of the agreement with MilB as well. The balance of this account was expended in April 2014.

(2a) Beginning with the first renewal term of the Capital Reserve Agreement, the County shall deposit \$250,000 per Lease Year into the Capital Reserve Account as a means of supplementing the Capital Reserve Account balance.

(3) The agreement with MilB includes funding for tourism promotion. Funding for each year of the agreement is as follows; \$50,000 first year, \$55,000 second year, \$60,500 third year, \$66,550 fourth year, and \$75,000 fifth year and each subsequent lease year during any renewal term.

Draft

MEMORANDUM OF UNDERSTANDING

THIS Memorandum of Understanding, dated as of July 24, 2000, shall be effective as of the last signature date hereof, by and among Indian River County, Florida, a political subdivision of the State of Florida (the "County"), the City of Vero Beach, Florida, a municipal corporation (the "City"), Los Angeles Dodgers, Inc., a Delaware corporation, and Fox Baseball Holdings Incorporated, a Delaware corporation, the owner of record of the Land (collectively, the "Dodgers") and de Guardiola Development, Inc., a Florida corporation (the "Developer").

WITNESSETH

WHEREAS, Dodgers own and control the land consisting of approximately 64.03 acres described in Exhibit "A" hereto (the "Land"); and

WHEREAS, for over fifty years, the Dodgers have owned and operated the spring training and conference facility known as "Dodgertown," which is located on the Land and is comprised of Holman Stadium, an eighty-nine (89) unit hotel facility, a conference center with meeting and dining rooms, a clubhouse and weight room, in-door batting and pitching cages, four (4) full baseball practice fields, and two (2) half baseball practice fields (collectively, the "Existing Facilities"); and

WHEREAS, the Dodgers desire to sell the Land and Existing Facilities to the County, and, in conjunction with the Developer, to develop other land owned by the Dodgers within the municipal limits of the City into a mixed use town concept which will reflect the ambiance and tradition of Dodgertown; and

WHEREAS, the County intends to finance its obligations under the Real Estate Contract (as defined in Section 1(A), below) and the Development Agreement (as defined in Section 2(A), below), in part, by means of one or more series of revenue bonds to be issued by the County (the "Bonds"); and

WHEREAS, the parties now desire to identify the general terms and conditions pursuant to which they shall negotiate in good faith to draft and execute the various agreements whereby (1) the County shall acquire the Land and Existing Facilities from the Dodgers, (2) the County shall lease the acquired Land and Existing Facilities to the Dodgers, and (3) the Dodgers shall, on behalf of the County and at the County's cost and expense (as described in Section 3(B), below), improve and/or repair the Existing Facilities and/or replace the Existing Facilities with new improvements (the "Improvements").

NOW THEREFORE, the parties hereto agree as follows:



Section 1. Real Estate Contract

(A) The County and the Dodgers shall negotiate a Real Estate Sale and Purchase Agreement (the "Real Estate Contract") pursuant to which the County shall purchase the Land and all Existing Facilities, "as is," from the Dodgers for a purchase price of Ten Million Dollars (\$10,000,000), payable in full in cash at closing. The Real Estate Contract shall be a standard form agreement which shall include the usual and customary covenants employed in such types of commercial real estate transactions in Florida, with all of the customary costs and expenses to be prorated or shared, as the case may be, between the County and the Dodgers, except that the Dodgers, as seller, shall be solely responsible for any state and/or local taxes levied on the Land (regardless of when such taxes are payable) prior to the date that the County takes title to the Land.

(B) The County shall represent in the Real Estate Contract that it has not dealt, and shall not deal, with any broker, salesman, or finder in connection with the transactions contemplated herein, and that no sales commissions or finder's fees shall be due or payable by or from the County as a result of the transactions contemplated herein.

(C) The County shall be entitled to obtain and receive a physical and environmental survey of the Land and an owner's title insurance policy reflecting the acquisition of an unencumbered and marketable fee simple title to the Land, as well as other usual and customary land acquisition requirements generally applicable to such commercial real estate acquisitions. The means for determining "marketable title" to the Land shall be specified in the Real Estate Contract.

(D) The Real Estate Contract shall provide that if the County elects to sell the Land any time during the "Term" of the Facility Lease Agreement (as defined in Section 2(A), below), the Dodgers shall have an option to reacquire the Land and all Existing Facilities and/or Improvements (hereinafter collectively referred to as the "Facility"), at the then fair market value for the Facility. The fair market value of the Facility shall be determined in the manner described in Section 2(E), below. The Real Estate Contract shall also grant the Dodgers an option to repurchase the Facility, at its then fair market value (such fair market value to be determined in the manner described in Section 2(E), below), at any time after the Bonds to be issued by the County have been retired, provided that the Dodgers are still the lessee under the Facility Lease Agreement. The options to be granted to Dodgers hereunder shall be written into the deed for the Facility.

Section 2. Facility Lease Agreement

(A) The Dodgers and the County shall negotiate in good faith to enter into a Facility Lease Agreement (the "Facility Lease Agreement") pursuant to which the Dodgers shall lease the Facility from the County for a period of twenty (20) years (the "Initial Term"), plus a series of options, which may be exercised by the Dodgers at their sole discretion, for not less than four (4) renewal terms of five (5) years each (the "Renewal Terms"). For purposes of this Agreement, "Term" shall mean the Initial Term and any

Renewal Terms. As indicated herein, all of the agreements contemplated by this Memorandum of Understanding, including the Facility Lease Agreement, are and shall be made subject to and expressly contingent upon the acquisition of the Land and Existing Facilities by the County, the funding by the County and City of the "Construction Fund" and the "Capital Reserve Account" (as both terms are defined in Section 3(B), below), the acquisition by the Developer of the "Adjacent Land" (as defined in Section 4(A), below), the obtaining by the Developer of site plan approval for the "Collateral Development" (as defined in Section 4(A), below), the obtaining by the Dodgers' of site plan approval for the Improvements (as defined in Section 3(B) below), and the execution by the parties of all other agreements contemplated by this Memorandum of Understanding.

(B) The Facility Lease Agreement shall provide for an annual rental payment during the Initial Term of One Dollar and No/100 (\$1.00) per year, payable in advance at the time of execution. The annual rental payment during any Renewal Term shall also be One Dollar and No/100 (\$1.00) per year, payable in advance at the time that the option is exercised by the Dodgers.

(C) Under the Facility Lease Agreement, the Dodgers, as lessee, shall assume all obligations for the operation and maintenance of the Facility without claim for offset or reimbursement from the County. The Dodgers shall be solely responsible for maintaining the Facility in a commercially reasonable manner and for insuring the Facility in an amount equal to the replacement cost of all Existing Facilities and/or Improvements against customary casualty and general liability losses at commercially reasonable rates and will name the County and the City as additional insureds thereunder. Because the Dodgers will be operating the Facility under the Facility Lease Agreement, the Dodgers shall indemnify and hold the County and the City harmless from any and all claims and liabilities that may arise as a result of the Dodger's use or operation of the Facility. All operational expenses of the Facility, personal property taxes, and ongoing repairs and replacements of property forming any portion of the Facility, shall be the sole obligation of the Dodgers, except for the payment of any ad valorem real property taxes that may become due on the Land. Under the Facility Lease Agreement, the County shall assume the obligation to pay any and all ad valorem real property taxes that may become due after the date that the County acquires the Land. However, the Dodgers shall be responsible for the payment of all liens, assessments, taxes, or other encumbrances whatsoever resulting from the Dodgers' prior ownership of the Land.

(D) Neither party shall have the right to assign the Facility Lease Agreement to a third party during the Term without the other party's prior written consent, which consent may be granted or denied by the other party at its sole and absolute discretion. Notwithstanding the foregoing, the County acknowledges and agrees that the Dodgers shall have the right, at their sole discretion, to sublease to the Developer and/or to any third party, at any time during the Term, for any type or amount of consideration deemed appropriate by the Dodgers any residential units, office space, and/or conference facilities located within the Facility and to retain any and all revenues or consideration derived therefrom.

(E) If the Facility Lease Agreement is terminated by the Dodgers without the County's consent before the expiration of the Initial Term, the Dodgers shall pay the County, as liquidated damages, the then

remaining amount required by the County to defease or retire the Bonds it issued to acquire the Land and Existing Facilities and to finance the Improvements. The aforementioned payment of liquidated damages shall be the County's sole remedy under the Facility Lease Agreement. In conjunction with the payment of such liquidated damages, the Dodgers shall have the option to repurchase the Facility (i.e., the Land and all Existing Facilities and Improvements) at a price equal to the Facility's then fair market value, less the amount of any liquidated damages paid by the Dodgers to the County hereunder. The fair market value of the Facility shall be established by an independent appraiser to be selected by two appraisers, one of whom shall be designated by the Dodgers and the other by the County. The independent appraiser shall appraise the fair market value of the Facility by using the highest and best use method. For purposes of the Facility Lease Agreement, the cessation of use of the Facility as a spring training facility by the Dodgers shall be what constitutes a termination of the Facility Lease Agreement.

### Section 3. Development Agreement

(A) The Dodgers and the County shall negotiate in good faith to enter into a "Development Agreement" pursuant to which the Dodgers shall undertake responsibility for the construction of the Improvements generally described in Exhibit "B" hereto, which Improvements shall be definitively described in the Development Agreement. The County acknowledges and agrees that a portion of the Existing Facilities may be demolished in order to construct the Improvements, which may include new housing units.

(B) On or before March 30, 2001 (or such later date as may be acceptable to the Dodgers), the County shall deposit not less than Seven Million Dollars (\$7,000,000) into a "Construction Fund" which shall be made available to the Dodgers to pay for the Improvements in accordance with the terms of the Development Agreement. The funds for the Construction Fund shall be obtained by the County from the Bonds that it intends to issue in connection with this project. At the same time, the County shall also deposit up to Two Million Dollars (\$2,000,000) into a "Capital Reserve Account" which shall be made available to and administered by the Dodgers to pay for the subsequent repair and/or replacement of any Improvements. The Dodgers shall be solely responsible for any and all costs and expenses associated with the Improvements and any future improvements voluntarily undertaken by the Dodgers which exceed the combined amount in the Construction Fund and the Capital Reserve Account, provided, however, that if, during the course of the site plan approval and permitting process, the Dodgers are required to change and/or add to the Improvements and, as a result of any such changes and/or additions, the amount of the cost and expenses associated with the Improvements increases to more than three (3%) of the combined amount in the Construction Fund and the Capital Reserve Account, then the Dodgers shall have up to and including sixty (60) days (or such later date as may be acceptable to the County and the Dodgers) after the County obtains certification from the State of Florida Office of Tourism, Trade and Economic Development (the "Office of Tourism") that the Land and Existing Facilities constitute a "facility for a retained spring training franchise" as described in Section 288.1162, Florida Statutes, to terminate the Development Agreement and all of the parties shall immediately be relieved of their obligations under this Memorandum of Understanding, the "Project Agreements" (as defined in Section 8(E), below), and/or any subsequent agreements executed in accordance with this Memorandum of Understanding.

(C) The Construction Fund shall be maintained and administered by the County and the Capital Reserve Account shall be maintained and administered by the Dodgers. Withdrawals from the Construction Fund and the Capital Reserve Account shall be made by the Dodgers by means of requisitions which shall be submitted to the County for its reasonable approval. All requisitions submitted by the Dodgers for purposes of paying any costs and/or expenses associated with the Improvements and due to third parties shall be deemed reasonable and shall be approved by the County. Both accounts shall be established as trust accounts with a bank or trust company with offices located in Florida. All investment earnings up to the Bond yield attributable to the Construction Fund and all investment earnings attributable to the Capital Reserve Account shall be redeposited into such accounts and made available to the Dodgers as if such earnings had been part of the initial deposit. Both the Dodgers and the County shall receive monthly statements for each account. Capital repairs and replacements to the Facility shall be deemed to be reasonable expenditures to be paid from the Capital Reserve Account.

(D) In the event that the Improvements are completed under budget and any funds provided by the County (exclusive of the funds in the Capital Reserve Account) remain in the Construction Fund, then the Dodgers shall, at their sole discretion, either (1) undertake to make additional Improvements with the excess funds or (2) following input from the County, relinquish the use of the excess funds, in which case a portion of the Bonds will be redeemed with such excess funds. The Development Agreement shall establish the procedure for using any excess funds.

(E) All Improvements shall inure to the benefit of the County as the holder of title to the Land, and ownership thereof shall vest with the County as soon as construction is completed. The Dodgers shall retain sole right of possession and quiet enjoyment of the Facility throughout the Term.

#### Section 4. Collateral Development.

(A) All of the parties hereto acknowledge and agree that the acquisition of the Land by the County and the development thereof by the County, the City, and the Dodgers is contingent upon the Developer's (1) entering into a contract to purchase from the Dodgers the existing approximately 44.7 acre golf course immediately adjacent to the western boundary of the Land and the approximately 17.14 acres of land adjacent to the northern boundary of the Land, each as more particularly described in Exhibit "C" hereto (collectively, the "Adjacent Land"), and (2) to obtaining site plan approval for the construction, on the Adjacent Land of a hotel and conference facility, a multifamily residential rental development, and retail, restaurant and entertainment centers (collectively, the "Collateral Development"). Therefore, if, for any reason, the Developer fails or is unable to acquire the Adjacent Land and/or to obtain the site plan approval for the Collateral Development, then all of the parties shall immediately be relieved of their obligations under this Memorandum of Understanding, the "Project Agreements" (as defined in Section 8(E), below), and/or any subsequent agreements executed in accordance with this Memorandum of Understanding.

(B) The Collateral Development shall be designed, constructed, operated, and maintained by the Developer and/or its assignees, and shall encompass a mixed-use town concept or "mini-town" which

shall be constructed in three (3) phases. Phase I shall consist of an approximately 120 room hotel and up to a 40,000 square foot conference facility. Phase II shall consist of approximately 250 multifamily market rate rental units, and Phase III shall consist of retail, restaurant, and entertainment facilities which will convert the remaining Adjacent Land into a fully functioning "mimi-town". The Developer anticipates that Phase I and Phase II will commence immediately upon the acquisition of the Adjacent Land by the Developer, but the commencement of construction shall be contingent upon the County's actual issuance of the Bonds and its acquisition of the Land. The Developer anticipates that Phase I will take approximately twelve (12) months to complete from the date that building permits are issued.

(C) Based upon the Developer's preliminary discussions with planning and zoning representatives of the City, it is anticipated that the scope of the Collateral Development will be approved and building permits issued under existing City zoning and comprehensive plan categories for the Adjacent Land. If, however, it is determined that the scope of the Collateral Development will require zoning or other land use changes, and such changes cannot be accomplished within sixty (60) days (or such later date as may be acceptable to the County and the Dodgers) after the County obtains certification from the Office of Tourism that the Land and Existing Facilities constitute a "facility for a retained spring training franchise" as described in Section 288.1162, Florida Statutes, then all of the parties shall immediately be relieved of their obligations under this Memorandum of Understanding, the "Project Agreements" (as defined in Section 8(E), below), and/or any subsequent agreements executed in accordance with this Memorandum of Understanding.

(D) The Developer shall incorporate the ambiance and tradition of Dodgertown, including, without limitation, the Dodgers' name, trademarks, service marks, trade names, insignia, symbols, logos, decorative designs, trade dress, and uniform designs (collectively, the "Dodgers Marks"), into the design of the Collateral Development, the objective of the parties being to integrate the Facility with the Collateral Development so as to create a uniform look and feel for both. The Dodgers shall have the right to review and approve, at their sole discretion, each and every use of the Dodgers' Marks by the Developer. As part of the separate agreements to be negotiated and executed between the Dodgers and the Developer, there shall be (1) a Declaration of Covenants, Conditions and Restrictions burdening the Adjacent Land and the Developer's use thereof, and (2) a licensing agreement covering the Developer's use of the Dodgers' Marks, which rights shall be granted to the Developer for not more than One Dollar (\$1.00) per year.

#### Section 5. Parking Agreement

In order to provide sufficient parking for all events at Holman Stadium and, in general, for the Dodgers' use of the Facility, the City, the County, the Dodgers, and the Developer shall enter into a four-way Parking Easement Agreement (the "Parking Agreement") pursuant to which the parties shall grant each other the use of certain parking spaces on the Land and the Adjacent Land. The Parking Agreement shall be supported by cross easements between the parties on their respective properties. The Parking Agreement shall regulate the charges for all parking, and all revenues derived from parking in connection

with events at Holman Stadium shall be retained solely by the Dodgers after reimbursing the Developer for any costs and expenses incurred by the Developer in connection with such parking.

Section 6. Operation of the Facility: the County's Use of Holman Stadium

(A) As lessee of the Facility under Facility Lease Agreement, the Dodgers shall be solely responsible for operating and maintaining the Facility and shall retain all revenues derived from the use of the Facility, including, without limitation, all revenues derived from ticket sales, food and merchandise concessions, sponsorships, and parking on the Land.

(B) Notwithstanding the foregoing, the County shall be granted the right to use Holman Stadium and/or the practice fields for up to twenty (20) days per year at no charge to the County (other than reimbursing the Dodgers for any operating expenses incurred by the Dodgers as a result of the County's use of Holman Stadium and/or and the practice fields). The dates during which the County may use Holman Stadium and/or and the practice fields shall be selected by mutual agreement of the parties; provided that, if the parties cannot agree on the dates, the Dodgers' reasonable selection of dates shall be final and controlling. The County may use Holman Stadium and/or and the practice fields only for functions which do not compete with revenue-generating events (e.g., concerts) which may otherwise be arranged by the Dodgers. Moreover, the County's use of Holman Stadium and/or the practice fields must not interfere in any way with the Dodgers' use and quiet enjoyment of the Facility. The County shall not use or authorize the use of Holman Stadium and/or the practice fields in any manner which would have a material detrimental impact on Holman Stadium and/or the practice fields, and the County shall be and remain solely responsible for any damage or destruction to Holman Stadium and/or any of the practice fields that may occur as a result of such use of Holman Stadium and/or and the practice fields by the County. The County shall be entitled to retain the revenues from ticket sales for its events, and, with the prior consent of the Dodgers, concessions sold during the events when Holman Stadium and/or the practice fields are utilized by the County; provided, however, that the Dodgers shall not be required to provide concession services and/or the use of any concession facilities and/or any other services during any County event. In all cases, the Dodgers shall be reimbursed by the County for any operating costs and expenses incurred by the Dodgers as a result of the County's use of Holman Stadium and/or the practice fields, including, without limitation, the cost of any parking attendants, ticket takers, security personnel, clean-up crews, and the like provided by the Dodgers.

Section 7. Zoning and Permitting

It shall be the sole obligation of the Dodgers and the Developer to obtain any permits and/or zoning changes which may be required to construct the Improvements and the Collateral Development. The County, acting solely in its capacity as the fee owner of the Land, shall cooperate with the Dodgers and the Developer, as may be reasonably required, to enable the Dodgers and the Developer to obtain any permits and/or zoning changes for the Improvements, including, without limitation, by joining in any applications for such permits and/or zoning changes.

Section 8. Actions Required by Each Party

(A) Actions Required of the City: Immediately upon the approval of this Memorandum of Understanding by the City Council, the City shall commence good faith negotiations with the various parties to draft and, when appropriate, execute the agreements which pertain to its participation in the transactions contemplated by this Memorandum of Understanding. The City shall also commence to take the necessary steps to fund a grant to the County in the amount of One Million Four Hundred Thousand Dollars (\$1,400,000), which amount shall constitute a portion of the County's local matching funds as required by Section 288.1162, Florida Statutes. At the option of the City, such grant may be made contingent upon the County obtaining a certification from the Office of Tourism that the Land and Existing Facilities constitute a "facility for a retained spring training franchise" as described in Section 288.1162, Florida Statutes. The terms of the City's grant to the County shall be set forth in an Interlocal Agreement between the City and the County as provided for in Chapter 163, Florida Statutes, which Interlocal Agreement shall reflect the relative contributions of the City and the County, and shall provide that upon any sale of the property acquired by the County pursuant hereto the City shall receive a proportionate share of the proceeds of sale. The Interlocal Agreement shall also contain a provision requiring repayment to the City of its \$1,400,000 should it perform its obligations hereunder, and subsequently either: (1) the transactions contemplated hereby not be consummated, or (2) the transactions be consummated yet fail and the parties be "relieved of their obligations" as provided elsewhere herein.

(B) Actions Required of the County: Immediately following the approval of this Memorandum of Understanding by the Board of County Commissioners (the "Board"), the County shall commence good faith negotiations with the various parties to draft and, when appropriate, execute the agreements which pertain to its participation in the transactions contemplated by this Memorandum of Understanding. The County shall also commence to take the necessary steps to extend the County's levy of the Tourist Development Tax authorized by Section 125.0104, Florida Statutes, so that a Tourist Development Tax in the authorized amount of four (4) cents shall be imposed for a period of not less than twenty (20) years. In addition, the County shall approve the Interlocal Agreement with the City regarding the City's grant of funds to the County as a portion of the County's local matching funds. As part of these steps, the County shall identify sufficient revenue sources, including, for this purpose, funds anticipated to be received by the County under Section 288.1162, Florida Statutes, to enable the County to issue revenue bonds providing net bond proceeds (i.e., bond proceeds less costs of the transaction and bond reserve funds) of not less than \$19,000,000, of which \$10,000,000 shall be used to fund the purchase price of the Land and \$7,000,000 shall be used to fund the Construction Fund for the Improvements, and currently available non-bond proceeds in an amount of up to \$2,000,000 to fund the Capital Reserve Account. Upon completion of these steps, and the execution by the County of the Real Estate Contract, Facility Lease Agreement, Development Agreement, and Parking Agreement, the County shall complete and file the Application required by Section 288.1162, Florida Statutes, prior to October 1, 2000 (or such later date as may be set forth in any rules or regulation adopted by the Florida Office of Tourism), in an effort to obtain a certification that the Facility is a "facility for a retained spring training franchise".

(C) Actions Required of the Dodgers: Immediately following the approval and execution of this Memorandum of Understanding by the City Council, the Board, and the Developer, the Dodgers shall undertake to complete their negotiations with the Developer to enter into the agreements pursuant to which the Developer shall purchase the Adjacent Lands and construct the Collateral Development. The County hereby acknowledges that the Dodgers have provided it with historical evidence that Holman Stadium has attracted paid attendance of at least 50,000 annually for the prior ten years, and will thereafter assist the County in obtaining verification of any projections of future attendance reasonably requested by the Florida Office of Tourism. In addition, the Dodgers will deliver to the County such items as the County shall need in order to timely complete and submit the Application required by Section 288.1162, Florida Statutes on or before October 1, 2000 (or such later date as may be set forth in any rules or regulation adopted by the Florida Office of Tourism), including, without limitation, a description of the Improvements with the required amount of detail to support the Application. The Dodgers covenant and agree to actively cooperate and participate with the County in making a successful and timely Application as required by Section 288.1162, Florida Statutes.

(D) Actions Required of the Developer: Immediately following the approval and execution of this Memorandum of Understanding by the City Council, the Board, and the Dodgers, the Developer shall undertake to complete its negotiations with the Dodgers to enter into the agreements pursuant to which the Developer shall acquire the Adjacent Land and construct the Collateral Development. The aforementioned agreements between the Dodgers and the Developer shall be executed and made effective as of the date that both of the following conditions are satisfied: (1) the Florida Office of Tourism certifies that the Facility is a "facility for a retained spring training franchise," and (2) the scope of the Collateral Development has been approved under existing City zoning and comprehensive plan categories for the Adjacent Land.

(E) Actions Required by All Parties: Immediately following the approval and execution of this Memorandum of Understanding by all of the parties hereto, each party shall commence to negotiate in good faith to draft and, when appropriate, execute the Real Estate Contract, the Facility Lease Agreement, the Development Agreement, the Parking Agreement and the agreements between the Dodgers and the Developer (collectively, the "Project Agreements"). The parties shall also cooperate and make their best efforts to obtain the necessary approvals and permits for the Improvements and the Collateral Development. The parties acknowledge and agree that each and every one of the Project Agreements, and any subsequently identified agreements required by any of the Project Agreements, must be drafted and executed by all parties by not later than September 1, 2000. The parties further acknowledge and agree that all of the Project Agreements shall be made contingent upon the County receiving certification from the Florida Office of Tourism that the Land and Existing Facilities constitute a "facility for a retained spring training franchise." Accordingly, upon the completion and execution of the Project Agreements, the City, the Dodgers, and the Developer shall cooperate with and assist the County in preparing and submitting the Application to the Office of Tourism for the required certification.

Section 9. Contingencies.



(A) The parties hereto agree that upon execution of this Memorandum of Understanding, all parties shall be bound to proceed in a good faith manner to negotiate the Project Agreements and complete the transactions contemplated by this Memorandum of Understanding. However, the parties recognize that various steps must be taken by each of the parties which, if not taken, shall prevent the other parties from taking the actions required of them herein. As a result, the parties hereto agree that the failure of a party to perform the obligations specified below shall relieve the other parties from their obligations under this Memorandum of Understanding. The City's obligations hereunder shall be to take the actions described in Section 8(A) and (E), above; the County's obligations hereunder shall be to take the actions described in Sections 8(B) and (E), above; the Dodgers' obligations hereunder shall be to take the actions described in Sections 8(C) and 8(E), above, and the Developer's obligations hereunder shall be to take the actions described in Sections 8(D) and 8(E), above.

(B) The parties acknowledge that the Application to the Office of Tourism for the sales tax revenues must be filed on or before October 1, 2000. If, prior to October 1, 2000, the County fails to extend its tourist development sales tax or otherwise fails to take the actions described in Section 8(B) above, and/or if the City fails to take the actions described in Section 8(A) above, the obligations of all parties hereto shall immediately terminate. If, as expected, the Land and Existing Facilities are certified as a "facility for a retained spring training franchise" on or before January 1, 2001, and the Developer has received site plan approval by February 1, 2001, the County shall issue its Bonds and acquire the Land prior to March 31, 2001 (or such later date as may be mutually acceptable to the Dodgers and the County). Immediately thereafter, but subject to the issuance of the necessary building permits, the Dodgers shall commence construction of the Improvements, with the objective being to complete construction of the Improvements and have them ready for use by not later than February 15, 2002, or such later date as may be determined by the Dodgers.

(C) If the Dodgers fail to take the actions required of them by Sections 8(C) and 8(E), above, or if the Developer fails to take the actions required of it by Sections 8(D) and 8(E), above, and if, as a result of the foregoing, the parties are relieved of their obligations under this Memorandum of Understanding, then whichever party fails to take the actions required of it hereunder shall reimburse the County for all actual and verifiable costs incurred by the County in connection with this project after the date of execution of this Memorandum of Understanding, including, without limitation, the cost, if any, of appraisals, land surveys, environmental assessments, title searches and reasonable legal fees and expenses of outside counsel, but only up to a maximum reimbursement amount of Fifty Thousand Dollars (\$50,000). The foregoing shall be the sole legal remedy available to the County and the City in the event of a breach by the Dodgers and/or the Developer of this Memorandum of Understanding, and neither the Dodgers nor the Developer shall be liable, at law or in equity, for any other losses or damages, whether known or unforeseen, sustained by the County and/or the City, and/or any consequential damages, or punitive or exemplary damages.

(D) The parties acknowledge and agree that the Real Estate Contract shall be made contingent upon a determination that Holman Stadium is in compliance with the accessibility guidelines which will be

imposed by the Americans with Disabilities Act on the County as the owner of Holman Stadium. The aforementioned determination shall be made by the County by not later than December 31, 2000.

Section 10. Drafting of Agreements

Immediately following the approval and execution of this Memorandum of Understanding by the City Council, the Board, the Dodgers, and the Developer, counsel for the County, with the assistance of counsel for the Dodgers and the Developer, shall commence to draft the Real Estate Contract, the Facility Lease Agreement, the Interlocal Agreement, the Development Agreement, and the Parking Agreement described herein and such other additional documents as may be necessary to consummate the transactions contemplated hereby, subject to the provisions of Section 9 hereof.

Section 11. Notices. Whenever a party hereto is to give notice to another party hereunder, such notices shall be addressed as follows:

If to the City:           City of Vero Beach  
                                  1053 20<sup>th</sup> Place  
                                  Vero Beach, Florida 32961-1389  
                                  Attention:    City Manager  
                                  Phone:       (561) 978-4710  
                                  Facsimile:   (561) 778-3856

If to the County:        Indian River County  
                                  1840 25<sup>th</sup> Street  
                                  Vero Beach, Florida 32960  
                                  Attention:   County Administrator  
                                  Phone:       (561) 567-8000, Ext. 1408  
                                  Facsimile:   (561) 978-1822

If to the Dodgers:       Los Angeles Dodgers, Inc.  
                                  1000 Elysian Park Avenue  
                                  Los Angeles, California 90012  
                                  Attention:   Santiago Fernandez, Esq.  
  Senior Vice President & General Counsel  
                                  Phone:       (323) 224-1312  
                                  Facsimile:   (323) 224-1595

If to the Developer: de Guardiola Development, Inc.  
222 Lakeview Avenue  
17<sup>th</sup> Floor  
West Palm Beach, Florida 33401  
Attention: George de Guardiola  
Phone: (561) 655-1838  
Facsimile: (561) 655-5979

Section 12. Effect of this Memorandum of Understanding

It is recognized by all parties that material terms and conditions remain to be negotiated and agreed upon by the parties prior to the execution and delivery of the final Project Agreements. This Memorandum of Understanding contains recitals of the initial discussions and agreements setting forth the intent of the parties hereto. The terms and conditions of this Memorandum of Understanding are subject to the final terms and conditions set forth in any written contract evidencing the transactions contemplated herein. Any breach of the terms of this Memorandum of Understanding shall be subject to the provisions of Section 9 hereof, and no party hereto shall have any claim on any other party hereto other than as set forth in Section 9 hereof.

[Seal]

Date: 07-27-2000

Attest:

Patricia M. Ridgely  
DEPUTY CLERK FOR

[Seal] J.K. BARTON  
CLERK CIRCUIT COURT

Date: 7-28-00

Attest:

Jammy K. Wood

[Seal]

Date: 8/1/2000

Attest:

Craig Callan

[Seal]

Date: 9/3/01

Attest:

\_\_\_\_\_

[Seal]

Date: 8/9/00

Attest:

Ray Sando

INDIAN RIVER COUNTY, FLORIDA

By: Stan B Adams  
Its: Chairman

CITY OF VERO BEACH, FLORIDA

By: Spudra L. Bowden  
Its: \_\_\_\_\_

LOS ANGELES DODGERS, INC.

By: [Signature]  
Its: Senior Vice President  
and General Counsel

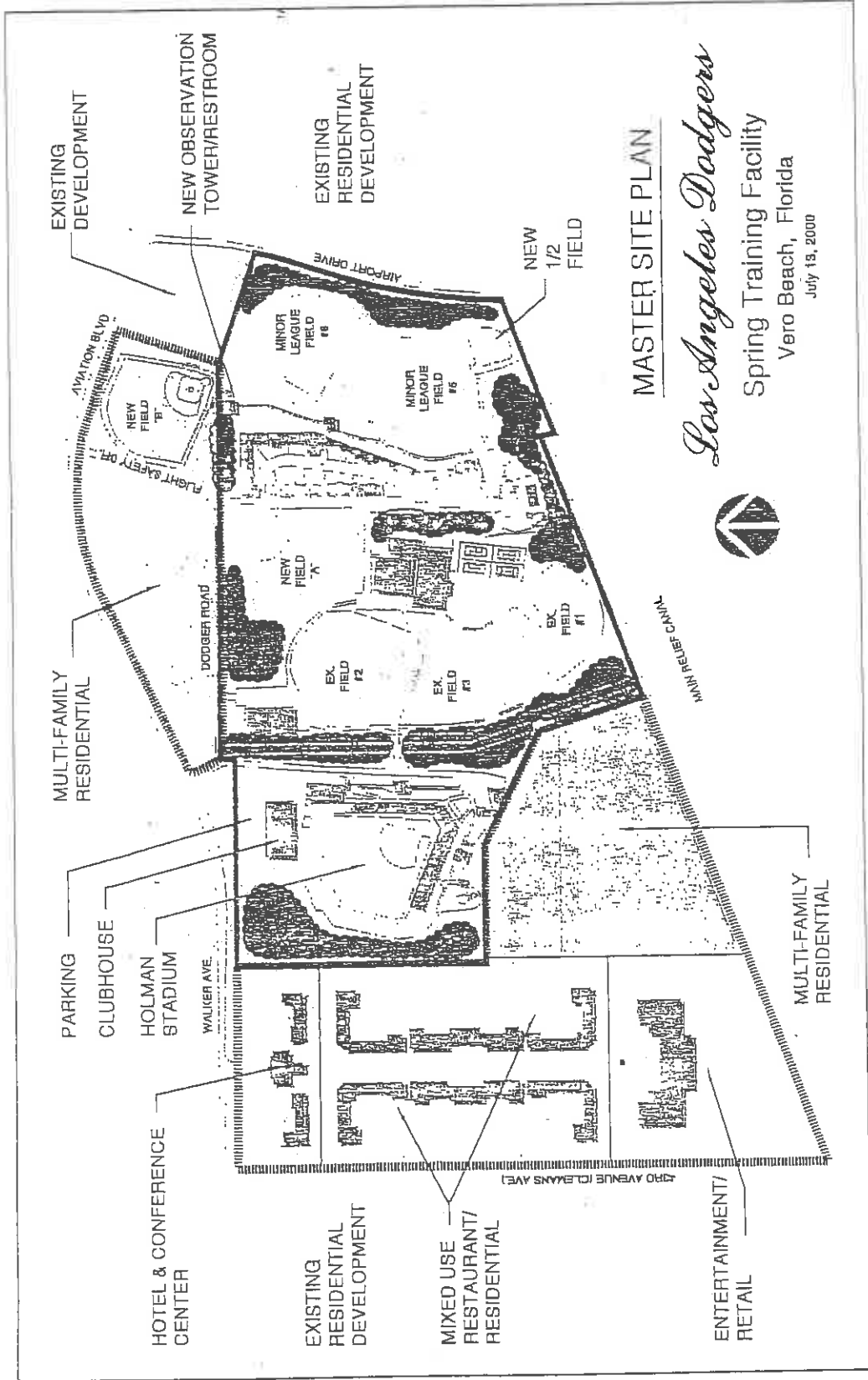
FOX BASEBALL HOLDINGS  
INCORPORATED

By: [Signature]  
Its: Executive Vice President

de GUARDIOLA DEVELOPMENT, INC.

By: [Signature]  
Its: President





MASTER SITE PLAN

*Los Angeles Dodgers*

Spring Training Facility  
Vero Beach, Florida  
July 18, 2000



ATTACHMENT #3A

IN THE RECORDS OF  
JEROME K. BARTON  
CLERK CIRCUIT COURT  
INDIAN RIVER CO., FLA.

1296201

01 AUG 29 12:23

Prepared By:  
Santiago Fernandez, Esq.  
Senior Vice President & General Counsel  
Los Angeles Dodgers, Inc.  
1000 Elysian Park Avenue  
Los Angeles, California 90012

Record and Return to:  
Robert C. Reid, Esq.  
Bryant, Miller & Olive, P.A.  
201 South Monroe Street, Suite 500  
Tallahassee, Florida 32301

COPY

FACILITY LEASE AGREEMENT

This FACILITY LEASE AGREEMENT ("Agreement") is made as of this 1st day of September, 2000, by and between Indian River County, Florida, a political subdivision of the State of Florida (hereinafter referred to as the "County"), and Los Angeles Dodgers, Inc., a Delaware corporation (hereinafter referred to as the "Dodgers").

COPY

RECITALS

A. WHEREAS, the Dodgers own and operate the Major League Baseball team known as the "Los Angeles Dodgers" (the "Team"); and

B. WHEREAS, since 1949, the Dodgers have conducted the Team's spring training operations and played their spring training home games at the facility located in Vero Beach, Florida, and known generally as "Dodgertown" (the "Facility"); and

C. WHEREAS, the County and the City of Vero Beach recognize that the benefits to the local community of having the Team conduct its spring training operations at the Facility are unique and diverse, and include, but are not limited to, entertainment for the community, the creation of new jobs and increased employment opportunities, increased tourist trade and promotional opportunities, direct and indirect tax revenues, and the enhancement of the community's image; and

D. WHEREAS, because of the aforementioned benefits to the community, the County purchased the Facility pursuant to the Agreement for Sale and Purchase dated September 1, 2000, between the Dodgers and the County, and will incur the debt service specified in this Agreement to fund the Improvements contemplated herein and in the Development Agreement, which Improvements are specifically designed to accommodate the Team's spring training needs; and

OR 1426PG0567

E. WHEREAS, in recognition of the commitment made to the Team by the County and the City of Vero Beach, the Dodgers desire to continue to conduct the Team's spring training operations at the Facility during the Term of this Agreement and to operate, maintain, and manage the Facility in accordance with the terms hereof; and

F. WHEREAS, the County desires to retain the Team as the user of the Facility and to have the Dodgers manage the Facility under the terms and conditions specified herein

COVENANTS

NOW THEREFORE, in consideration of the foregoing Recitals (which are hereby incorporated into this Agreement) and the mutual promises and covenants set forth below, IT IS AGREED AS FOLLOWS:

ARTICLE I

DEFINITIONS/EXHIBITS

Section 1.01. Exhibits. By not later than the date of closing specified in the Escrow Agreement, true and correct copies of all of the exhibits referenced in this Agreement shall be initialed by the parties and attached to this Agreement, and such exhibits shall thereafter be incorporated into this Agreement by this reference.

Section 1.02 Definitions. The following terms shall have the following meanings:

(a) Agreement means this Facility Lease Agreement between the Dodgers and the County, and all of the attached exhibits.

(b) Bond Counsel means Bryant, Miller and Olive, P.A.

(c) Bond Resolution means that certain Bond Resolution or Resolutions to be adopted for the issuance of the Bonds or other obligations for the acquisition of the Land, or construction of the Improvements, or for any part thereof.

(d) Bonds means the Bonds to be issued pursuant to the Bond Resolution.

(e) Capital Reserve Account means the repair and replacement account as defined in Section 8.01, below.

(f) Capital Reserve Account Agent means the bank or trust company identified as such in the Capital Reserve Account Agreement.



(g) Capital Reserve Account Agreement means the Capital Reserve Account Agreement by and among the County, the Dodgers, and the Capital Reserve Account Agent, governing the maintenance of the Capital Reserve Account.

(h) Cessation of Use is defined in Section 10.04, below.

(i) City means the City of Vero Beach, Florida.

(j) City Funds means the One Million Four Hundred Thousand Dollars (\$1,400,000) to be provided by the City to the County pursuant to the Interlocal Agreement.

(k) County means Indian River County, Florida, a political subdivision of the State of Florida.

(l) County Funds means the funds to be provided to the Dodgers by the County pursuant to the Development Agreement.

(m) Development Agreement means the Development Agreement dated September 1, 2000, by and between the County and the Dodgers for the construction of the Improvements.

(n) Dodgers means Los Angeles Dodgers, Inc., a Delaware corporation.

(o) Effective Date means the date upon which this Agreement is released to the parties pursuant to the Escrow Agreement.

(p) Escrow Agent means the agent designated in the Escrow Agreement.

(q) Escrow Agreement means the Document Escrow Agreement dated September 1, 2000, between, among others, the parties hereto and which governs the Effective Date of this Agreement and the other Project Documents.

(r) Existing Facilities means the baseball spring training facilities located on the Land as they existed as of the Effective Date, including the spring training baseball stadium known as "Holman Stadium," the eighty-nine (89) unit hotel facility, the conference center with meeting and dining rooms, the clubhouse and weight room, indoor batting and pitching cages, four (4) baseball practice fields and two (2) half baseball practice fields.

(s) Facility means, collectively, the Land, the Existing Facilities, and, as the context warrants, the Improvements and any additional improvements hereafter constructed on the Land.

(t) FF&E means furniture, fixtures, and equipment.

(u) Holman Stadium means the baseball stadium improvements known as Holman Stadium which is a part of the Existing Facilities.

(v) Improvements means the improvements to be constructed on the Existing Facilities pursuant to the Development Agreement.

(w) Independent Appraiser is defined in Section 10.07(b), below.

(x) Initial Term is defined in Section 2.01, below.

(y) Land means the real estate upon which the Facility is located, as described in Exhibit A.

(z) Lease Year means a twelve month period commencing on May 1 of any calendar year of the Term hereof and ending on April 30 of the following calendar year, provided, however, that the First Lease Year shall commence as of the Effective Date and end on the first April 30<sup>th</sup> following the Effective Date.

(aa) Liquidated Damages is defined in Section 10.05.

(bb) Maintenance Standards means the standards of maintenance, repair, and operations maintained by managers of comparable spring training facilities in comparable markets in the State of Florida in accordance with reasonable commercial practices then in use. The County hereby acknowledges and agrees that the manner in which the Dodgers operated and maintained the Existing Facilities prior to the Effective Date of this Agreement was consistent with or exceeded the standards of maintenance, repair, and operations maintained by managers of comparable spring training facilities in comparable markets in the State of Florida.

(cc) Major League Baseball means the Office of the Commissioner of Baseball, Major League Baseball Enterprises, Inc., Major League Baseball Properties, Inc., Major League Baseball Properties Canada Inc., Baseball Television, Inc., and/or any of their respective present or future affiliates, assigns or successors.

(dd) Parking Agreement means the Parking Agreement dated September 1, 2000, by and between the Dodgers, the County, and de Guardiola Development, Inc., which *inter alia*, governs parking rights for the Facility in connection with the adjacent land.

(ee) Project Documents means this Agreement, the Development Agreement, the Parking Agreement, the Real Estate Contract, the Escrow Agreement, and the Capital Reserve Account Agreement.

(ff) Real Estate Contract means the Agreement for Sale and Purchase, dated as of September 1, 2000, which governs the sale of the Land and Existing Facilities by the Dodgers to the County.

(gg) Renewal Term is defined in Section 2.02, below.

(hh) Repairs or Replacements means repairs or replacements made to the fixtures, structures and/or improvements at the Facility after completion of the Improvements.

(ii) Retained Spring Training Franchise Facility is defined by Section 288.1162, Florida statutes, as a facility where a professional baseball team conducts its spring training operations and plays its spring training home games, that was based in the State prior to January 1, 2000, and is certified as such by the State of Florida Office of Tourism, Trade and Economic Development.

(jj) Spring Training Home Games means only the spring training exhibition games to be played by the Team at the Facility during spring training. Spring Training Home Games do not include any spring training exhibition games played by the Team at any venue other than the Facility, even if the Team is designated as the "home team" for purposes of playing the game (e.g., if the Team plays its last spring training games at Dodger Stadium, it may be the home team but such games will not constitute Spring Training Home Games for purposes hereof).

(kk) State Funds mean the funds to be obtained by the County pursuant to Sections 212.20 and 288.1162 for a Retained Spring Training Franchise Facility.

(ll) Team means the Major League baseball team owned by the Dodgers and known as the "Los Angeles Dodgers."

(mm) Term means the Initial Term and any Renewal Terms

## ARTICLE II

### TERM/OPTIONS TO RENEW/RENT

Section 2.01. Initial Term. The "Initial Term" of this Agreement shall commence on the Effective Date and shall expire on April 30, 2021, unless this Agreement is terminated earlier by the parties pursuant to the provisions hereof.

Section 2.02. Renewal Term. For purposes of this Agreement, a "Renewal Term" means a term of five (5) years commencing upon the expiration of the Initial Term or the immediately preceding Renewal Term, if any.

Section 2.03. Option to Renew. The Dodgers shall have four (4) successive options to renew this Agreement for a Renewal Term. The Dodgers shall exercise their right and option for each Renewal Term by serving written notice upon the County of their election to exercise each said option at least one (1) year before the expiration of the then-current Term. If the Dodgers fail to provide such notice within the aforementioned time, then the Dodgers' right and option to renew shall continue in full force until the County notifies the Dodgers that the renewal notice has not been received and the Dodgers fail to exercise their renewal rights within sixty (60) days after receipt of the County's notice, it being the intention of the parties that the Dodgers shall not lose any renewal right through inadvertence. Each Renewal Term shall be upon the same terms and conditions as the Initial Term.

Section 2.04. Rent. The Dodgers shall pay to the County the sum of One Dollar (\$1.00) per Lease Year as rent payable in advance.

Section 2.05. Option to Purchase. As provided in the deed to the County from the Dodgers for the Land and Existing Facilities, if, at any time during the Term, the County offers to sell the Facility, the Dodgers shall have a right of first refusal to purchase the Facility for the lowest purchase price which the County would accept from any third party. The County shall not sell the Facility to any third party during the Term until the Dodgers have been given written notice of the purchase price and an opportunity to purchase the Facility for such price. In addition, immediately following the date on which the Bonds have been paid and retired and continuing until the expiration or earlier termination of the Term, if the Dodgers are still in possession of the Facility, then the Dodgers shall have the option to purchase the Facility at the Facility's then fair market value, whether or not the County desires or has offered to sell the Facility to a third party. The then fair market value of the Facility shall be calculated in accordance with the provisions set forth in Section 10.07, below.

### ARTICLE III

#### DODGERS' USE OF THE FACILITY

Section 3.01. Lease and Grant of Management Rights with Respect to the Facility. The County hereby leases to the Dodgers, and the Dodgers hereby lease from the County, the Facility. Except as otherwise provided in this Agreement, the Dodgers shall have the exclusive right to use, manage, and operate the Facility at their sole discretion in accordance with the terms and purposes of this Agreement. During the Term, the County shall not lease to or grant to any person other than the Dodgers, the right to use, manage, or operate the Facility, subject to the provisions of Section 6.04, below.

Section 3.02. The Dodgers' Rights and Obligations. Except as specifically provided in this Agreement, the Dodgers shall be exclusively responsible for managing, operating and maintaining the Facility at their sole discretion and expense during the Term in accordance with the Maintenance Standards. The Dodgers shall not cause, permit, or suffer any waste or damage, disfigurement, or

injury to the Facility or the fixtures or equipment thereon, with the exception of reasonable wear and tear, loss or damage by fire, natural catastrophe, or other casualty, or condemnation. Notwithstanding anything to the contrary contained in this Agreement, the Dodgers shall not be responsible for ad valorem real estate taxes, if any, assessed or collected with respect to the Facility. The County shall not remove any FF&E from the Facility and the Dodgers shall have the right, during the Term, to use all FF&E in place prior to or after the Effective Date. During the Term, the Dodgers shall have, but not be limited to, the following rights, responsibilities, and obligations in connection with the Facility.

(a) At their sole discretion, control the scheduling and use of the Facility as a publicly operated spring training facility for all baseball and non-baseball events;

(b) Perform all maintenance of the Facility, including by providing all of the labor and materials required to keep the Facility clean and free of debris and by repairing, maintaining, and replacing all components of the Facility consistent with the Maintenance Standards;

(c) Maintain the Facility, including, but not limited to, the parking lots at the Facility, the structural portions of the Facility, the foundation of the Facility, the exterior structural walls of the Facility, all electrical, plumbing, heating, ventilating, air-conditioning, mechanical and utility systems for the Facility or any portion thereof, including any portion located in the Facility, in good order, condition, and repair, in a clean, sanitary, and safe condition, and in accordance with all applicable laws and regulations;

(d) Provide all security, crowd control, maintenance, cleaning, landscaping and other personnel or independent contractors required for the proper maintenance and operation of the Facility consistent with the Maintenance Standards;

(e) Obtain and maintain all commercial general liability insurance necessary or appropriate to insure the liability of the County, the City, and the Dodgers with respect to the Facility and property insurance. The insurance, as it protects the County's and the City's interest, shall be subject to the County's reasonable approval and shall cause the County and the City to be named as an additional insured on such policies. Further provisions concerning insurance are set forth in Section 14.05, below. A certificate of insurance evidencing proof of such insurance shall be provided to the County and the City annually starting on the beginning date of the Term and as further provided in Section 14.05, below;

(f) Set rates and charges for the use of the Facility by third parties;

(g) Advertise and promote all baseball and non-baseball events conducted at the Facility, such advertising and promotion to mention or identify the County and/or the City to the extent practicable (the Dodgers understand the importance of promoting the County and the City and their image and desire and agree to assist in such regard).

(h) Select and employ all concessionaires, licensees and other contractors with respect to the Facility, including, but not limited to, its parking lots, concession areas, and advertising space; and

(i) Enter into lawful contracts in the Dodgers' name relating to any and all of the foregoing upon terms and conditions which are consistent with the Maintenance Standards and the terms of this Agreement.

Section 3.03. Event Control. The Dodgers shall have the right, at their sole discretion, to cancel or postpone any event to be held at the Facility, including, but not limited to, any Spring Training Home Game.

Section 3.04. Books and Records. All books and records of the Facility specifically relating to the Dodgers' responsibilities hereunder, except as the same may be specifically excepted from public disclosure by any law, rule, regulation, or ordinance, shall be kept in accordance with generally accepted accounting principles and shall be subject to inspection by the County at the Facility during regular normal business upon two (2) days' prior written notice to the Dodgers. Books and records shall include, but not be limited to, all records of expenditures from the Capital Reserve Account.

#### ARTICLE IV

#### MAINTENANCE RESPONSIBILITIES

Section 4.01. Dodgers' Rights and Obligations. During the Term, the Dodgers shall be responsible for the repair, operation, and maintenance of the Facility, and shall have, but not be limited to, the rights, responsibilities and obligations specified in Sections 4.02 through 4.05, below.

Section 4.02. Maintenance. From the Capital Reserve Account and, upon depletion thereof, from their own funds, the Dodgers shall construct and pay for any repairs, replacement and improvements for the Facility as are required:

(a) To satisfy the Maintenance Standards;

(b) To comply with all applicable laws, ordinances and regulations, including, but not limited to the requirements of the Americans with Disabilities Act of 1990 ("ADA") and any amendments thereto, including Title II, Structural and Title III, Programmatic Accessibility Standards as well as any future additions; and

(c) To meet the standards and regulations of Major League Baseball

Section 4.03. Operation. The Dodgers shall provide and pay for, solely from funds of the Dodgers or the Capital Reserve Account, if appropriate, all costs and expenses required for the operation and maintenance of the Facility which are not, by the terms of this Agreement, specifically required to be provided and paid for by the County, including, but not limited to, all personnel (including supervisory staff), labor, equipment, telephone, water, sewer, storm water, and materials. Costs for which the Dodgers are responsible shall include, but not be limited to, taxes (except for ad valorem real property taxes, if any, imposed upon the County in connection with the Facility), gas, electricity and other utilities related to operation of the Facility, and production of all events taking place at the Facility.

Section 4.04. Taxes. The Dodgers shall pay all taxes associated with the operation of the Facility, including, but not limited to, sales taxes, except that the County shall pay that portion of the ad valorem real property taxes levied on the Land and all structures and improvements constituting the Facility.

Section 4.05. Liaison. The Dodgers shall name a person to be the liaison to work with the County with respect to coordinating the mutual responsibilities of the Dodgers and the County. The Dodgers hereby designate Mr. Craig Callan as the liaison unless and until a new person is designed in writing by the Dodgers.

Section 4.06. Limitations. The Dodgers' rights and obligations under this Agreement are subject to the following additional limitations.

(a) No contract entered into pursuant to this Agreement may impair any right of the County hereunder.

(b) The Dodgers shall not, without the County's consent, enter into any contract extending beyond the expiration date of the Term, as the Term is defined when any such contract is executed by the Dodgers.

(c) The Dodgers shall take no action which may result in the attachment of a lien or cloud on the County's interest in or title to the Facility. If, as a result of the Dodgers' actions, a lien or cloud is attached to the County's interest or title to the Facility, the Dodgers shall immediately take all reasonable and necessary steps to remove such lien or cloud.

(d) The Dodgers shall not knowingly occupy or use the Facility for any purpose or in any manner that is unlawful

(e) Except as such records relate to proprietary or confidential business functions of the Dodgers, the Dodgers shall maintain all records concerning their responsibilities under this Agreement which are either required to be maintained pursuant to applicable law or which are necessary to verify the County's rights and the Dodgers' obligations under this Agreement, which records shall be made available to the County at the Facility during regular business hours upon two (2) days' prior written notice from the County.

(f) Within the policies and standards set by the County pursuant to this Agreement, the Dodgers shall function as an independent contractor in fulfilling the duties required by this Agreement. All staff required by the Dodgers to accomplish their obligations under this Agreement shall be employees of the Dodgers and not the County.

(g) The Dodgers take the Facility "as is," both as of the Effective Date and upon completion of the Improvements, with no warranty from the County as to condition.

(h) The Dodgers shall provide, at their expense, all equipment necessary to perform their responsibilities hereunder.

(i) Except as may be provided in the Development Agreement or this Agreement, the Dodgers shall not undertake any capital improvements to the Facility without the permission of the County, which permission shall, when not otherwise governed by the aforementioned Agreements, not be unreasonably withheld.

(j) If the County reasonably believes that the Dodgers' failure to comply with any of their obligations under this Agreement involves a "life safety issue," as hereinafter defined, the County shall have an immediate right to correct the life safety issue and the reasonable costs and expenses incurred by the County in correcting the life safety issue shall be due and payable by the Dodgers to the County within thirty (30) days after the submission of a statement to the Dodgers for the payment of the same. If such amount is not paid when due, it shall bear interest at the prime rate published by the *Wall Street Journal* from time to time from the date that the Dodgers received the County's statement until the date payment was made. For purposes of this Agreement, a "life safety issue" shall mean a situation which imposes an immediate threat of bodily harm or death to any users or occupants of the Facility.

(k) Other than the improvements, or except as authorized in this Agreement, the Dodgers shall not construct any additional buildings or structures on any portion of the Facility, or make any structural, or exterior changes to the Facility, without the prior written approval of the County, which approval shall not be unreasonably withheld. The Dodgers shall not make major alterations or modifications to the Facility without the prior written approval of the County, which approval shall not be unreasonably withheld. Notwithstanding



the foregoing, the County acknowledges that the Dodgers may decide to augment or replace the existing eighty-nine (89) unit hotel facility and the conference center at the Facility with new housing units and an expanded meeting and dining center. Accordingly, the County hereby approves such renovation and construction, provided it is undertaken by the Dodgers in accordance with the terms of this Agreement and consistent with the Maintenance Standards. All such permanent improvements, alterations, or additions placed on the Facility by the Dodgers shall be conveyed by the Dodgers to the County by a quit-claim deed upon the completion of such improvements, alterations or additions.

(l) On or before the expiration date of this Agreement, or its earlier termination as provided herein, the Dodgers shall remove all of their personal goods and effects, repair any damage caused by such removal, and surrender and deliver the Facility in its "AS IS" condition. Any personal property or effects not removed within thirty (30) days after the expiration date of this Agreement or its earlier termination as provided herein shall be deemed to have been abandoned by the Dodgers, and may be retained or disposed of by the County, in its sole discretion, in accordance with applicable law.

(m) Upon the expiration or earlier termination of this Agreement, Dodgers shall return the Facility to the County free and clear of any contractual obligations or other legal encumbrances granted by the Dodgers, except utility easements and other encumbrances necessary for the maintenance and operation of the Facility.

(n) The Facility shall not be used for the manufacture or storage of flammable, explosive or Hazardous Materials (as defined below), except for Hazardous Materials typically found for use or sale in retail stores, including supermarkets and dry cleaning stores, and/or typically found for use in comparable spring training facilities. For purposes of this Agreement, "Hazardous Materials" shall mean any containment, chemical, waste, irritant petroleum product, waste product, radioactive material, flammable or corrosive substance, explosive, poly-chlorinated biphenyls, asbestos, hazardous toxic substance, material or waste of any kind, or any other substance that any environmental law regulates. "Hazardous Materials" shall include, but not be limited to, substances defined as "hazardous substances," "hazardous materials," or "toxic substances" in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et seq.; the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq.; the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901 et seq.; all applicable state and local laws; and in the regulations adopted and publications promulgated pursuant to said laws or any amendments or addenda thereto.

(o) If the Dodgers pay the rent and comply with all other terms of this Agreement, the Dodgers may occupy and enjoy the premises of the Facility for the Full Term and any renewals thereof, subject to the provisions of this Agreement.

ARTICLE V

SPRING TRAINING HOME GAMES

Section 5.01. Spring Training Home Games. Except if the Dodgers are prevented from doing so by any of the events described in Article XV, below, or by a rule, regulation, directive, order, bulletin, or agreement of Major League Baseball, the Dodgers shall, each Lease Year during the Term, cause the Team to play at least ten (10) Spring Training Home Games at the Facility. Nothing contained in this Agreement shall restrict or prohibit the Dodgers from causing or allowing the Team to play spring training games in stadiums, venues, or facilities other than the Facility, or from playing the balance of the Team's annual spring training games away from the Facility after ten (10) Spring Training Home Games are scheduled to be played at the Facility during the applicable spring training period.

Section 5.02. Rules and Regulations. The Dodgers shall comply with all applicable laws, ordinances, rules and regulations, including, but not limited to, the rules, regulations, directives, orders, bulletins, or agreements of Major League Baseball.

ARTICLE VI

COUNTY'S USE OF THE FACILITY/PARKING AGREEMENT

Section 6.01. Right of Entry. During the Term, the County shall have the right to enter into and upon any and all parts of the Facility for the purpose of examining the same with respect to the obligations of the parties under this Agreement upon two (2) days' prior written notice to the Dodgers (or without prior notice in the event of a "life safety issue" as defined in Section 4.06(j), above, but with immediate notice thereafter).

Section 6.02. Advertising and Promotion. If during the Term, the Dodgers have any unsold advertising display space (e.g., billboards, outfield signs, etc.) at the Facility, then, subject to the Dodgers' prior reasonable approval as to the content, design, frequency of display, and placement of any such advertisements or promotional materials, the County shall be permitted to have advertisements or other promotional materials and information for the County and/or the City displayed at the Facility in such unsold advertising display space. Nothing contained in this Agreement shall require the Dodgers to remove or substitute any paid advertisement or promotional materials displayed at the Facility in favor of the County's and/or the City's advertisements or promotional materials, and all revenue-producing advertisers obtained by the Dodgers shall have priority of use over such advertising display space. In addition, nothing contained in this Agreement shall require the Dodgers to create new advertising display space or to increase the amount advertising display space, nor shall the Dodgers be prohibited or restricted from decreasing the amount advertising display space at the Facility.

Section 6.03. Right to Use the Facility. In addition to all of the rights specifically granted to the Dodgers in this Agreement, the Dodgers shall have the right to use the Facility in any manner and/or for any lawful purpose that the Dodgers deem appropriate in exercise of their sole and absolute discretion, subject to the terms of this Agreement.

~~Section 6.04. The County's Use of Holman Stadium and the Practice Fields. The County shall have the right to use Holman Stadium and/or the practice fields for up to twenty (20) days per Lease Year at no charge to the County (other than reimbursing the Dodgers for any operating expenses incurred by the Dodgers as a result of the County's use of Holman Stadium and/or the practice fields). The dates during which the County may use Holman Stadium and/or the practice fields shall be selected by mutual agreement of the parties, provided that, if the parties cannot agree on the dates, the Dodgers' reasonable selection of dates shall be final and controlling. The County may use Holman Stadium and/or the practice fields only for functions which do not compete with revenue-generating events which may otherwise be arranged by the Dodgers. Moreover, the County's use of Holman Stadium and/or the practice fields must not interfere in any way with the Dodgers' use and quiet enjoyment of the Facility. The County shall not use or authorize the use of Holman Stadium and/or the practice fields in any manner which would have a material detrimental impact on Holman Stadium and/or the practice fields, and the County shall be and remain solely responsible for any damage or destruction to Holman Stadium and/or the practice fields by the County or its assignee. The County shall be entitled to retain the revenues from ticket sales for its events, and, with the prior consent of the Dodgers, concessions sold during the events when Holman Stadium and/or the practice fields are utilized by the County; provided, however, that the Dodgers shall not be required to provide concession services and/or any other services during any County event. In all cases, the Dodgers shall be reimbursed by the County for any operating costs and expenses incurred by the Dodgers as a result of the County's use of Holman Stadium and/or the practice fields, including, but not limited to, the cost of any parking attendants, ticket takers, security personnel, clean-up crews, and the like provided by the Dodgers. Prior to using Holman Stadium and/or the practice fields as provided herein, the County shall cause the Dodgers to be named as an additional insured on the County's general liability insurance policy and shall deliver to the Dodgers a certificate of insurance which verifies the existence of the policy and the fact that the Dodgers are named as an additional insured~~

Section 6.05. Parking The parties hereby acknowledge and reaffirm the parking rights that they have granted pursuant to the Parking Agreement

~~ARTICLE VII  
REVENUES~~

**COPY**

~~Section 7.01 Revenues During the Term, the Dodgers shall control, collect, receive, and retain all revenues generated by any means at or in connection with the Facility, including, but not~~

limited to, all revenues from ticket sales, food and beverage sales, merchandise sales, concessions and products sales, novelties, parking, telecast and broadcast rights, pouring rights, advertising, sponsorship, promotional and signage rights, Facility naming rights, and any other revenues derived or generated in connection with baseball and non-baseball events held at the Facility (exclusive of any County use events).

Section 7.02. Naming Rights. At all times during the Term, the Dodgers shall have the right, at their sole and absolute discretion, to sell naming, affiliation, and/or sponsorship rights in and to Holman Stadium and/or any portion of the Facility and/or to change the name of Holman Stadium and/or any portion of the Facility without the prior review and/or consent of the County. Any and all revenues derived from the sale of naming, affiliation, and/or sponsorship rights in and to Holman Stadium and/or any portion of the Facility shall be retained solely by the Dodgers.

#### ARTICLE VIII

#### CAPITAL IMPROVEMENTS AND REPAIR

Section 8.01. Capital Reserve Account. During the Term (until depleted), the Dodgers shall establish a trust account with a depository (the "Capital Reserve Account") in which County Funds shall be deposited pursuant to the Capital Reserve Account Agreement. The Capital Reserve Account shall be funded and maintained in accordance with the provisions of the Capital Reserve Account Agreement. All funds in the Capital Reserve Account shall be County Funds. All withdrawals from the Capital Reserve Account shall require the co-signature of the County Administrator or his designee. The Capital Reserve Account shall be used by the Dodgers in making all Repairs and Replacements to the Facility. The Dodgers shall consult with the County with respect to any expenditures from the Capital Reserve Account and any such expenditures shall be subject to the approval of the County; which approval will not be unreasonably withheld and shall be granted in accordance with the Capital Reserve Account Agreement. Any amounts remaining in the Capital Reserve Account at the expiration of the Term or earlier termination of this Agreement shall be paid to the County. The Dodgers shall be solely responsible for the cost of any Repairs or Replacements which exceed the funds available in the Capital Reserve Account and any applicable available insurance proceeds from policies of insurance provided at the Dodgers' expense.

Section 8.02. Contributions to the Capital Reserve Account. On or before March 31, 2001, or such later date as may be mutually agreed to by the parties, the County shall deposit into the Capital Reserve Account the sum of \$2,000,000. Any part of said \$2,000,000 that is not expended by the expiration of the Term or earlier termination of this Agreement shall be paid to the County at such time

Section 8.03. Facility Improvements. The County and the Dodgers agree that upon the completion of the "Improvements" listed in Exhibit B, hereto, and more specifically described in the Development Agreement, the Facility will be acceptable for use by the Dodgers as a Retained Spring

Training Franchise Facility. The County shall pay for the Improvements, but its obligation shall be limited to providing Seven Million Dollars (\$7,000,000) of net Bond proceeds, together with any portion of the Capital Reserve Account determined by the County and the Dodgers to be needed for such purpose. The Improvements shall be commenced and completed in accordance with the Development Agreement. The Dodgers shall (a) pay any additional costs of the Improvements beyond such \$7,000,000 and the funds in the Capital Reserve Account, and (b) be solely responsible for the costs of any additional improvements voluntarily undertaken by the Dodgers at the Facility. Subject to the foregoing conditions, the Dodgers, with the assistance of the County as provided in the Development Agreement, shall cause the construction of the Improvements to be completed by February 15, 2002, or such later date as may be determined by the Dodgers with approval of the County, which approval shall not be unreasonably withheld.

## ARTICLE IX

### DOCUMENTS AND CERTIFICATES

Section 9.01. Documents and Certificates. Each party shall supply to the other such documents and certificates as are reasonably available or procurable, and necessary for the purpose of obtaining certificates from the State of Florida Office of Tourism, for the issuance of the Bonds, or for any other purpose reasonably related to the obligations of the parties hereunder, including, but not limited to, the County's funding or administration of this Agreement and ownership of the Facility, or to consummate the transactions described in this Agreement.

## ARTICLE X

### DEFAULT/REMEDIES

Section 10.01. Dodgers' Default. The occurrence of any one or more of the following events constitutes a "Default" by the Dodgers under this Agreement:

(a) Failure by the Dodgers to observe or perform in any material respect any covenant, agreement, condition, or provision of this Agreement, if such failure continues for thirty (30) days after written notice thereof has been delivered by the County to the Dodgers; provided, however, that the Dodgers shall not be in Default with respect to matters which cannot reasonably be cured within thirty (30) days so long as within such thirty (30) day period, the Dodgers commence such cure and diligently proceed to complete the same thereafter.

(b) The levy upon, under execution or the attachment by legal process, the Dodgers' interest hereunder, or the filing or creation of a lien in respect of such interest, which levy, attachment, or lien is not released, discharged or bonded against within one hundred eighty (180) days from the date of such filing.

(c) The Dodgers are finally adjudicated insolvent or bankrupt or admit in writing their inability to pay their debts as they mature, or make an assignment for the benefit of creditors, or apply for or consent to the appointment of a trustee or receiver for the Dodgers or for the major part of their property;

(d) A trustee or receiver is appointed for the Dodgers or for the major part of their property and such trustee or receiver is not discharged within one hundred eighty (180) days after such appointment;

(e) Bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings, or any other proceedings for relief under any bankruptcy law, or similar law for the relief of debtors, are instituted by or against the Dodgers, and, if instituted against the Dodgers, are allowed against them or are consented to by them or are not dismissed within one hundred eighty (180) days after such institution, to the extent permitted by law; or

(f) The Dodgers are in default under the Development Agreement and such default continues for thirty (30) days after written notice thereof has been delivered by the County to the Dodgers; provided, however, that the Dodgers shall not be in Default with respect to matters which cannot reasonably be cured within thirty (30) days so long as within such thirty (30) day period, the Dodgers commence such cure and diligently proceed to complete the same thereafter.

If a Default occurs, the County shall have the rights and remedies set forth in this Agreement, which shall be distinct, separate, and, to the extent not mutually exclusive, cumulative, and shall not operate to exclude or deprive the County of any other right or remedy allowed it by law or equity.

Section 10.02. County Default. In the event of any failure by the County to observe or perform any material covenant, agreement, condition, or provision of this Agreement wherein the Dodgers' remedies on account thereof are not otherwise specifically provided for in this Agreement, and if such failure shall continue for thirty (30) days after notice thereof has been delivered by the Dodgers to the County, then the County shall be deemed to be in Default hereunder, provided, however, that the County shall not be in Default with respect to matters which cannot reasonably be cured within thirty (30) days so long as within such thirty (30) day period, the County commences such cure and diligently proceeds to complete the same thereafter.

Section 10.03. Remedies. In the event of a Default by either party (other than a Cessation of Use by the Dodgers), the party not in Default shall be entitled, as a non-exclusive remedy, and in addition to or in lieu of an action for damages, to seek an injunction or decree for specific performance or equitable relief from a court of competent jurisdiction to enjoin or remedy the Default.

Section 10.04. Cessation of Use by the Dodgers. If, at any time during the Initial Term (and not a Renewal Term), the Dodgers lose the right to own the Team, or to hold Spring Training Home Games in the Facility, or otherwise cease to conduct their spring training operations and/or Spring Training Home Games at the Facility, such event shall constitute a "Cessation of Use" of the Facility by the Dodgers. Notwithstanding anything to the contrary contained in this Agreement, a Cessation of Use of the Facility by the Dodgers shall entitle the County to terminate this Agreement by giving the Dodgers ten (10) days' written notice of termination. The Dodgers shall have ten (10) days after receipt of the aforementioned notice of termination to renounce the Cessation of Use by confirming to the County their intention to continue to use the Facility during the Initial Term as the spring training facility for the Team. A termination pursuant to the provisions of this Section 10.04 shall become effective upon the expiration of the Dodgers' ten (10) day cure period.

Section 10.05. Liquidated Damages. If this Agreement is terminated by the County during the Initial Term as the result of a Cessation of Use by the Dodgers, then the Dodgers shall pay to the County, as "Liquidated Damages" and in lieu of all other remedies and/or damages of any type which may be available to the County, the entire amount required by the County to defease or retire the Bonds, together with any fees, expenses and costs incurred by the County to so defease or retire the Bonds.

Section 10.06. Repurchase By Dodgers. If the Dodgers are required to pay the Liquidated Damages specified in 10.05, above, the Dodgers shall be entitled to repurchase the Facility (including the Land) from the County at a price equal to the Facility's then fair market value, less the amount of any Liquidated Damages paid by the Dodgers to the County hereunder. The then fair market value of the Facility shall be calculated in accordance with the provisions set forth in Section 10.07, below.

Section 10.07. Calculation of Fair Market Value. For purposes of a repurchase of the Facility by the Dodgers pursuant to this Agreement, the then fair market value of the Facility shall be determined by the following procedure:

(a) The Dodgers and the County shall each select an independent M.A.I. appraiser.

(b) The appraisers selected by the Dodgers and the County shall then select a third appraiser known as the "Independent Appraiser." The Independent Appraiser shall determine the then fair market value of the Facility using the highest and best use method.

COPY

ARTICLE XI

ENFORCEABILITY

Section 11.01. Binding Effect; Enforceability. The terms and provisions set forth in this Agreement shall be binding and enforceable by and against the parties in accordance with the terms hereof.

COPY

ARTICLE XII

ASSIGNMENT/SUBLEASE

Section 12.01. Assignment. This Agreement may not be assigned by either party without the prior written consent of the other party, except that this Agreement may be assigned by the Dodgers to any person or entity who acquires the Team (by any form of acquisition), with the approval of Major League Baseball, provided that any such assignee explicitly assumes in writing the Dodgers' duties and responsibilities under this Agreement (in which case the liability of the Dodgers shall cease with respect to liabilities accruing from and after such transfer).

Section 12.02. Sublease. The Dodgers may sublease, at any time during the Term, any portion of the Facility, including but not limited to, guest rooms, residential units, offices, practice fields, the clubhouse, weight room, and/or conference facilities located at the Facility. All revenues derived from subletting any of the foregoing shall be retained solely by the Dodgers. Any such sublease shall remain subordinate to this Lease.

COPY

ARTICLE XIII

MISCELLANEOUS

Section 13.01. Notices. Any notice required by or permitted under this Agreement shall be in writing and shall be deemed delivered when delivered by hand or by overnight delivery service, addressed as follows (or to such other address as a party shall inform the other party):

If to the County: Indian River County  
1840 25<sup>th</sup> Street  
Vero Beach, Florida 32960  
Attention: County Administrator  
Phone (561) 567-8000 Ext 1408  
Fax (561) 978-1812

COPY

OR 1426PG0584



If to the Dodgers: Los Angeles Dodgers, Inc.  
Dodgertown  
P.O. Box 2887  
Vero Beach, Florida 32961  
Attention: Mr. Craig Callan  
Phone: (561) 569-4900  
Fax: (561) 770-2424

Copy to:

Los Angeles Dodgers, Inc.  
1000 Elysian Park Avenue  
Los Angeles, California 90012  
Attention: Santiago Fernandez, Esq.  
Senior Vice President & General Counsel  
Phone: (323) 224-1312  
Fax: (323) 224-1595

Section 13.02. Amendment. This Agreement may be amended only in writing executed by both parties.

Section 13.03. Entire Agreement. This Agreement, including its exhibits, and the Project Documents constitutes the entire agreement between the parties and supersedes all prior or contemporaneous agreements (whether oral or written) between them.

Section 13.04. Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Florida.

Section 13.05. Counterparts. This Agreement may be executed in two or more counterparts which have been signed and delivered by each of the parties (a party may execute a copy of this Agreement and deliver it by facsimile transmission; provided, however, that any such party shall promptly deliver an original signed copy of the Agreement).

Section 13.06. Jurisdiction and Venue. The exclusive, convenient, and proper venue for any legal proceeding arising out of, or related to, this Agreement shall be Circuit Court for the Nineteenth Judicial Circuit, in and for Indian River County, Florida Division. Each party waives any defense, whether asserted by motion or pleading that the Indian River Circuit Court is an improper or inconvenient venue. Moreover, all parties to this Agreement, persons and entities alike, consent to the personal jurisdiction of the Circuit Court, Nineteenth Judicial Circuit, in and for Indian River County, and irrevocably waive any objections to said jurisdiction.

Section 13.07. Effective Date. This Agreement shall be effective on the date of delivery of this Agreement by the Escrow Agent in accordance with the Escrow Agreement.

Section 13.08. Time of Essence. Time is of the essence in the performance of this Agreement.

Section 13.09. Damage to Property. The Dodgers shall not have any liability for loss or damage to property owned or leased or otherwise in the possession, control, or custody of the County, that is wrongly or incorrectly on the premises of the Facility, unless such damage is caused solely or partially by the Dodgers' negligence or willful misconduct, in which case the Dodgers shall be liable for only the portion so caused.

Section 13.10. Consequential Damages. Under no circumstances shall either party or any of its subcontractors, suppliers and vendors be liable to the other party for any indirect, special, incidental, and/or consequential damages, including, but not limited to, loss of profits or interruption of business, whether such damages are alleged in tort, contract, indemnity, or otherwise, even if such party has been apprised of the possibility of such damages. To the extent permitted by law, each party hereby releases the other and its subcontractors, suppliers and vendors therefrom.

Section 13.11. Headings. The headings used herein are for convenience of reference only and shall not constitute a part hereof or affect the construction or interpretation hereof.

Section 13.12. Severability. If any clause, provision, or section hereof is held illegal, invalid, or unenforceable by any court, the illegality, invalidity, or unenforceability of such clause, provision or section shall not affect any of the remaining clauses, provisions, or sections hereof, and this Agreement shall be construed and enforced as if such illegal, invalid, or unenforceable clause, provision or section had not been contained herein.

Section 13.13. Waiver. No failure on the part of any party to exercise, and no delay in exercising, and no course of dealing with respect to any right hereunder, shall operate as a waiver thereof, nor shall any single or partial exercise of any right hereunder preclude any other or further exercise thereof or the exercise of any other right or remedy provided at law or in equity, except as expressly set forth herein.

Section 13.14. Terminology. All personal pronouns used herein, whether used in the masculine, feminine, or neuter gender, shall include the singular.

Section 13.15. Third Party Beneficiary. No person other than the Dodgers, the County, the Indemnified County Parties, the Indemnified Dodgers Parties, and the successors and assigns of such, shall have any rights whatsoever under this Agreement.

Section 13.16. Radon Notice. Chapter 88-285, Laws of Florida, requires the following notice to be provided with respect to the contract for sale and purchase of any building, or a rental agreement for any building, and the parties hereto acknowledge and confirm receipt of the following:

"RADON GAS: Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your county health department."

Section 13.17 Estoppel Certificates. At any time, within twenty (20) days after request by either party, the other party shall certify in writing to the requesting party, or any person specified by the requesting party, to the effect (a) whether this Agreement is unmodified and in full force and effect (or if there has been modification, that the same is in full force and effect as modified and setting forth such modification); (b) whether or not to the best of the other party's knowledge, the requesting party is in Default hereunder; and (c) any other information which the requesting party reasonably requests to be confirmed.

#### ARTICLE XIV

#### INDEMNIFICATION AND INSURANCE

Section 14.01. Indemnification by the Dodgers. To the fullest extent permitted by law, the Dodgers shall indemnify, protect, and hold the County and the City and their officers, agents, and employees, and each of their respective successors and assigns (collectively, the "Indemnified County Parties") harmless from and defend the Indemnified County Parties against any and all "liabilities" (as hereinafter defined) for any "bodily injury" (as hereinafter defined) or "property damage" (as hereinafter defined) whatsoever arising out of or resulting from any Default by the Dodgers and/or occurring in, on, or about the Facility to the extent such injury or damage is caused by the Dodgers, or the Dodgers' agents, contractors or employees, but not to the extent caused by the negligence or willful misconduct of the Indemnified County Parties. In the case of any action or proceeding being brought against the Indemnified County Parties by reason of any such claim, Dodgers, upon notice from the Indemnified County Parties, shall defend the same at the Dodgers' expense by counsel reasonably satisfactory to the County.

Section 14.02 Indemnification by the County. To the fullest extent permitted by law, the County shall indemnify, protect, and hold the Dodgers and their officers, agents, and employees, and each of their respective successors and assigns (collectively, the "Indemnified Dodgers Parties") harmless from and defend the Indemnified Dodgers Parties against any and all "liabilities" (as hereinafter defined) for any "bodily injury" (as hereinafter defined) or "property damage" (as hereinafter defined) whatsoever arising out of or resulting from any Default by the County and/or occurring in, on, or about the Facility to the extent such injury or damage is caused by the County, or the County's agents, contractors or employees, but not to the extent caused by the negligence or willful misconduct of the Indemnified Dodgers Parties. In the case of any action or proceeding being brought against the Indemnified Dodgers Parties by reason of any such claim, the County, upon notice from the Indemnified Dodgers Parties, shall defend the same at the County's expense by counsel reasonably satisfactory to the Dodgers

Section 14.03. Definitions. As used in this Agreement, "liabilities" shall mean all liabilities, claims, damages (excluding consequential damages), losses, penalties, litigation, demands, causes of action (whether in tort or contract, in law or equity or otherwise), suits, proceedings, judgments, disbursements, charges, assessments, and expenses (including reasonable attorneys' and experts' fees and expenses incurred in investigating, defending, or prosecuting any litigation, claim or proceeding whether out of court, at trial or in any appellate or administrative proceeding). "Bodily injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of the foregoing. "Property damage" shall mean physical injury to tangible property, including all resulting loss of use of that property, or loss of use of tangible property that is not physically injured.

Section 14.04. Independent Provisions. The provisions of Sections 14.01 through 14.03 are independent of, and will not be limited by, any insurance obligations in this Agreement, and shall survive the expiration or earlier termination of this Agreement with respect to any claims or liability arising in connection with any event occurring prior to such expiration or termination.

Section 14.05. Insurance. Commencing upon the Effective Date and throughout the remainder of the Term and any renewals thereof, the Dodgers shall maintain, at their sole cost, the following insurance:

(a) A commercial general liability insurance policy in an occurrence form covering the insured against all bodily injury and property damage liability that may rise or be claimed due to the Dodgers' use of the Facility in a minimum amount of coverage of One Million Dollars (\$1,000,000) for injuries to persons in one-accident, One Million Dollars (\$1,000,000) for injuries to any one person and One Million Dollars (\$1,000,000) for damages to property. The commercial general liability insurance policy in an occurrence form shall also include contractual liability coverage including a Broad Form Endorsement covering the insurance provisions of this Agreement and the performance by the Dodgers of the indemnification provisions set forth in this Agreement.

(b) Special form (all risk) property insurance covering (1) the Facility, including, but not limited to, any additional improvements undertaken by the Dodgers, in an amount not less than one hundred (100%) percent of their actual replacement costs from time to time existing during the Term of this Agreement, providing protection against any peril included within the classification "all risks" of physical loss or damage, together with insurance against sprinkler damage, vandalism, malicious mischief, and water damage of any type and theft. The proceeds of such insurance shall be used for the repair or replacement of the property so insured.

COPY

(c) All of the insurance policies required under Sections 14.05(a) and 14.05(b), above, shall be effected from insurance companies recognized by and licensed in the State of Florida, and provide a Notice of Cancellation or material Coverage Change provision of thirty (30) days' notice in favor of the County. The Dodgers shall provide the County and the City with a duly executed Certificate of Insurance for each such policy. The Dodgers shall maintain the Certificate of Insurance on file with the County at all times during the Term. The policies required under Sections 14.05(a) and 14.05(b), above, shall name the County and the City as an additional insured.

(d) If the Dodgers fail to furnish the Certificate(s) of Insurance as required above, the County may, after notice and an opportunity to cure as set forth in this Agreement, obtain the insurance, and the premiums on that insurance shall be deemed additional rent to be paid by Dodgers to the County on demand. Dodgers shall be responsible for securing, at their own expense, whatever insurance coverage they may desire on the contents of the Facility. All Certificates of Insurance required by this Lease shall be provided on a standard ISO form.

(e) Any insurance required of the Dodgers under this Agreement may be furnished by the County under a blanket policy so long as and provided such policy:

(1) complies with all other terms and conditions contained in this Agreement, and

(2) contains an endorsement that identifies with specificity the particular address of the Facility as being covered under the blanket policy.

ARTICLE XV  
FORCE MAJEURE

Section 15.01. Force Majeure Event. Should any fire or other casualty, act of God, earthquake, flood, hurricane, lightning, tornado, epidemic, landslide, war, riot, civil commotion, general unavailability of materials, strike, slowdown, labor dispute, governmental laws or regulations, or other occurrence beyond the Dodgers' or County's control ("Force Majeure Event") prevent performance of this Agreement in accordance with its provisions, performance of this Agreement by either party shall be suspended or excused to the extent commensurate with such occurrence, except as specifically provided herein

Section 15.02 Partial Destruction In the event of a partial destruction of the Facility, if Dodgers determine, at their sole discretion, that the undamaged portion of the Facility is still suitable for their spring training operations, then this Agreement shall continue in full force and effect with no adjustments in the obligations of the parties, and the Dodgers shall restore the Facility as soon as possible from the insurance proceeds or the Dodgers' own funds

Section 15.03. Facility Not Suitable for Use. In the event of total or partial destruction or damage of the Facility, if the Dodgers determine at their sole discretion that the Facility is not suitable for their spring training operations and/or cannot be used as the venue for their Spring Training Home Games, then this Agreement shall be suspended immediately until the Facility is repaired. Within twelve (12) months of the event of such total or partial destruction or damage, the Dodgers, with assistance of the County, but not at County expense, shall begin to repair or rebuild the Facility using the proceeds from the property insurance for that purpose and shall diligently pursue such repair or rebuilding until completed. Once the Dodgers contract with an Architect or an Engineer or Design Build firm to draw plans for the repair or rebuilding of the Facility, the Dodgers shall be deemed to have begun the repair or rebuilding of the Facility. This Agreement shall continue to be suspended until the Facility is suitable for the Dodgers' spring training operations and as a venue for their Spring Training Home Games.

#### ARTICLE XVI

#### ADDITIONAL IMPROVEMENTS

Section 16.01. Improvements. The Improvements, generally described in Exhibit B, shall be contracted in accordance with and pursuant to the Development Agreement. Notwithstanding the foregoing, the County hereby acknowledges that the Dodgers may desire to modify the Improvements described in Exhibit B (e.g., to add new housing units). Accordingly, the County shall approve any modifications to the Improvements hereafter requested by Dodgers so long as such modifications are designed to enhance the Facility and make it more useful to the Team and the Dodgers.

Section 16.02. Additional Improvements. Nothing contained in this Agreement shall restrict or prohibit the Dodgers from making improvements to the Facility which are not described as "Improvements" hereunder or in Exhibit B; provided that the Dodgers shall notify the County of such additional improvements before the Dodgers undertake to make them.

#### ARTICLE XVII

#### ZONING AND PERMITTING

Section 17.01. Zoning and Permitting. It shall be the sole obligation of the Dodgers, with assistance from the County, but not at County expense, to obtain any permits and/or zoning changes which may be required to construct the Improvements and any additional improvements which the Dodgers may hereafter desire to make to the Facility. The County, acting solely in its capacity as the fee owner of the Land, shall cooperate with the Dodgers as may be reasonably required, to enable the Dodgers to obtain any permits and/or zoning changes for the Improvements and any additional improvements, including, but not limited to, by joining in any applications for such permits and/or zoning changes.

ARTICLE XVIII

CONSENTS AND APPROVALS

Section 18.01. Granting or Failure to Grant Approvals or Consents. All consents and approvals which may be given by a party under this Agreement shall, as a condition of their effectiveness, be in writing. The granting by a party of any consent to or approval of any act requiring consent or approval under the terms of this Agreement, or the failure on the part of a party to object to any such action taken without the required consent or approval, shall not be deemed a waiver by the party whose consent was required of its right to require such consent or approval for any other act.

Section 18.02. Standard. Unless this Agreement specifically provides for the granting of consent or approval at a party's sole discretion, then consents and approvals which may be given by a party under this Agreement shall not (whether or not so indicated elsewhere in this Agreement) be unreasonably withheld or conditioned by such party and shall be given or denied within the time period provided, and if no such time period has been provided, within a reasonable time. Upon disapproval of any request for a consent or approval, the disapproving party shall, together with notice of such disapproval, submit to the requesting party a written statement setting forth with specificity its reasons for such disapproval.

Section 18.03. Deemed Approval.

(a) If a party entitled to grant or deny its consent or approval (the "Consenting Party") within thirty (30) days (or a shorter specified time period) fails to do so, then, provided that the request for consent or approval bears the legend set forth below in capital letters and in a type size which is not less than that provided below, the matter for which such consent or approval is requested shall be deemed consented to or approved, as the case may be:

"FAILURE TO RESPOND TO THIS REQUEST WITHIN THE TIME PERIOD PROVIDED IN THE FACILITY LEASE AGREEMENT BETWEEN INDIAN RIVER COUNTY AND LOS ANGELES DODGERS, INC SHALL CONSTITUTE AUTOMATIC APPROVAL OF THE MATTERS DESCRIBED HEREIN WITH RESPECT TO SECTION [ ] OF SUCH FACILITY LEASE AGREEMENT."

Section 18.04. Approvals for the County. The County hereby agrees that, subject to applicable laws and regulations, the County Administrator (or the County Administrator's authorized designee) shall be authorized to grant consents or approvals on behalf of the County with respect to this Agreement

Section 18.05. No Fees, etc. Except as otherwise expressly authorized in this Agreement, no fees or charges of any kind or amount shall be required by either party hereto as a condition of the grant of any consent or approval which may be required under this Agreement (provided that the foregoing shall not be deemed in any way to limit the County acting in its governmental, as distinct from its proprietary, capacity from charging governmental fees on a nondiscriminatory basis).

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year first above written.

[Seal]

COPY

INDIAN RIVER COUNTY, FLORIDA,  
ASSESSOR

Date: 9-1-2000

By: Stan B. Adams

Its: Chairman

Attest:

J.K. Barts

Clerk J.K. BARTS

COPY  
APPROVED AS TO FORM AND  
LEGAL SUFFICIENCY  
By: Robert Paul  
Special County Attorney

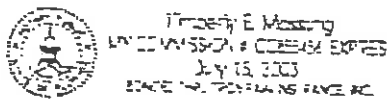
STATE OF FLORIDA                    )  
  )ss:  
COUNTY OF INDIAN RIVER        )

The foregoing instrument was acknowledged before me this 7<sup>th</sup> day of September, 2000, by Stan B. Adams, as Chairman of Indian River County, Florida, a political subdivision of the State of Florida, on behalf of such political subdivision. She is personally known to me or produced a valid driver's license as identification.

COPY

Robert E. Manning  
Notary Public

Print Name Robert E. Manning  
My commission expires



DR 1426PG0592



[Seal]

LOS ANGELES DODGERS, INC.,  
AS LESSEE

Date: 9/1/00

By: [Signature]  
Its: Senior Vice President & General Counsel  
Attest:

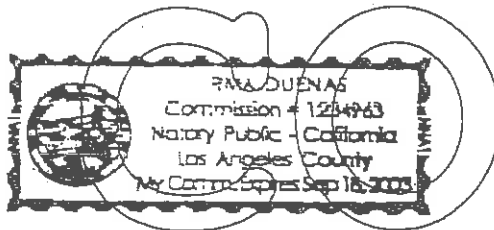
COPY

STATE OF California

)  
)ss:

COUNTY OF Los Angeles

The foregoing instrument was acknowledged before me this 1 day of September, 2000, by Santiago Fernandez, as SVP+GC of Los Angeles Dodgers, Inc., a Delaware corporation, on behalf of such corporation. He is personally known to me or produced a valid driver's license as identification.



[Signature]  
Notary Public  
Print Name: Irma Duñas  
My commission expires:

EXHIBITS:

- Exhibit A Legal Description of Land
- Exhibit B Description of Improvements to the Facility.

COPY

OR 14,26PG0593

EXHIBIT "A"

PARCEL 1-C

A PARCEL OF LAND LYING IN SECTION 3, TOWNSHIP 33 SOUTH, RANGE 39 EAST, INDIAN RIVER COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF SECTION 3, TOWNSHIP 33 SOUTH, RANGE 39 EAST, PROCEED NORTH  $89^{\circ}45'39''$  WEST, A DISTANCE OF 1997.62 FEET TO A POINT; THENCE SOUTH  $04^{\circ}15'11''$  WEST, A DISTANCE OF 30.07 FEET TO A POINT ON THE WESTERLY RIGHT-OF-WAY LINE OF AIRPORT DRIVE (A/K/A 34<sup>th</sup> AVENUE, A 90 FOOT RIGHT-OF-WAY) SAID POINT BEING THE POINT OF BEGINNING; THENCE CONTINUE ALONG SAID WESTERLY RIGHT-OF-WAY LINE SOUTH  $10^{\circ}36'49''$  WEST, A DISTANCE OF 37.55 FEET TO THE POINT OF CURVATURE OF A TANGENT CURVE, CONCAVE TO THE WEST, HAVING A RADIUS OF 1125.14 FEET AND A CENTRAL ANGLE OF  $09^{\circ}30'08''$ ; THENCE SOUTH ALONG SAID CURVE, A DISTANCE OF 186.60 FEET; THENCE SOUTH  $20^{\circ}06'57''$  WEST, A DISTANCE OF 82.11 FEET TO THE POINT OF CURVATURE OF A TANGENT CURVE, CONCAVE TO THE EAST, HAVING A RADIUS OF 1825.86 FEET AND A CENTRAL ANGLE OF  $19^{\circ}54'25''$ ; THENCE SOUTH ALONG SAID CURVE, A DISTANCE OF 634.38 FEET; THENCE SOUTH  $00^{\circ}12'32''$  WEST, A DISTANCE OF 55.06 FEET TO A POINT ON THE NORTH RIGHT-OF-WAY LINE OF INDIAN RIVER FARMS DRAINAGE DISTRICT MAIN CANAL (300 FOOT RIGHT-OF-WAY); THENCE ALONG SAID NORTHERLY RIGHT-OF-WAY LINE SOUTH  $69^{\circ}22'53''$  WEST, A DISTANCE OF 482.50 FEET; THENCE NORTH  $15^{\circ}50'15''$  WEST, A DISTANCE OF 50.17 FEET TO A POINT 50.00 FEET NORTH OF A FORESAID MAIN CANAL NORTH RIGHT-OF-WAY LINE; THENCE SOUTH  $69^{\circ}22'53''$  WEST ALONG SAID LINE PARALLEL AND 50.00 FEET NORTH OF SAID MAIN CANAL NORTH RIGHT-OF-WAY LINE, A DISTANCE OF 1001.21 FEET; THENCE NORTH  $18^{\circ}15'26''$  WEST, A DISTANCE OF 386.46 FEET; THENCE NORTH  $63^{\circ}53'04''$  WEST, A DISTANCE OF 476.06 FEET; THENCE NORTH  $89^{\circ}45'39''$  WEST, A DISTANCE OF 414.56 FEET; THENCE NORTH  $00^{\circ}14'21''$  EAST, A DISTANCE OF 876.82 FEET TO A POINT 30.00 FEET SOUTHERLY OF THE NORTH LINE OF SECTION 3, TOWNSHIP 33 SOUTH, RANGE 39 EAST; THENCE SOUTH  $89^{\circ}45'39''$  EAST ALONG A LINE BEING 30.00 FEET SOUTHERLY OF AND PARALLEL WITH SAID SECTION LINE; A DISTANCE OF 2557.93 FEET TO THE POINT OF BEGINNING.

OR 1426PG0594

## EXHIBIT B

### Los Angeles Dodgers - Vero Beach, Florida

Opinion of Probable Baseball Improvements Costs per  
deGuardiola Conceptual Master Plan - July 13, 2000

Concept No. 2 (Revised)

ITEM	QUANTITY	U.P.	AMOUNT
<b>A. Minor League Operations</b>			
Full Fields - sand based, irrigation, surface/sub-surface drainage	2	\$ 400,000	\$ 800,000
Half Field - sand based, irrigation, surface/sub-surface drainage	1	\$ 150,000	\$ 150,000
New Outdoor Batting Cages	8	\$ 7,500	\$ 60,000
Observation Tower / Restrooms	Lump Sum	n/a	\$ 150,000
Existing Structure Modifications	Lump Sum	n/a	\$ 750,000
General Sitework	Lump Sum	n/a	\$ 735,000
<b>**Subtotal A.</b>			<b>\$ 2,645,000</b>
<b>** Excludes Land Acquisition Costs</b>			
<b>B. Major League Operations</b>			
Full Fields (Existing) - Improvements' Budget	2	\$ 250,000	\$ 500,000
Half Field (Existing) - Improvements' Budget	1	\$ 100,000	\$ 100,000
Covered Batting Structure	Lump Sum	n/a	\$ 400,000
General Sitework	Lump Sum	n/a	\$ 375,000
<b>Subtotal B.</b>			<b>\$ 1,375,000</b>
<b>C. Holman Field</b>			
Replace Playing Field	Lump Sum	n/a	\$ 500,000
General Sitework	Lump Sum	n/a	\$ 500,000
Warning Track Drainage Improvements	Lump Sum	n/a	\$ 700,000
Misc Stadium Repairs <i>inc. Press Box Improvements</i>	Lump Sum	n/a	\$ 150,000
Upgrade Existing Maintenance Building	Lump Sum	n/a	\$ 100,000
Clubhouse Facility <i>(Assumes 20,000 SF @ \$ 100/SF)</i>	Lump Sum	n/a	\$ 2,000,000
<b>Subtotal C.</b>			<b>\$ 3,350,000</b>
<i>Note: Equipment Replacement included in FF &amp; E Contingency</i>			
<b>**SUBTOTAL</b>			<b>\$ 7,370,000</b>
<b>10% Soft Costs plus 10% Contingency</b>			<b>\$ 1,474,000</b>
<b>**TOTAL</b>			<b>\$ 8,844,000</b>

\*\* Excludes Land Acquisition Costs

08142690595

Prepared by, record and return to:  
 Office of the County Attorney  
 1801 27<sup>th</sup> St., Vero Beach, FL 32960  
 Telephone: 772.226.1424

2157035  
 THIS DOCUMENT HAS BEEN  
 RECORDED IN THE PUBLIC RECORDS  
 OF INDIAN RIVER COUNTY FL  
 BK: 2517 PG:588, Page1 of 8  
 08/11/2011 at 02:55 PM,

JEFFREY K BARTON, CLERK OF  
 COURT

## FIRST AMENDMENT TO FACILITY LEASE AGREEMENT

**THIS FIRST AMENDMENT** is made and entered into as of the 1st day of June, 2011 to that certain Facility Lease Agreement by and between Indian River County, a political subdivision of the State of Florida ("County") and MiLB Vero Beach LLC, a Florida limited liability company ("MiLB"), dated as of May 1, 2009 ("Agreement").

**WHEREAS**, as of May 1, 2009, County and MiLB entered into the Agreement whereby County leased to MiLB the Land, the Facility and the FF&E, and transferred to MiLB the exclusive right and obligation to use, manage, operate and maintain the Facility for the term set forth therein; and

**WHEREAS**, based upon further negotiations between the parties and with the City of Vero Beach, Florida ("COVB"), the parties desire to amend the Agreement with respect to the Land, the Parking Lease and the Parking Property, the Improvements, and other related matters.

**NOW THEREFORE**, in consideration of the mutual undertakings herein and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the parties agree, as follows:

1. **Recitals**. The above recitals are true and correct and are incorporated herein.
2. **Definitions**. Except as set forth herein, all capitalized terms herein shall have the same meaning as set forth in the Agreement.
3. **Land**. The definition of "Land" as set forth in section 1.02(q) is hereby amended, as follows: (a) the real property described on Exhibit A attached hereto is added to the definition of "Land" and is therefore subject to all terms and conditions of the Agreement, and (b) the real property described on Exhibit B attached hereto is removed from the definition of "Land" and is therefore no longer subject to the terms and conditions of the Agreement.
4. **MiLB Events**. All references in the Agreement to "Dodgers Events" are hereby changed to "Dodgertown Events," and new section 1.02(bb) is added as follows: "Dodgertown Events" shall mean any and all events and activities held on the premises of the Land and Facility including, without limitation, sports and non-sports related events and activities, meetings and conferences, whether such events and activities are conducted by County, MiLB or any third party using all or a portion of the Land and Facility with the consent of County or MiLB.

real property described on Exhibit A attached hereto in 2011. Field lighting for the two (2) existing playing fields shall meet the requirements of Class AAA and Class AA field lighting for a new facility which are 100fc (foot candle) average in infield and 70fc average in outfield. County shall not pay for these improvements out of the Capital Reserve Account;

(b) County will construct a regulation size soccer field in the area of practice field number four in 2011 at its expense. County shall not pay for this construction out of the Capital Reserve Account.”

7. **Good Standing – No Violation.** County and MiLB agree that, as of the date hereof, the Agreement is in good standing, neither party is in violation or default of any provision of the Agreement, and both parties are in full compliance with all provisions of the Agreement.

8. **Conforming Terms.** All remaining terms and conditions of the Agreement are hereby conformed to be consistent with the amendments set forth herein.

9. **Remaining Terms.** All remaining terms and conditions of the Agreement not amended or conformed herein shall remain in full force and effect.

10. **Recordation.** A copy of this First Amendment shall be recorded on the Public Records of Indian River County, Florida.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed in their respective names as of the date set forth above.

ATTEST: Jeffrey K. Barton,  
Clerk of Court

BOARD OF COUNTY COMMISSIONERS,  
INDIAN RIVER COUNTY (“County”)

By: Marcia S. Hayes  
Deputy Clerk

By: Bob Solari  
Bob Solari, Chairman

AFFIX SEAL:



Approved by BCC: May 3, 2011.

Approved as to form and legal sufficiency:

By: Alan S. Polackwich, Sr.  
Alan S. Polackwich, Sr., County Attorney

EXHIBIT "A"  
PROPERTY DESCRIPTION  
PORTIONS OF DODGERTOWN AND DODGERTOWN PARCEL 3-A.

Situated in the State of Florida, County of Indian River, City of Vero Beach, and being a part of Section 3, Township 33 South, Range 39 East and being more particularly bounded and described as follows:

Commencing at the Northwest corner of Section 3, Township 33 South, Range 39 East;

Thence South 00°00'47" West along the West line of said Section 3 for a distance of 887.01 feet;

Thence South 89°45'39" East for a distance of 50.00 feet to a point on the East right-of-way of 43<sup>rd</sup> Avenue said point also being the Northwest corner of Dodgertown Parcel 3A as described in Official Record Book 1961, Page 968 of the Public Records of Indian River County, Florida;

Thence South 89°45'39" East along the North line of said Parcel 3A for a distance of 345.39 feet;

Thence South 00°14'21" West for a distance of 85.00 to a point on the North line of said Parcel 3A;

Thence continue South 89°45'39" East along the North line of said Parcel 3A for a distance of 437.69 feet to the Point of Beginning;

Thence from the Point of Beginning continue South 89°45'39" East along the North line of said Parcel 3A for a distance of 468.25 feet to the Northeast corner of Parcel 3A;

Thence South 63°53'04" East for a distance of 326.67 feet to a point on the East line of Dodgertown Parcel 3A;

Thence South 18°15'41" East along said East line of Parcel 3A for a distance of 386.49 feet to the Southeast corner of said Parcel 3A;

Thence South 69°22'53" West for a distance of 898.97 feet;

Thence North 02°50'58" West for a distance of 830.37 feet to the Point of Beginning;

Said Parcel containing 519,743 square feet or 11.93 acres.

Said parcel shall be subject to stormwater easements for the 43<sup>rd</sup> Avenue and Aviation Boulevard improvement projects as required.

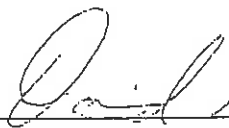
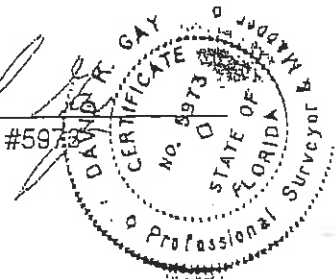
  
David R. Gay, PSM #59733  


EXHIBIT "B"  
PROPERTY DESCRIPTION  
PORTIONS OF DODGERTOWN AND DODGERTOWN PARCEL 2-A & 1-C

Situated in the State of Florida, County of Indian River, City of Vero Beach, and being a part of Section 3, Township 33 South, Range 39 East and being more particularly bounded and described as follows:

Commencing at the Northwest corner of Section 3, Township 33 South, Range 39 East;

Thence South 00°00'47" West along the West line of said Section 3 for a distance of 30.00 feet;

Thence South 89°45'39" East and parallel with the north line of said Section 3 for a distance of 75.00 feet to a point on the South right-of-way of the Indian River Farms Water Control District Canal A-3;

Thence continue South 89°45'39" East along said South right-of-way for a distance of 288.78 feet to the Northwest corner of Dodgertown Parcel 2A (also known as "A Portion of Dodgertown Parcel 2") in Official Record Book 1758, Page 523 of the Public Records of Indian River County, Florida), said point also being the Point of Beginning;

Thence from the Point of Beginning continue South 89°45'39" East along said South right-of-way for a distance of 506.21 feet;

Thence South 3°32'27" West for a distance of 582.12 feet;

Thence South 00°14'21" West for a distance of 360.85 feet to a point on the South line of Dodgertown Parcel 2A;

Thence North 89°45'39" West along said South line of Parcel 2A for a distance of 437.69 feet to the Southwest corner of said Parcel 2A;

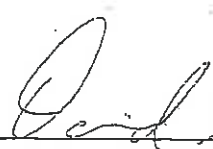
Thence North 00°14'21" East for a distance of 85.00 feet;

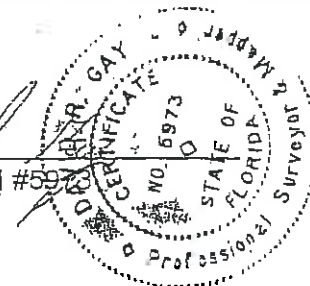
Thence North 89°45'39" West for a distance of 35.00 feet;

Thence North 00°14'21" East along the West line of said Parcel 2A for a distance of 857.00 feet to the Point of Beginning;

Said Parcel containing 452,042 square feet or 10.38 acres.

Said parcel shall be subject to stormwater easements for the 43<sup>rd</sup> Avenue and Aviation Boulevard improvement projects as required.

  
David R. Gay, PSM #5973



Prepared by, record and return to:  
Office of the County Attorney  
1801 27<sup>th</sup> St., Vero Beach, FL 32960  
Telephone: 772.226.1424

## SECOND AMENDMENT TO FACILITY LEASE AGREEMENT

THIS SECOND AMENDMENT TO FACILITY LEASE AGREEMENT ("Second Amendment") is made and entered into as of the 1st day of January 2012, to that certain Facility Lease Agreement by and between Indian River County, a political subdivision of the State of Florida ("County") and MiLB Vero Beach, LLC, a Florida limited liability company ("MiLB"), dated as of May 1, 2009 ("Facility Lease Agreement"), as amended by that certain First Amendment to Facility Lease Agreement, dated as of June 1, 2011 ("First Amendment") (the Facility Lease Agreement, First Amendment and this Second Amendment are collectively "Amended Facility Lease Agreement"). This Second Amendment is entered into by and among County, MiLB, Verotown, LLC, a Delaware limited liability company authorized to do business in the State of Florida ("Verotown"), and National Association of Professional Baseball Leagues, Inc., a Florida non-profit corporation ("NAPBL").

WHEREAS, on or about May 1, 2009, County and MiLB entered into the Facility Lease Agreement whereby County leased to MiLB the Land, the Facility and the FF&E, and transferred to MiLB the exclusive right and obligation to use, manage, operate and maintain the Facility for the term set forth therein; and

WHEREAS, on or about June 1, 2011, County and MiLB entered into the First Amendment addressing a land swap with the City of Vero Beach and certain improvements to the Facility; and

WHEREAS, MiLB wishes to assign the Amended Facility Lease Agreement to Verotown, and County and NAPBL are amenable to such assignment; and

WHEREAS, County, MiLB and Verotown wish to make minor amendments to the Amended Facility Lease Agreement, as set forth herein,

NOW THEREFORE, in consideration of the mutual undertakings herein and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the parties agree, as follows:

1. Recitals. The above recitals are true and correct and are incorporated herein.

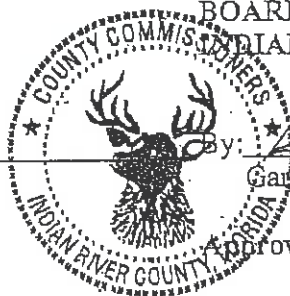


IN WITNESS WHEREOF, the parties have caused this Agreement to be executed in their respective names as of the date set forth above.

ATTEST: Jeffrey K. Barton,  
Clerk of Court

BOARD OF COUNTY COMMISSIONERS,  
INDIAN RIVER COUNTY ("County")

By: Laura Allen  
Deputy Clerk



By: Gary C. Wheeler  
Gary C. Wheeler, Chairman

AFFIX SEAL:

Approved by BCC: December 30, 2011.

Approved:

Approved as to form and legal sufficiency:

By: Joseph A. Baird  
Joseph A. Baird, Administrator

By: Alan S. Polackwich, Sr.  
Alan S. Polackwich, Sr., County Attorney

Signed, sealed and delivered in the presence of:

MILB VERO BEACH LLC, a Florida limited liability company ("MiLB"), by National Association of Professional Baseball Leagues, Inc., a Florida non-profit corporation, its managing member

Tina M. Gust  
Print name: Tina M. Gust

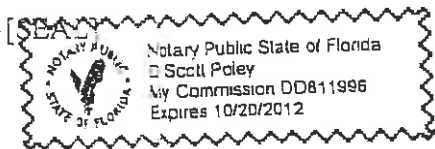
By: Pat O'Conner  
Print Name: Pat O'Conner  
Print Title: President

Justin F. Clemm  
Print name: Justin F. Clemm

STATE OF FLORIDA  
COUNTY OF INDIAN RIVER Pinellas

The foregoing instrument was acknowledged before me this 29<sup>th</sup> day of December 2011, by Pat O'Conner, the President of National Association of Professional Baseball Leagues, Inc., a Florida non-profit corporation, managing member of MiLB VERO BEACH LLC, a Florida limited liability company,  who is personally known to me, or  who has produced \_\_\_\_\_, as identification, who did not take an oath.

NOTARY PUBLIC, State of Florida



Sign: Scott Poley  
Print: Scott Poley  
Commission No: DD 811 996  
Commission Expires: 10/20/2012

Signed, sealed and delivered in the presence of:

NATIONAL ASSOCIATION OF PROFESSIONAL BASEBALL LEAGUES, INC., a Florida non-profit corporation ("NAPBL")

Tina M. Gust  
Print name: Tina M. Gust

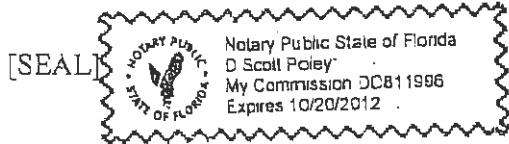
Justin F. Klem  
Print name: Justin F. Klem

By: Pat O'Conner  
Print Name: Pat O'Conner  
Print Title: President

STATE OF FLORIDA  
COUNTY OF Pinellas

The foregoing instrument was acknowledged before me this 29<sup>th</sup> day of December, 2011, by Pat O'Conner, President of National Association of Professional Baseball Leagues, Inc., a Florida non-profit corporation,  who is personally known to me, or  who has produced \_\_\_\_\_, as identification, who did not take an oath.

NOTARY PUBLIC, State of Florida



Sign: D. Scott Foley  
Print: D. Scott Foley  
Commission No: DD 811 996  
Commission Expires: 10/20/2012

3120130050483  
RECORDED IN THE PUBLIC RECORDS OF  
JEFFREY R SMITH, CLERK OF COURT  
INDIAN RIVER COUNTY FL  
BK: 2692 PG: 2376 Page 1 of 6 8/6/2013 8:27 AM

Prepared by, record and return to:  
Office of the County Attorney  
1801 27<sup>th</sup> St., Vero Beach, FL 32960  
Telephone: 772.226.1424

### THIRD AMENDMENT TO FACILITY LEASE AGREEMENT

THIS THIRD AMENDMENT is entered into as of this 16<sup>th</sup> day of July, 2013, by and between Indian River County, a political subdivision of the State of Florida ("County") and Verotown, LLC, a Delaware limited liability company authorized to do business in the State of Florida ("Verotown").

WHEREAS, on or about May 1, 2009, the County and MiLB Vero Beach, LLC, a Florida limited liability company ("MiLB"), entered into the Facility Lease Agreement in which the County leased the Facility to MiLB, and granted to MiLB certain management rights with respect to the Facility, for a term of five years ending April 30, 2014 ("Original Lease"); and

WHEREAS, on or about June 1, 2011, the County and MiLB entered into the First Amendment to Facility Lease Agreement ("First Amendment"); and on or about January 1, 2012, the County, MiLB and Verotown, entered into the Second Amendment to Facility Lease Agreement, in which, among other things, the rights and obligations of MiLB under the Original Lease and the First Amendment were assigned to Verotown ("Second Amendment"); and

WHEREAS, pursuant to section 2.03 of the Original Lease as amended by the First Amendment and the Second Amendment, Verotown has an option to renew the lease for a renewal term of five years, commencing on May 1, 2014 and ending on April 30, 2019 ("Renewal Term"), which option Verotown desires to exercise in accordance with the terms of this Third Amendment to Facility Lease Agreement ("Third Amendment") (the Original Lease, First Amendment, Second Amendment and Third Amendment are collectively referred to as the "Facility Lease Agreement"); and

WHEREAS, the County and Verotown reaffirm their desire to preserve the rich traditions and history of "Dodgertown" and the Facility, and recognize that the benefits to the local community of continuing baseball, athletic, conference and other activities at the Facility are unique and diverse, and include, without limitation, increased economic activity and employment opportunities, increased tourist trade and promotional opportunities, increased direct and indirect tax revenues, private sector payment of substantial maintenance and operation expenses which would otherwise burden local taxpayers, and other such benefits,

NOW THEREFORE, in consideration of the mutual undertakings herein and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the parties agree, as follows:

1. **Recitals.** The above recitals are true and correct and are incorporated herein.
2. **Definitions.** Except as set forth herein, all capitalized terms shall have the same meaning as set forth in the Original Lease, the First Amendment and the Second Amendment.
3. **Exercise of Option.** Verotown hereby exercises its first renewal option set forth in section 2.03. The term of the Facility Lease Agreement is hereby extended for the period of the Renewal Term; provided, however, that, except as set forth in sections 5 and 15 below, this Third Amendment shall be effective commencing at the beginning of the Renewal Term. Between the date of this Third Amendment and the commencement of the Renewal Term, the terms and conditions of the Original Lease, as amended by the First Amendment and the Second Amendment, shall remain in full force and effect without regard to any amendment of such terms and conditions set forth in this Third Amendment.
4. **Rent.** The amount of rent, set forth in section 2.04, shall remain the same during the Renewal Term. The parties acknowledge that the amount of such rent is based, in part, on (a) Verotown's payment of the substantial cost of maintenance and operation of the Facility, and other costs incurred in the performance of this Facility Lease Agreement, which costs would otherwise be a burden upon the taxpayers of Indian River County, and (b) Verotown's agreement with respect to net income, set forth in section 11 below.
5. **Hotel Room Renovations.** As of the date of this Third Amendment, Verotown has renovated 22 of the 89 hotel rooms included within the Facility. The County shall pay for or reimburse Verotown for the actual costs of the renovations of the remaining 67 rooms in an amount not to exceed \$600,000. This amount shall not be funded with funds currently on deposit in the Capital Reserve Account, or required to be deposited by the County into the Capital Reserve Account in the future. At the election of the County, such renovations shall be undertaken by the County; otherwise, such renovations shall be undertaken by Verotown, in which case all books or records of Verotown relating to the renovations shall be open to inspection by the County upon reasonable request. Procurement of the contractor(s) to perform such renovations shall be by public bid, conducted by the County in accordance with applicable law. In the event that renovations are undertaken by Verotown, Verotown shall be reimbursed for all such renovation costs within the time periods set forth in the Florida Prompt Payment Act, §218.70, et seq, Florida Statutes; provided, however, that reimbursement shall be in accordance with the procedure set forth in this Facility Lease Agreement and the Capital Reserve Account Agreement, and upon submittal and review of supporting documentation. This section 5 shall be effective as of the date of this Third Amendment.
6. **Contribution to Capital Reserve Account.** Section 8.02(c) is hereby deleted and replaced with the following language: "Beginning with the first Renewal Term, the County shall deposit \$250,000 per Lease Year into the Capital Reserve Account as a means of supplementing the Capital Reserve Account balance. Out of each \$250,000 deposited into the Capital Reserve Account, and subject to the remaining terms of the Capital Reserve Account Agreement and this Facility Lease Agreement (a) there shall be no limit on the amount of such funds which may be used for any fixed capital expenditure or fixed capital outlay associated with the construction, reconstruction or improvement of the Facility which has a life expectancy of

five or more years, or any other construction, reconstruction or improvement of "infrastructure" as that term is defined in §212.055(2)(d)(1), Florida Statutes ("Qualifying Expenses"), and (b) no more than \$125,000 may be used for capital expenses or Repairs or Replacements (defined in accordance with section 8.02(b) of this Facility Lease Agreement, which shall include equipment used within the Facility for general maintenance, and shall not include motor vehicles licensed for use on the public roadways ) which are not Qualifying Expenses. Verotown shall not be required to make any capital contribution to the Capital Reserve Account.

7. **Liquidated Damages.** All references in the Facility Lease Agreement to Liquidated Damages are hereby deleted. Without limitation, section 10.05 is hereby deleted; provided, however, that each party shall remain liable for actual damages caused by an event of Default, as set forth in section 10.

8. **Right of Termination.** New section 10.05 is hereby added, as follows: "Notwithstanding any other provision herein, Verotown shall have the right to terminate the Facility Lease Agreement for any reason upon 120 days written notice to the County. Verotown shall fully perform the terms and conditions of the Facility Lease Agreement during the 120 day notice period. A termination by Verotown pursuant to this section 10.05 shall not be an event of Default."

9. **Motor Vehicle Liability Insurance.** The following language is added to the end of existing section 14.05(a): In addition, Verotown shall maintain, at its sole cost, commercial automobile insurance in an amount no less than \$1 million combined single limits on (a) all motor vehicles owned by the County but operated by Verotown in connection with its use, management or operation of the Facility, and (b) all motor vehicles owned or leased by Verotown and used in connection with its use, management or operation of the Facility.

10. **Property Insurance.** Verotown's obligation to maintain special form (all risk) property insurance, as set forth in section 14.05(b) is hereby deleted, and replaced with the following respective obligations of the parties: (a) the County may elect, at its own cost, to maintain property and casualty insurance upon the Facility, in such amounts as the County deems appropriate. In the event of a casualty or force majeure event resulting in the total or partial destruction of the Facility and the payment of insurance proceeds to the County, the County shall decide in its sole discretion whether to use such proceeds for the repair or replacement of the portion of the Facility so destroyed; provided, however, that in the event that the County decides not to use the insurance proceeds or other funds to repair or replace the Facility, Verotown shall have the right to terminate this Facility Lease Agreement immediately (i.e., without the 120 day notice referenced in section 8 above) if it determines in good faith that the Facility is no longer suitable for the purposes and operations described in section 5.01. Nothing in this subsection shall be construed as requiring the County to insure any property or assets owned by Verotown which are located at or used in connection with the Facility. Verotown shall be solely responsible for insuring its own property or assets.

11. **Verotown's Net Income.** Verotown shall use all Net Income (defined below) derived from its use, management and operation of the Facility to pay for enhancements or improvements to the Facility that Verotown deems reasonable or necessary in its sole discretion

(collectively "Enhancements"); provided, however, that any Enhancement which significantly and materially alters the Facility or the Land shall require the consent of the County, which consent shall not be unreasonably withheld. For the purposes of this section, the term Net Income, shall mean Earnings before Interest, Taxes, Depreciation and Amortization (EBITDA), determined in accordance with Generally Accepted Accounting Principles, less cash distributions to its partners/members equal to 30% of taxable income as reported on IRS Form 1065, Schedule K. For clarification, the term "Earnings" in the prior sentence shall mean gross revenues minus costs of goods sold and general and administrative expenses paid by Verotown in connection with the use, management and operation of the Facility. Net Income shall be determined annually, using the fiscal or calendar year normally used by Verotown in its accounting practices. Any Net Income which has not been used for the purposes set forth in this section as of the expiration or termination of the Facility Lease Agreement shall be paid to the County. The term "books and records" in section 3.04 is hereby amended to include Verotown's profit and loss statement, and other financial records, necessary to verify Verotown's Net Income, and the reinvestment of such Net Income in Enhancements. The Enhancements shall become the asset or property of the County upon being permanently affixed to the Facility, or at the expiration or termination of this Facility Lease Agreement, whichever occurs first. Net losses in any given year within the Renewal Term shall be credited against Net Income in any following year(s).

12. **Museum of Dodgertown Memorabilia.** Verotown will use commercially reasonable efforts to operate, at a location within the Facility, a museum containing memorabilia of the Brooklyn or Los Angeles Dodgers. The museum shall be open to the public during reasonable hours of operation to be determined by Verotown.

13. **Public Events.** The County and Verotown recognize the value and importance of using the Facility in a manner which provides entertainment opportunities for the residents of Indian River County. Accordingly, Verotown will endeavor to use the facility in a manner which provides such opportunities from time to time, thereby enabling the residents of Indian River County to enjoy and benefit from events held at the Facility.

14. **Good Standing – No Violation.** The County and Verotown agree that, as of the date of this Third Amendment, the Facility Lease Agreement is in good standing and neither party is in breach or violation of the terms and conditions of the Facility Lease Agreement.

15. **Notices.** Section 13.01 is amended to delete the notice/address information relating to MiLB, and to replace such information with the following:

If to Verotown: Peter O'Malley  
Verotown, LLC  
515 S. Figueroa Street, Suite 1988  
Los Angeles, CA 90071

Copy to: Craig Callan  
Verotown, LLC  
P.O. Box 2887  
Vero Beach, FL 32961

Copy to: Kevin M. Barry, Esq.  
Rossway Moore Swan, P.L.  
2101 Indian River Blvd., Suite 200  
Vero Beach, FL 32960

16. **Conforming Terms.** All remaining terms and conditions of the Facility Lease Agreement are hereby conformed to be consistent with the amendments set forth herein.

17. **Remaining Terms.** All remaining terms and conditions of the Facility Lease Agreement not amended or conformed herein shall remain in full force and effect.

18. **Recordation.** A copy of this Second Amendment shall be recorded on the Public Records of Indian River County, Florida.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed in their respective names as of the date set forth above.

ATTEST: Jeffrey R. Smith,  
Clerk of Court and Comptroller

BOARD OF COUNTY COMMISSIONERS,  
INDIAN RIVER COUNTY ("County")

By: Maria V. Huey  
Deputy Clerk

By: Joseph E. Flescher  
Joseph E. Flescher, Chairman

AFFIX SEAL:



Approved by BCC: July 16, 2013

Approved:

Approved as to form and legal sufficiency:

By: Joseph A. Baird  
Joseph A. Baird, Administrator

By: Alan S. Polackwich, Sr.  
Alan S. Polackwich, Sr., County Attorney

Signed and delivered in the presence of:

VEROTOWN, LLC, a Delaware limited liability company ("Verotown"), by POM Vtown, LLC, a Delaware limited liability corporation, its Manager

Print name: Catherine Cox

By: Peter O'Malley  
Print Name: Peter O'Malley  
Print Title: Manager

Print name: Leanne Whitney





8.D.

2014-008

Prepared by, record and return to:  
Office of the County Attorney  
1801 27<sup>th</sup> St., Vero Beach, FL 32960  
Telephone: 772.226.1424

#### **FOURTH AMENDMENT TO FACILITY LEASE AGREEMENT**

**THIS FOURTH AMENDMENT** is entered into as of this 21 day of January, 2014, by and between Indian River County, a political subdivision of the State of Florida ("County") and Verotown, LLC, a Delaware limited liability company authorized to do business in the State of Florida ("Verotown").

**WHEREAS**, on or about May 1, 2009, the County and MiLB Vero Beach, LLC, a Florida limited liability company ("MiLB"), entered into the Facility Lease Agreement in which the County leased the Facility to MiLB, and granted to MiLB certain management rights with respect to the Facility, for a term of five years ending April 1, 2014 ("Original Lease"); and

**WHEREAS**, on or about June 1, 2011, the County and MiLB entered into the First Amendment to Facility Lease Agreement ("First Amendment"); and

**WHEREAS**, on or about January 1, 2012, the County, MiLB and Verotown, entered into the Second Amendment to Facility Lease Agreement, in which, among other things, the rights and obligations of MiLB under the Original Lease and the First Amendment were assigned to Verotown ("Second Amendment"); and

**WHEREAS**, on or about July 16, 2013, the County and Verotown ("the Parties") entered into the Third Amendment to Facility Lease Agreement, ("Third Amendment") in which, among other things, Verotown exercised its right to renew the lease for an additional five years, and the County agreed to pay for or reimburse Verotown for the actual costs of renovating 67 hotel rooms in an amount not to exceed \$600,000; and

**WHEREAS**, In compliance with the Third Amendment, the County publically bid the room renovations and the lowest, most responsive bidder's cost for the job (including County purchased items to save sale tax) was approximately \$634,000 or \$34,000 over the allotted amount; and

**WHEREAS**, the County has agreed to increase its payment from \$600,000 to \$634,000 to renovate the hotel homes in order to comply with the terms of the Third Amendment; and

**WHEREAS**, the Parties wish to amend Section 5 of the Third Amendment to state that the County is responsible for renovating 66 hotel rooms in an amount not to exceed \$634,000, and Verotown is amenable to this amendment; and

**WHEREAS**, the County and Verotown reaffirm their desire to preserve the rich traditions and history of "Dodgertown" and the Facility, and recognize that the benefits to the local community of continuing baseball, athletic, conference and other activities at the Facility are unique and diverse, and include, without limitation, increased economic activity and employment opportunities, increased tourist trade and promotional opportunities, increased

direct and indirect tax revenues, private sector payment of substantial maintenance and operation expenses which would otherwise burden local taxpayers, and other such benefits,

**NOW THEREFORE**, in consideration of the mutual undertakings herein and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the parties agree, as follows:

1. **Recitals.** The above recitals are true and correct and are incorporated herein.
2. **Hotel Room Renovations.** In Section 5 of the Third Amendment the County agreed to provide up to \$600,000 for the renovation of the remaining 67 hotel rooms. After review and receipt of the public bids, it is agreed by the Parties that there are 66 remaining hotel rooms, and that it is not feasible to renovate the remaining rooms for \$600,000 or less. Therefore, Section 5 of the Third Amendment is hereby amended to state that the County shall pay for the actual costs of the renovations associated with 66 of the remaining hotel rooms in an amount not to exceed \$634,000. All of the other terms and conditions of Section 5 of the Third Amendment to Facility Lease Agreement remain in full force and effect.
3. **Good Standing – No Violation.** The County and Verotown agree that, as of the date of this Fourth Amendment, the Facility Lease Agreement is in good standing and neither party is in breach or violation of the terms and conditions of the Facility Lease Agreement.
4. **Conforming Terms.** All remaining terms and conditions of the Facility Lease Agreement are hereby conformed to be consistent with the amendments set forth herein.
5. **Remaining Terms.** All remaining terms and conditions of the Facility Lease Agreement not amended or conformed herein shall remain in full force and effect.
6. **Recordation.** A copy of this Fourth Amendment shall be recorded on the Public Records of Indian River County, Florida.

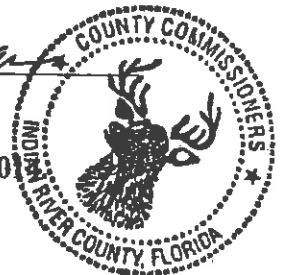
IN WITNESS WHEREOF, the parties have caused this Agreement to be executed in their respective names as of the date set forth above.

ATTEST: Jeffrey R. Smith,  
Clerk of Court and Comptroller

By: [Signature]  
Deputy Clerk

BOARD OF COUNTY COMMISSIONERS,  
INDIAN RIVER COUNTY

By: [Signature]  
Peter O'Bryan, Chairman



Approved by BCC: January 21, 2011

AFFIX SEAL:

Approved:

By: [Signature]  
Joseph A. Baird, Administrator

Approved as to form and legal sufficiency:

By: [Signature]  
Dylan Reingold County Attorney

Signed and delivered in the presence of:

\_\_\_\_\_  
Print name: \_\_\_\_\_

\_\_\_\_\_  
Print name: \_\_\_\_\_

VEROTOWN, LLC, a Delaware limited liability company ("Verotown"), by POM Vtown, LLC, a California limited liability corporation, its Manager

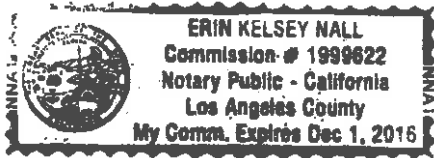
By: [Signature]  
Print Name: Peter O'Malley  
Print Title: Manager

STATE OF CALIFORNIA )  
 ) ss:  
COUNTY OF LOS ANGELES )

On March 10, 2014, before me, Erin Kelsey Nall, personally appeared Peter O'Malley who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/~~are~~ subscribed to the within instrument and acknowledged to me that he/~~she/they~~ executed the same in his/~~her/their~~ authorized capacity(ies), and that by his/~~her/their~~ signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature Erin Kelsey Nall (Seal)

Prepared by, record and return to:  
Office of the County Attorney  
1801 27<sup>th</sup> St., Vero Beach, FL 32960  
Telephone: 772.226.1424

8.F.  
2014-033

**FIFTH AMENDMENT TO FACILITY LEASE AGREEMENT**

**THIS FIFTH AMENDMENT** is entered into as of this 1st day of April, 2014, by and between Indian River County, a political subdivision of the State of Florida ("County") and Verotown, LLC, a Delaware limited liability company authorized to do business in the State of Florida ("Verotown").

**WHEREAS**, on or about May 1, 2009, the County and MiLB Vero Beach, LLC, a Florida limited liability company ("MiLB"), entered into the Facility Lease Agreement in which the County leased the Facility to MiLB, and granted to MiLB certain management rights with respect to the Facility, for a term of five years ending April 1, 2014 ("Original Lease"); and

**WHEREAS**, on or about June 1, 2011, the County and MiLB entered into the First Amendment to Facility Lease Agreement ("First Amendment"); and

**WHEREAS**, on or about January 1, 2012, the County, MiLB and Verotown, entered into the Second Amendment to Facility Lease Agreement, in which, among other things, the rights and obligations of MiLB under the Original Lease and the First Amendment were assigned to Verotown ("Second Amendment"); and

**WHEREAS**, on or about July 16, 2013, the County and Verotown ("the Parties") entered into the Third Amendment to Facility Lease Agreement, ("Third Amendment") in which, among other things, Verotown exercised its right to renew the lease for an additional five years, and the County agreed to pay for or reimburse Verotown for the actual costs of renovating 67 hotel rooms in an amount not to exceed \$600,000; and

**WHEREAS**, on or about March 10, 2014, the Parties entered into the Fourth Amendment to Facility Lease Agreement ("Fourth Amendment") in which, among other things, the Parties amended the number of hotel rooms that need to be renovated from 67 to 66 and the County agreed to increase its budget for the referenced renovations from \$600,000 to \$634,000; and

**WHEREAS**, the County wishes to amend Section 5 of the Fourth Amendment both to increase its budget for renovating the remaining 66 hotel rooms from \$634,000 to \$670,245.22, and to reserve the right to increase and/or decrease its budget by a total \$50,000 in the future for the referenced renovations using change orders approved by the Indian River Board of County Commissioners; and

**WHEREAS**, the County and Verotown reaffirm their desire to preserve the rich traditions and history of "Dodgertown" and the Facility, and recognize that the benefits to the local community of continuing baseball, athletic, conference and other activities at the Facility are unique and diverse, and include, without limitation, increased economic activity and employment opportunities, increased tourist trade and promotional opportunities, increased

direct and indirect tax revenues, private sector payment of substantial maintenance and operation expenses which would otherwise burden local taxpayers, and other such benefits,

**NOW THEREFORE**, in consideration of the mutual undertakings herein and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the parties agree, as follows:

1. **Recitals.** The above recitals are true and correct and are incorporated herein.
2. **Hotel Room Renovations.** In Section 5 of the Fourth Amendment, the County agreed to provide up to \$634,000 for renovating 66 of the remaining hotel rooms. Due to a number of unforeseen expenditures, the Parties agree that it is not feasible to conduct the referenced renovations for \$634,000 or less. Therefore, Section 5 of the Fourth Amendment is hereby amended to state that the County shall pay \$670,245.22 for all of the actual costs associated with renovating 66 of the remaining hotel rooms. Should another unforeseen expenditure arise in the future pertaining to the referenced hotel room renovations, the County reserves the right to increase and/or decrease its budget by a total of \$50,000 using change orders that have been approved by the Indian River Board of County Commissioners. All of the other terms and conditions of Section 5 of the Fourth Amendment to Facility Lease Agreement remain in full force and effect.
3. **Good Standing – No Violation.** The County and Verotown agree that, as of the date of this Fifth Amendment, the Facility Lease Agreement is in good standing and neither party is in breach or violation of the terms and conditions of the Facility Lease Agreement.
4. **Conforming Terms.** All remaining terms and conditions of the Facility Lease Agreement are hereby conformed to be consistent with the amendments set forth herein.
5. **Remaining Terms.** All remaining terms and conditions of the Facility Lease Agreement not amended or conformed herein shall remain in full force and effect.
6. **Recordation.** A copy of this Fifth Amendment shall be recorded on the Public Records of Indian River County, Florida.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed in their respective names as of the date set forth above.

ATTEST: Jeffrey R. Smith,  
Clerk of Court and Comptroller

BOARD OF COUNTY COMMISSIONERS,  
INDIAN RIVER COUNTY

By: *Yuan Aeen*  
Deputy Clerk

By: *Peter O'Bryan*  
Peter O'Bryan, Chairman

AFFIX SEAL:



Approved by BCC: April 1, 2014.

Approved:

Approved as to form and legal sufficiency:

By: *Joseph A. Baird*  
Joseph A Baird, Administrator

By: *[Signature]*  
Dylan Reingold County Attorney

Signed and delivered in the presence of:

Print name: \_\_\_\_\_

Print name: \_\_\_\_\_

VEROTOWN, LLC, a Delaware limited liability company ("Verotown"), by POM Vtown, LLC, a California limited liability corporation, its Manager

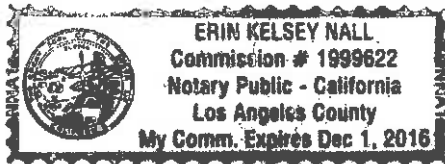
By: *Peter O'Malley*  
Print Name: Peter O'Malley  
Print Title: Manager

STATE OF CALIFORNIA )  
 ) ss:  
COUNTY OF LOS ANGELES )

On April 25, 2014, before me, Erin Kelsey Nall, personally appeared Peter O'Malley who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/~~she/they~~ executed the same in his/~~her/their~~ authorized capacity(ies), and that by his/~~her/their~~ signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature Erin Kelsey Nall (Seal)



STATE OF FLORIDA

## Office of the Governor

THE CAPITOL  
TALLAHASSEE, FLORIDA 32399-0001www.flgov.com  
850-488-7146  
850-487-0801 faxJEB BUSH  
GOVERNOR

January 1, 2001

Ms. Fran B. Adams  
Chairman, Board of County Commissioners  
Indian River County  
1840 25<sup>th</sup> Street  
Vero Beach, FL 32960

Dear Ms. Adams:

It is my pleasure to inform you that Indian River County has been approved by the Office of Tourism, Trade, and Economic Development (OTTED) for certification as a Facility for a Retained Spring Training Franchise in accordance with Section 288.1162, Florida Statutes.

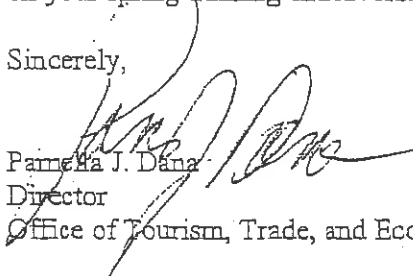
We received a total of seven applications, each thoroughly evaluated by an OTTED-led review panel. From this evaluation, five applications, to include that submitted by your community, were approved for certification. On whole, I am told the panel was quite impressed with the quality and comprehensiveness of all of the applications submitted for consideration.

Please find enclosed an official certification. This letter, along with the signed certification, serves as notice that Indian River County is hereby certified as a Facility for a Retained Spring Training Franchise and, thus, eligible to receive specified funds pursuant to Section 212.20, Florida Statutes.

If you have any questions regarding this certification, please feel free to contact Ms. Jean Hartman, Senior Attorney for OTTED at (850) 487-2568, or Mr. Marshall Stranburg, Chief Assistant General Counsel, General Tax Administration within the Florida Department of Revenue at (850) 488-0712.

I offer you my sincere congratulations on this certification, and wish you much continued success on your spring training endeavors.

Sincerely,

  
Pamela J. Dina  
Director  
Office of Tourism, Trade, and Economic Development

cc: Jean Hartman, Senior Attorney  
Larry Pendleton, President, Florida Sports Foundation  
Marshall Stranburg, Chief Assistant General Counsel, Department of Revenue



Governor's Mentoring Initiative

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1-800-825-3786



## CERTIFICATION

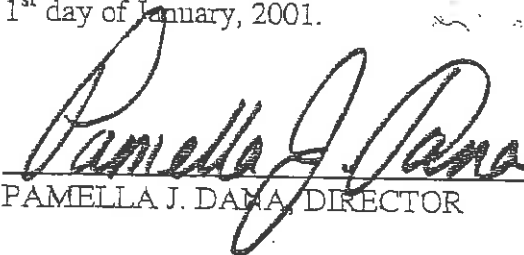
WHEREAS, the Office of Tourism, Trade, and Economic Development is authorized pursuant to Section 288.1162, Florida Statutes, to certify applicants as a Facility for a Retained Spring Training Franchise; and

WHEREAS, the Office of Tourism, Trade, and Economic Development has received and reviewed the application from Indian River County; and

WHEREAS, the Office of Tourism, Trade, and Economic Development has evaluated the application, and has found that the application complies with the requirements of Section 288.1162, Florida Statutes, and that the applicant should be certified.

NOW, THEREFORE, I, Pamela Dana, as Director of the Office of Tourism, Trade, and Economic Development, by virtue of the authority vested in me by the State of Florida, do hereby certify Indian River County as a Facility for a Retained Spring Training Franchise, effective immediately, pursuant to Section 288.1162, Florida Statutes.

IN TESTIMONY WHEREOF, I have hereunder set my hand to be affixed at Tallahassee, 2001 The Capitol, on the 1<sup>st</sup> day of January, 2001.

  
PAMELLA J. DANA, DIRECTOR



**Tradition Field**  
**527 NW Peacock Boulevard**  
**Port St. Lucie, FL 34986**

**Mailing Address:**  
**P.O. Box 882172**  
**Port St. Lucie, FL 34988-2172**

**Phone 772-871 5458 / Fax 772-871-5426**  
**www.TreasureCoastSports.org**

**ECONOMIC IMPACT REPORT**

**Event Name 2014-Historic Dodgertown College & High School Spring Training**

**Event Date February 17- April 25, 2014**

(Ex.- Using State estimates: 50 adults x 4 nights x \$143 avg. spending = \$28,600 (economic impact)  
 State estimates for average spending are: \$143-adult hotel stay, \$72-youth hotel stay, \$75-no hotel stay.

**Total Expected Adult Participants: Overnight 1537 Total Expected Youth Participants: Overnight 2096**

**Total Expected Adult Spectators: Overnight 1930 Total Expected Youth Spectators: Overnight 950**

	Number	x	Avg. # of nights in hotel	x	Avg. Spending	=	Economic Impact
Adult Participants	1537	x	7	x	\$143	=	\$1,538,537
Adult Spectators	1930	x	6	x	\$143	=	\$1,655,940
Youth Participants	2096	x	6	x	\$ 72	=	\$905,472
Youth Spectators	950	x	6	x	\$ 72	=	\$410,400
<b>PROJECTED ECONOMIC IMPACT</b>							<b>\$4,510,349</b>

**Total Expected Adult Participants: Local or Drive-in Total Expected Youth Participants: Local or Drive-in**

**Total Expected Adult Spectators: Local or Drive-in Total Expected Youth Spectators: Local or Drive-in 50**

	Number	x	Number of days	x	Avg. Spending	=	Economic Impact
Adult Participants		x		x	\$ 75	=	
Adult Spectators		x		x	\$ 75	=	
Youth Participants		x		x	\$ 75	=	
Youth Spectators		x		x	\$ 75	=	
<b>PROJECTED ECONOMIC IMPACT</b>							

**TOTAL DIRECT ECONOMIC IMPACT \$ 4,510,349**

**TOTAL OUTPUT IMPACT \$ 4,510,349**

**Total Room Nights 11,949 IRC- 11,709 St Lucie - 130**

**Total Athletes & Coach's 3,633**

**Total Participants 6,513**

**ECONOMIC IMPACT STUDY**  
**OF**  
**VERO BEACH SPORTS VILLAGE**  
**ON**  
**INDIAN RIVER COUNTY**

*Compiled by the Treasure Coast Sports Commission*



**TREASURE COAST SPORTS COMMISSION**

Treasure Life • Treasure Sports • Treasure Coast

[www.TreasureCoastSportsommission](http://www.TreasureCoastSportsommission)

## Overview of Vero Beach Sports Village's Impact on Indian River County

### Economic Impact (December, 2009-November 1, 2012)

- The **total direct economic impact** of Vero Beach Sports Village to Indian River County since December, 2009 is **\$ 21,068,001.00** (*economic impact figures were calculated by using a formula provided by Visit Florida and Florida Sports, a division of Enterprise Florida*)
- The total number of room nights generated during this time period in the county by VBSV events was 43,233 of which 28,144 (65%) were at VBSV and 15,089 (35%) were at other Indian River County hotels. *It is believed that the number of actual room nights is higher however; there are many room nights during the spring training program that can't be tracked.*
- VBSV has hosted 132 events. Sports represented include baseball, softball, football, lacrosse, soccer, swimming and boxing.
- The largest event is the annual College and High School Baseball Spring Training program. In 2012 the spring training program hosted 105 teams, up 37% from the 76 teams that were hosted in the inaugural event in 2011. It is projected to increase to 120 baseball teams in 2013. They are projecting the number of overall spring training teams will increase even more in 2013 with the addition of a new College and High School Softball Spring Training program.
- VBSV has hosted groups/teams from 35 states and Puerto Rico.
- VBSV has hosted groups/teams from six countries: Argentina, Canada, China, Italy, South Africa and South Korea.
- Exposure to Indian River County: The total number of people that have either participated in or attended an event at VBSV is estimated to be at over 48,000. Each person stays an average of three nights. These are people that come to participate in and view sporting events and would not have otherwise visited Indian River County. These people visit our hotels, restaurants, shopping and retail outlets, gas stations, etc. We feel strongly that there are a percentage of visitors, having been exposed to our beautiful county and all that it has to offer, that will choose to return in the future for a non-sports visit/vacation.
- Additional Marketing Exposure: In addition to the over 48,000 people who experienced VBSV and Indian River County, there are a number of people that have been exposed to Indian River County through VBSV's national and international marketing efforts. VBSV marketing campaign includes direct mailings to coaches, mass email marketing, print advertising in national publications, television advertising and attendance at national coaches conventions and clinics throughout the United States.

## Community Impact

- VBSV employs 24 full-time employees and over 70 part-time/seasonal employees. During its peak period in March 2012 there were 104 employees on the payroll.
- VBSV's annual gross payroll has risen from \$1,012,843 in 2011 to an estimated \$1,430,000 in 2012. As business is projected to increase it is estimated that in 2013 payroll will increase by over 20%, creating additional job opportunities.
- VBSV has contributed over \$70,000.00 in kind donations to twenty-five Indian River County charitable organizations.
- VBSV provides usage of the facility to numerous non-profit organizations including the United Way, St. Helen's Harvest Festival, Senior Resource Center and the Jake Owens Foundation.
- VBSV provides the use of Holman Stadium to county high school baseball teams for inter-county rivalry games. In addition, VBSV has developed a strong relationship with the Indian River Soccer Association and has made available office and meeting space to them.
- VBSV has provided use of its fields and batting cages to the Gifford Little League and has worked with the Gifford Youth Activities Center on projects, including the participation of their members in a Major League Baseball Urban Youth Academy Camp and a Minor League Baseball Leadership Academy program.
- VBSV gives priority to local businesses when purchasing products and services.

## Future Vision

- With the addition of the new softball/youth baseball facility and multi-purpose field, VBSV is positioned to make Indian River County and the facility a major destination for youth baseball, softball, soccer, lacrosse, football and rugby teams from around the U.S. and the world.
- Increased international marketing utilizing the strong connections of VBSV's partnership that includes former Dodgers pitchers Hideo Nomo (Japan) and Chan Ho Park (Korea), former longtime owner of the Dodgers Peter O'Malley and Pat O'Conner, President and CEO of Minor League Baseball.
- Continuing to increase tourism to Indian River County through sports in non-peak seasons through the development and hosting of additional tournaments and events.
- Continuing to have a positive impact on room nights at local hotels through the growth of established tournaments and spring training. With the VBSV Villas running at full occupancy for several events, all additional attending teams and their families will utilize hotels in our county.

Study of Tourist Behaviors and  
Economic Impact of Tourism  
in Indian River County

*Prepared for*  
Indian River County Chamber of Commerce

*Prepared by*  
Lori Pennington-Gray, Ph.D.  
&  
Stephen Holland, Ph.D.

Center for Tourism Research & Development  
Department of Recreation, Parks & Tourism  
PO Box 118209  
Gainesville, FL 32611-8209  
352-392-4042x1318 or x1313  
[www.hhp.ufl.edu](http://www.hhp.ufl.edu)

December, 2001

## Introduction

The following objectives set the parameters for this study:

### Primary Objectives

- Objective 1: To determine the overall impact of tourism in Indian River County during three seasons (Winter, Spring and Summer).
- Objective 2: To assess current county tourism characteristics during three seasons and provide recommendations for the future based on demographic and travel-related trends.
- Objective 3: To assess tourists' satisfaction levels with Indian River County at different times throughout the year.

### Secondary Objective

- Objective 1: To assess different market segments based on trip purpose and provide recommendations for the future based on these findings and travel trends.

### Methods for Collecting Data

The respondents included tourists who visited one of thirteen sites in Indian River County. Surveying began on January 15, 2001 and continued until October 1, 2001. During the research phase, each of the sites were visited at least twice. Contact with visitors was made by independent interviewers hired by PMR, Inc., Gainesville, FL.

Interviewers worked in either teams of two or as an individual. They were instructed to approach every fifth person, alternating males and females. A quota was established for each site and season. Quotas ranged from 15 to 50 completed surveys. Business and leisure visitors who traveled from outside the county were included in the sample. The intercept interview was an eight page questionnaire that was administered through a personal interview.

A map of the county was provided ensuring accuracy of respondents answers regarding spending in the area.

Six-hundred surveys were completed.



## Executive Summary

1. The most frequently used accommodations were commercial accommodations (59%) and staying with friends or relatives (25%). Within commercial accommodations, mobile homes and campgrounds accounted for about 4% of the accommodations used by visitors.
2. Approximately 80% of the visitors were repeat visitors to Indian River County.
3. Approximately 60% of the visitors visited Indian River County 1 to 4 times in the previous 12 months.
4. Primary destinations for these travelers were a local resort or inn (20%), Prime Outlet (15%), festivals/events (12%), the beach (11%), the Dodger's (10%), Sebastian Inlet (8%) and visiting friend's or relative's home (7%); all other destinations accounted for less than 6% each.
5. Primary reasons for visiting the county were: the beach/outdoor recreation (25%), visiting friends or relatives (23%), festivals/events (14%), shopping (11%), business trip (5%) and Dodger's game (5%).
6. Activities included: visiting the beach (69%), shopping (53%), attending a festival (30%), visiting a community or city park (28%), swimming in a pool (26%), and attending a Dodger's game (20%).
7. The highest rated satisfaction factors were: friendliness of the people with a 95% satisfaction rating, quality of the beaches with a 95% satisfaction rating, good overall value for money spent with a 93% satisfaction rating, variety of things to do with an 84% satisfaction rating, quality of lodging with a 82% satisfaction rating, and quality of restaurants with a 82% satisfaction rating. There were no activities with a greater than 13% dissatisfaction rating.
8. The return potential was high with 80% of the visitors indicating that it was very likely that they would return and 18% saying it was somewhat likely. Only about 1% said it was unlikely that they would return.
9. The characteristics most agreed with about Indian River county were that the county has: good climate and weather, relaxing atmosphere, attractive scenery, beautiful greenery and parks, accessible roads to attractions, good sporting events, good shopping centers and facilities, restaurants, festivals/events and a good variety of accommodations and recreational activities.
10. Most visitors to Indian River County were from other counties in Florida rather than from out of state.
11. The "typical" visitor to Indian River County had incomes over \$50,000 annually, had a bachelors degree or higher as an educational background and were employed full time (60%) or retired (30%). The sampled visitors were about equally female and male, about half were under 50 years of age and about 70% had no dependent children living at home.
12. Slightly more than half (57%) of the sampled visitors were traveling in groups of two, 16% were solo travelers, about 6% in groups of 6 or more and 21% in groups from 3 to 5.
13. About 37% were day visitors, 25% were 1 or two night visitors, 22% spent 4-7 nights and 15% stayed more than 7 nights. The median stay was 4 nights and the most frequent stay was as a day visitor or, for overnighters, two nights.

## Conclusions

There are a few main conclusions that have come out of this study. They will be presented in the following areas:

- Primary market segment(s)
- Economic impact

### Primary Market Segments

#### *Primary Purpose of Trip*

1. Visiting Friends and Relatives (VFR) are the first largest market segment, they spend the most (\$539.05/trip) and participate in the most amount of activities in the county (average 4.3 activities). Half of the VFR segment stay in private residences, while half stay in commercial accommodations. VFRs are most likely to be first time visitors and are highly satisfied with tourism opportunities in the county.
2. Outdoor recreationists are the second largest market segment, but spend the third greatest amount of money (\$277.10) and they participate in an average of 3.6 activities each trip. They tend to stay in commercial accommodations. Typically, they are younger, employed full time and usually Florida residents.
3. Festival and event visitors are the third largest segment, they spend \$276.73 per trip and come to Indian River County an average of 19 times each year. Typically, they are in-state residents, spend moderate amounts of money and stay in commercial accommodations one third of the time. They also stay in condos or apartments more frequently than other segments.
4. Beach visitors are the fourth largest segment but they spend the second largest amount of money, they tend to stay in resorts for approximately one week, are middle income families from both Florida and out-of-state and participate in the second greatest number of activities while in the community.
5. The shopping visitor is typically a Florida resident, who is loyal to the area (most frequent number of previous visits) stays in commercial accommodations, spends the least amount of money, participates in the fewest number of activities and has the lowest satisfaction scores.

#### *Day trippers vs. Overnighters*

1. Day trippers spend 1/5th the amount that overnight visitors do.
2. Day trippers come an average of 21 times a year and spend \$108 each time for a total of \$2,268.
3. Day trippers participate in half the activities in the county as that of overnight visitors.
4. Day trippers tend to be Florida residents and coming to the county to attend a festival or event or shopping.
5. Although day trippers do not contribute to the "bed tax" - they are still a substantial segment to tourism in IRC.

#### *Repeat Visitors vs. First timers*

1. Repeat visitors stay longer but spend less. They tend to be Florida residents, stay in commercial accommodations, stay short number of nights, and spend almost half as much as first timers. However, this segment also comes to the county approximately 13 times each year. Therefore, this is a substantial segment. Over a year they spend on average \$4,958.
2. First time visitors spend more money on a single trip although they stay a shorter amount of time and only visit once a year.

### *Florida Residents vs. Out-of-State residents*

1. Florida residents are the larger of the two markets, they tend to visit on average 19 times a year for attending festivals/events, shopping and outdoor recreation. They spend about 1/6th as much as out-of-state residents on each trip (\$191.67), but due to the frequency of travel to the county, their overall spending is much greater at \$3,641.67. Florida residents who visit Indian River County tend to be retired with high incomes.
2. Out-of-state residents are a slightly smaller market, yet they spend more money per trip than Florida residents (\$632.91). Although it is only once a year, it is still a substantial amount. This market tends to participate in more activities per trip and be more satisfied overall with their vacation.

### *Likely to Return vs. Unsure or Not Likely to Return Visitor*

1. Those who are highly likely to return are more likely to be Florida residents, participate in an average of 3.5 activities per trip, stay in a variety of commercial accommodations, visit purpose is to shop, participate in outdoor recreation and visit a festival or event. This market is somewhat older, with moderate income levels, and employed full time. This market visits the county an average of 13 times a year. They are extremely loyal visitors.
2. Those who indicated that they were unsure or not likely to return tended to be out-of-state visitors, typically employed full time or retired, with high income levels. They tend to spend similarly to those likely to return; but only come an average of three times a year. This market is slightly more satisfied with aspects of the county and tend to have come to the county to visit friends and relatives or go to the beach.

### **Economic Impact**

**Observation:** Local impact is enhanced by tourist's participation in more than just one primary attraction or event. Claims of high local impact are enhanced by evidence that tourists also attend attractions and events, stay in local hotels, and eat in local restaurants. The more events or attractions that the tourist participates in during their visit, the more economic impact they tend to have on the community.

1. Based on reported actual expenditures at the time the visitors were interviewed, and extrapolating to an estimated 554,000 visitors a year, it is estimated that about \$120 million of added value occurred to Indian River County, attributable to tourists. This accounts for an estimated 3,513 jobs.
2. Based on reported estimated expenditures that the visitors expected to spend on their trip, and extrapolating to an estimated 554,000 visitors a year, it is estimated that about \$154.4 million of added value occurred to Indian River county, attributable to tourists. This accounts for an estimated 4,540 jobs.

Table 1. Output, employment and value added impacts of tourism in Indian River County using actual and anticipated tourism expenditures, 2001:

Impact Measure:	Direct Impacts	Indirect Impacts	Induced Impacts	Total Impacts
	<u>Actual Tourism Expenditures</u>			
Output (\$1,000)	97,884.9	15,631.8	62,129.8	175,646.6
Employment (Jobs)	2,361	223	928	3,513
Value Added (\$1,000)	68,637.3	9,609.7	41,650.5	119,897.5
	<u>Anticipated Tourism Expenditures</u>			
Output (\$1,000)	125,522.7	20,298.3	80,239.9	226,060.9
Employment (Jobs)	3,058	283	1,199	4,540
Value Added (\$1,000)	88,161.7	12,449.5	53,809.3	154,420.5

### Recommendations

**Observation:** Indian River County has a large number of repeat visitors (~80%). This is a positive indicator since only those satisfied with a destination tend to return to it. It is usually much easier to get a visitor to come back, than it is to attract new visitor. Indian River County seems to have accomplished this loyalty challenge. A likely partial explanation for the tourist loyalty is the ~23% who are visiting friends or relatives and the perception of high quality outdoor areas (beaches, parks, the inlet, fishing areas, etc.) and attractive festivals/events.

1. While growth occurs in the repeat-visitor realm, it is also important to attract new visitors. From the feedback gleaned from this study, it appears that one opportunity exists to promote in the in-Florida market. We recommend a promotional campaign targeted to those markets located in the more congested, developed and generally less pristine counties of South Florida and perhaps from the cities of Brevard county to the north. The campaign could encourage the opportunity to escape to (Indian River County) a quieter, coastal scenic area where you can enjoy walking on the beach, fishing, swimming and relaxing. Concentrate on factors where previous visitors report high satisfaction and 98% say they are likely to return. Also highlight Indian River County as an attractive alternative for potential tourists who are from more congested areas.
2. Given the probability that new visitors introduced to Indian River County will return, incentives to "discover" the area should be offered. We recommend *packaged get-away weekends* combining accommodations and events such as Dodgers games or other sports events, fishing or shopping day itineraries; and "try retirement" for two or three days in Indian River County (since half the existing tourist market is 50+

years old) as another possible idea. We also recommend that the Chamber of Commerce continue to advertise in FLA-USA, Inc.'s promotional brochures. In addition, continued advertising in South Florida regional magazines or travel sections of newspapers with some of these promotional themes would continue to generate awareness of the area, and present alternatives for weekend, holiday weekend or week long regional travelers.

3. Given the scenic and somewhat unique natural appeal of Indian River County, and the high satisfaction scores attributed to outdoor water-based recreation assets, there is opportunity for partnerships with other agencies or organizations and/or government such as the Florida Park Service. We recommend combining activities such as "take a kid fishing" or "family fishing/birdwatching/beach-combing," with workshops or seminars on beach or inlet fishing techniques, and maritime equipment shows could attract interest from new visitors. Events like this could be scheduled during Dodger's spring training season when sports/outdoor writers could help attract new prospects.

It is important that new visitors know how to locate public beach access, boat ramps and parking areas. Good signage will facilitate this and proactively reduce frustration among coastal visitors.

Additional promotion and advertising to attract golfers and their companions might be effective. It is likely that the combination of attending festivals/events, fishing, golfing and perhaps a Dodger's game, would be a highly attractive package, either for specific tourists interested in all or part of a package that could appeal to multiple members of a travel party.

4. Examining the visitors who said they were unsure or not likely to return revealed a potential market segment to grow the numbers of younger visitors. This market complained that there were not enough sit-down restaurants, that the area was too quiet and that there were not enough activities or nightlife.



**ATTACHMENT #6**

**RESOLUTION NO. 2009-072**

A RESOLUTION OF INDIAN RIVER COUNTY, FLORIDA PROVIDING FOR THE APPROVAL OF THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A FACILITY LEASE AGREEMENT, CAPITAL RESERVE ACCOUNT AGREEMENT, GUARANTY AGREEMENT, AND ESTOPPEL CERTIFICATE IN CONNECTION WITH THE LEASING OF CERTAIN REAL PROPERTY KNOWN AS DODGERTOWN; AUTHORIZING OTHER REQUIRED ACTIONS; PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE.

BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF INDIAN RIVER COUNTY, FLORIDA:

SECTION 1. AUTHORITY FOR THIS RESOLUTION. This Resolution is adopted pursuant to the provisions of Chapter 125, Florida Statutes, County Home Rule Ordinance No. 77-19, enacted August 3, 1977 and effective August 9, 1977, as amended, and other applicable provisions of law.

SECTION 2. FINDINGS. It is hereby found and determined that:

A. The County is the owner of a retained spring training facility (the "Facility") commonly known as "Dodgertown", which Facility is not presently leased or operated by a major league baseball team.

B. The County is desirous of leasing the Facility to Minor League Baseball for operation by Minor League Baseball of the Facility for the promotion of baseball and non-baseball sporting events and sports related activities, promotion of playing baseball internationally, and holding meetings and conferences at the Facility.

C. Minor League Baseball will promote the Facility and Indian River County as a tourist destination as part of its national advertising and promotional activities, which advertising and promotion programs will constitute expenditures qualifying for the use of tourist development tax receipts levied by the County pursuant to Section 125.0405, Florida Statutes.

SECTION 3. APPROVAL OF THE FACILITY LEASE AGREEMENT. The Facility Lease Agreement in substantially the form attached hereto as Exhibit A is hereby approved and the Chairman or Vice-Chairman and the Clerk are hereby authorized and directed to execute and deliver the Facility Lease Agreement on behalf of and in the name of the County, with such additional changes, insertions and omissions therein as may be otherwise made and approved by

A TRUE COPY  
CERTIFICATION ON LAST PAGE  
J.K. BARTON, CLERK

said officers of the County executing the same, such execution to be conclusive evidence of such approval.

SECTION 4. APPROVAL OF THE CAPITAL RESERVE ACCOUNT AGREEMENT. The Capital Reserve Account Agreement in substantially the form attached hereto as Exhibit B is hereby approved and the Chairman or Vice-Chairman and the Clerk are hereby authorized and directed to execute and deliver the Capital Reserve Account Agreement on behalf of and in the name of the County, with such additional changes, insertions and omissions therein as may be otherwise made and approved by said officers of the County executing the same, such execution to be conclusive evidence of such approval.

SECTION 5. APPROVAL OF THE GUARANTY AGREEMENT. The Guaranty Agreement in substantially the form attached hereto as Exhibit C is hereby approved and the Chairman or Vice-Chairman and the Clerk are hereby authorized and directed to execute and deliver the Guaranty Agreement on behalf of and in the name of the County, with such additional changes, insertions and omissions therein as may be otherwise made and approved by said officers of the County executing the same, such execution to be conclusive evidence of such approval.

SECTION 6. APPOINTMENT OF THE CAPITAL RESERVE ACCOUNT AGENT. The Clerk of the Court of Indian River County, ex officio Clerk of the Board of County Commissioners, is hereby appointed to serve as the "Capital Reserve Account Agent" under the Capital Reserve Account Agreement.

SECTION 7. ESTOPPEL CERTIFICATE. The Estoppel Certificate in substantially the form attached hereto as Exhibit D is hereby approved and the Chairman or Vice-Chairman and the Clerk are hereby authorized and directed to execute and deliver the Estoppel Certificate on behalf of and in the name of the County, with such additional changes, insertions and omissions therein as may be otherwise made and approved by said officers of the County executing the same, such execution to be conclusive evidence of such approval.

SECTION 8. APPROVAL OF IMPROVEMENTS. The County recognizes that the "Improvements" set forth in the Facility Lease Agreement are subject to adjustment, expansion and deletion as a result of the negotiation for and receipt of bids for the costs of such Improvements and as a result of any applicable site plan approval process. The County Administrator is expressly authorized and directed to approve, on behalf of the County, any such adjustments, expansions and deletions as a result of the bidding process and as a result of any site plan approval process, without further action by this Commission.

SECTION 9. GENERAL AUTHORITY. The Chairman or Vice-Chairman, the County Administrator, the County Attorney, the Clerk and any other proper officials of the County are hereby authorized to do all acts and things required of them by this Resolution or that may otherwise be desirable or consistent with accomplishing the full, punctual and complete



performance of all the terms, covenants and agreements contained in any of the foregoing and the County is hereby authorized and directed to execute and deliver any and all papers and instruments and to cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated thereby.

SECTION 10. SEVERABILITY AND INVALID PROVISIONS. If any one or more of the covenants, agreements or provisions herein contained shall be held contrary to any express provision of law or contrary to the policy of express law, but 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 separable from the remaining covenants, agreements or provisions and shall in no way effect the validity of the other provisions hereof.

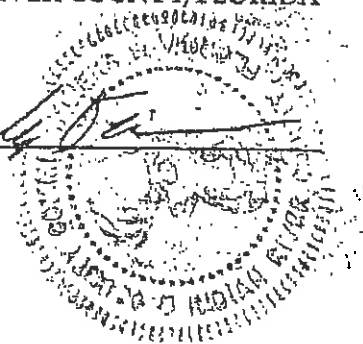
SECTION 10. EFFECTIVE DATE. This Resolution shall be effective immediately upon its adoption.

~~This resolution was moved~~ for adoption by Commissioner O'Bryan, seconded by Commissioner Wheeler, and upon vote was unanimously approved on this 19<sup>th</sup> day of May, 2009.

BOARD OF COUNTY COMMISSIONERS  
OF INDIAN RIVER COUNTY, FLORIDA

J.K. BARTON  
CLERK CIRCUIT COURT

By:   
As: Chairman



Attest: Attena Adams, D.C.  
Clerk of the Circuit Court

APPROVED AS TO FORM AND  
LEGAL SUFFICIENCY

  
Special County Attorney

C - COUNTY ATTORNEY'S OFFICE  
INDIAN RIVER COUNTY  
1801 27th Street  
Vero Beach, Florida 32960

**Lee County  
(Minnesota Twins)**

# *Comprehensive Annual Financial Report*



*Lee County, Florida*

*Fiscal Year Ended September 30, 2013*

Lee County, Florida

# Comprehensive Annual Financial Report

For the  
Fiscal Year Ended September 30, 2013



Prepared by:  
General Accounting Office, Finance & Records Department

Clerk to Board of County Commissioners

Linda Doggett

Lee County, Florida  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
 September 30, 2013  
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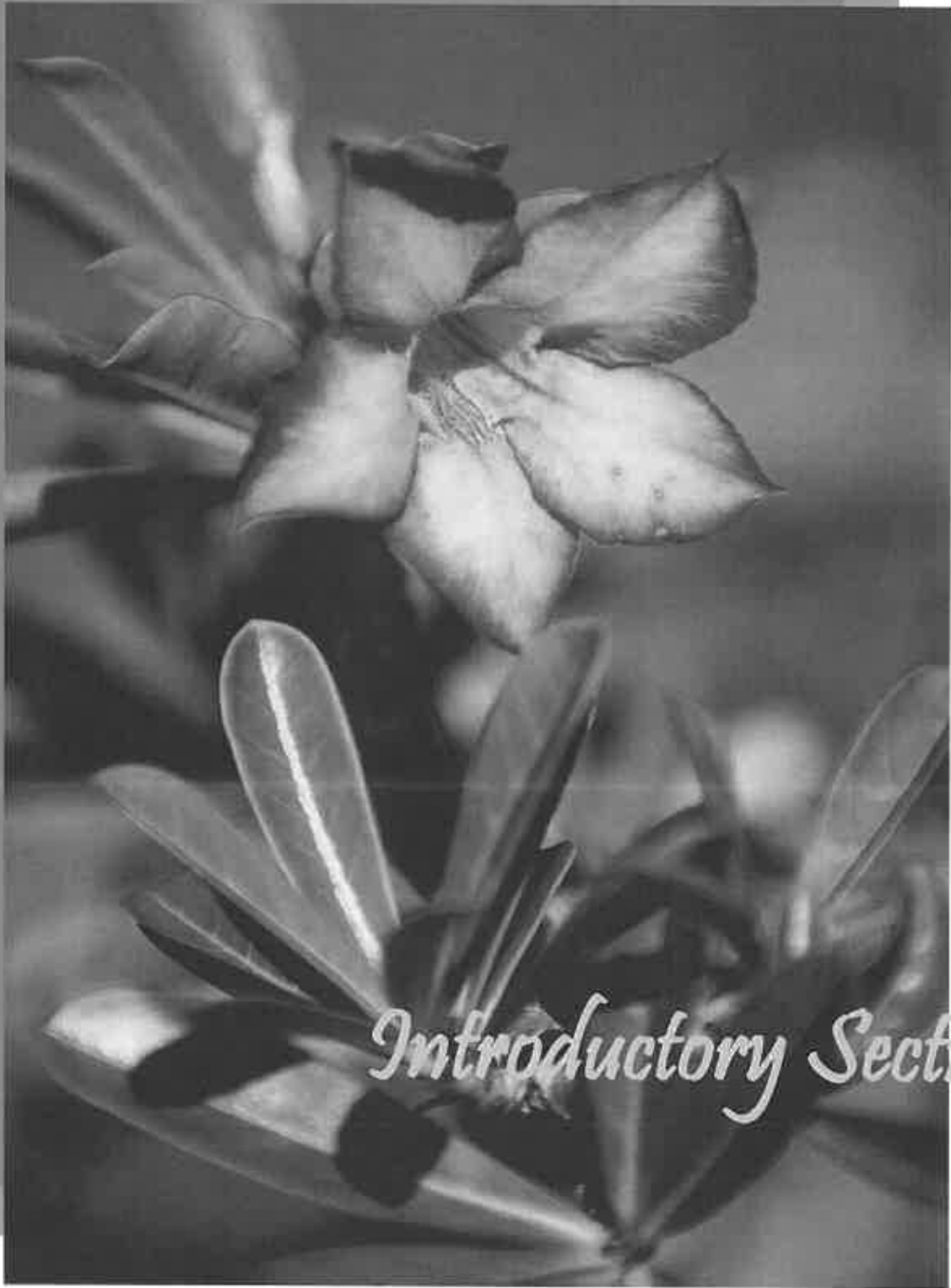
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## County Structure and Services

Lee County was founded in 1887 and named in honor of General Robert E. Lee. The County is located on the Gulf of Mexico in the southwestern portion of Florida and encompasses approximately 811 square miles, including several small islands in the Gulf of Mexico. Three incorporated municipalities are located on the mainland: Fort Myers (one of two county seats), Bonita Springs, and Cape Coral (second county seat). The Town of Fort Myers Beach is located on Estero Island and the City of Sanibel is situated on Sanibel Island. The unincorporated communities include Lehigh Acres, Estero, North Fort Myers, Tice, Alva, Matlacha, Bokeelia, St. James City, and Captiva Island. Lee County's climate can be classified as subtropical with temperatures averaging from 66 degrees (F) in winter to 83 degrees (F) in summer.



Lee County experienced significant growth between 2000 and 2013 increasing its population by approximately 46.2 percent to an estimated 638,029. Lee County continues to grow and the projected population for 2015 is 720,000. With almost 24 percent of its residents age 65 and older, the County is well known as a retirement destination and therefore growth is projected to continue through the next decade, although at a slower rate than originally anticipated.



## County Services and Reporting Entity

The County provides its citizens with a wide range of services that include law enforcement, human and community assistance-related services, civil and criminal justice system services, road and bridge maintenance, park operation, library services, economic and physical environment, as well as other general and administrative support services. In addition, airport facilities, transit system, water and wastewater system, toll bridge facilities, and a waste-to-energy facility are provided under an enterprise concept with user charges set by the Board of County Commissioners.



The Board of County Commissioners (the Board) is the legislative body for the County, having the responsibility of budgeting and providing all the funding used by the various County departments and the separate Constitutional Officers, with the exception of fees collected by the Clerk of Circuit Court, Property Appraiser, and Tax Collector. Under the direction of the Clerk of Circuit Court, the Finance & Records Department maintains the accounting system for the Board's operations. The other Constitutional Officers maintain their own accounting systems. For purposes of this report the operations of the County as a whole, including all Constitutional Officers, have been presented.



In addition to the divisions of the Board and the Constitutional Officers, the Lee County Port Authority, a blended component unit, is included in the Comprehensive Annual Financial Report.

## Budgetary Controls

The adopted budget is controlled in accordance with Chapter 129, *Florida Statutes*, and a formal budget policy which is incorporated into the County's Administrative Code. The Assistant County Manager, on behalf of the County Manager, is responsible for the preparation of the Board's budget. The legally adopted total appropriation for a fund may only be changed by resolution of the Board. Full authority to transfer budgetary amounts other than these instances is delegated to the County Manager



Employment in the County as of September 30, 2013, is estimated at 266,230 and is predicted to increase by 4.6 percent to 278,393 by 2020.

Lee County's economy continues to show indications of recovery. Unemployment declined in Lee County this past year although it still lags the state. The unemployment rate for September 2013 for the County was 7.2 percent, compared to 7.1 percent for Florida and 7.6 percent nationally.

According to the United States Department of Labor, Bureau of Labor Statistics, the non-agricultural employment for the Lee County Metropolitan Area was comprised of 22.5 percent in Trade, Transportation and Utilities, 17.9 percent in Government (Federal, State and Local), 15.9 percent in Leisure and Hospitality, 12.4 percent in Professional and Business Services, 11.6 percent in Education and Health Services, 7.4 percent in Natural Resources, Mining and Construction, and 12.3 percent in all other.

### *Economic Conditions*

The mainstays of the County's economy are tourism and retirement, and their associated services, such as health, trade, and other service-orientated industries. The County also has real estate development, agribusiness, high-tech manufacturing, corporate and regional headquarters, warehousing and distribution, and financial service industries.



Foreclosures in the County decreased significantly this fiscal year to 5,197, which is a 32.4 percent decrease from prior year. According to the Florida Realtors, the median sales price of an existing single-family home for the Fort Myers-Cape Coral metropolitan area in September 2013 and 2012, was \$168,450 and \$135,000, respectively, which represents a 24.8 percent increase. The median price for existing condominiums in September 2013 and 2012, was \$155,000 and \$119,900, respectively, which represents a 29.3 percent increase. Although the sales prices of existing homes increased in the current year, the number of closed sales of existing single-family homes decreased in 2013. Sales of existing single-family homes for the current year were 11,854, as compared to 11,955 for the previous year, which is a decrease of 0.84 percent. However, sales of existing condominiums increased for the current year to 5,803, as compared to 5,168 for the previous year, which is a 12.3 percent increase.



### *Current and Long-Term Capital Initiatives*

The County's Capital Improvement Program (CIP) consists of capital projects which reflect the County's infrastructure needs over a five-year time frame and include assets with long-term value such as buildings, roads, bridges, and parks.



*Significant capital projects and other initiatives completed in fiscal year 2013 include:*

- Replaced the 2-lane, bascule Matlacha Pass Bridge for a cost of \$25.3 million.
- Constructed a new Public Safety/Emergency Operations Center Complex for a cost of \$16.6 million.
- Constructed a new Aircraft Rescue and Fire Fighting Facility at Southwest Florida International Airport ("SWFIA") for a cost of \$15.6 million.
- Constructed a 33,000 square foot recreation center at North Fort Myers Community Park that was hardened to withstand 150 mph winds so that it can be utilized as an emergency shelter when needed for a cost of \$9.9 million.
- Completed the Waterway Estates Wastewater Treatment Plant flow diversion project to FGUA Del Prado Wastewater Treatment Plant for a cost of \$7.9 million.
- Widened Bonita Beach Road from Old 41 to Lime Street for a cost of \$7.8 million.

- Olga Water Treatment Plant Chemical System Improvements for a projected cost of \$3.5 million.
- In the design and permitting phase for the Nalle Grade Stormwater Park for a projected cost of \$3.4 million.
- Fiesta WWTP Switchgear & Generator Replacement for projected cost of \$3.2 million.
- Yacht Club Colony Distribution System Rehabilitation for a projected cost of \$2.75 million.
- Pinewoods Wellfield Electrical and Controls Improvements for a projected cost of \$2.6 million.
- Rehabilitation of the Gateway WWTP Davco Package Unit for a projected cost of \$2.25 million.
- Continued design of the perimeter road at Page Field for a projected cost of \$2.0 million.
- Restoration of the Fiesta Village WWTP headworks concrete structure for a projected cost of \$1.9 million.
- Preliminary design for reconstruction of Estero Boulevard for a projected cost of \$1.7 million.
- Palm Beach Boulevard Force Main Replacement at Orange River for a projected cost of \$1 million.

### *Cash Management and Investments*

Cash that was temporarily idle during the year was invested. Cash in a depository account is either invested in overnight repurchase agreements, one-day discount notes, or transferred to qualified money market funds. The County also had funds invested in the State Board of Administration's ("SBA") Local Government Surplus Funds Investment Pool Trust Fund (please refer to the Cash and Investment footnote). The Board's repurchase agreements (repos) require the investments to be collateralized at 101 percent for Treasuries or 102 percent for Agencies. The risk of loss is considered minimal to the County due to the short-term nature of these investments.



#### *Investments during the year were:*

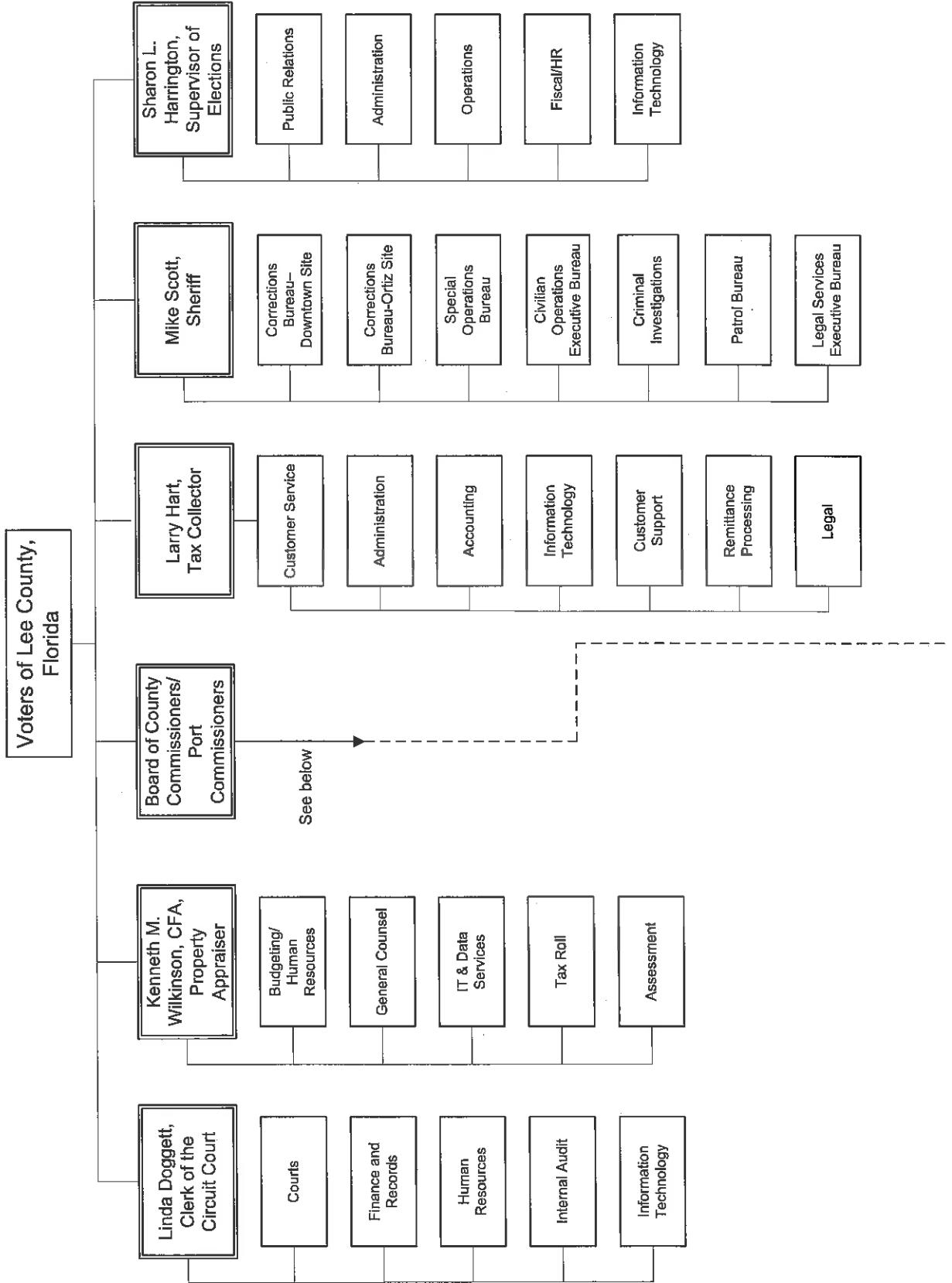
- Repurchase agreements with primary United States broker/dealer firms, reporting daily to the New York Federal Reserve Bank. All term repurchase agreements (except those held by the County's trustees) are collateralized by 101 to 105 percent with the collateral held in the County's name by a third-party safekeeping agent. The collateral is valued weekly. The County did not enter into any repurchase agreements in fiscal year 2013.
- Treasury bills and notes, government agencies and instrumentalities, and money market mutual funds whose investments consist primarily of municipals and U.S. government obligations. At fiscal year-end the maturities of the investments ranged from one day to sixteen months and interest earned ranged from 0.01 percent to 0.75 percent.
- The Florida SBA operates an investment pool for local governments, which was split into two funds: Fund A, which paid interest, and Fund B, which did not pay interest but allowed periodic transfers to Fund A as the underlying investments matured. The average yield for the pool for the fiscal year was 0.22 percent.

### *Risk Management*

The Board maintains self-insurance programs to administer insurance activities related to property and casualty, county-wide employee health and dental programs, general liability, and worker's compensation. The concept of the self-insurance programs is to allow the County to absorb losses up to a specific annual amount. Excess and other specific coverages are purchased from third-party carriers.

# Lee County Government

as of September 30, 2013





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

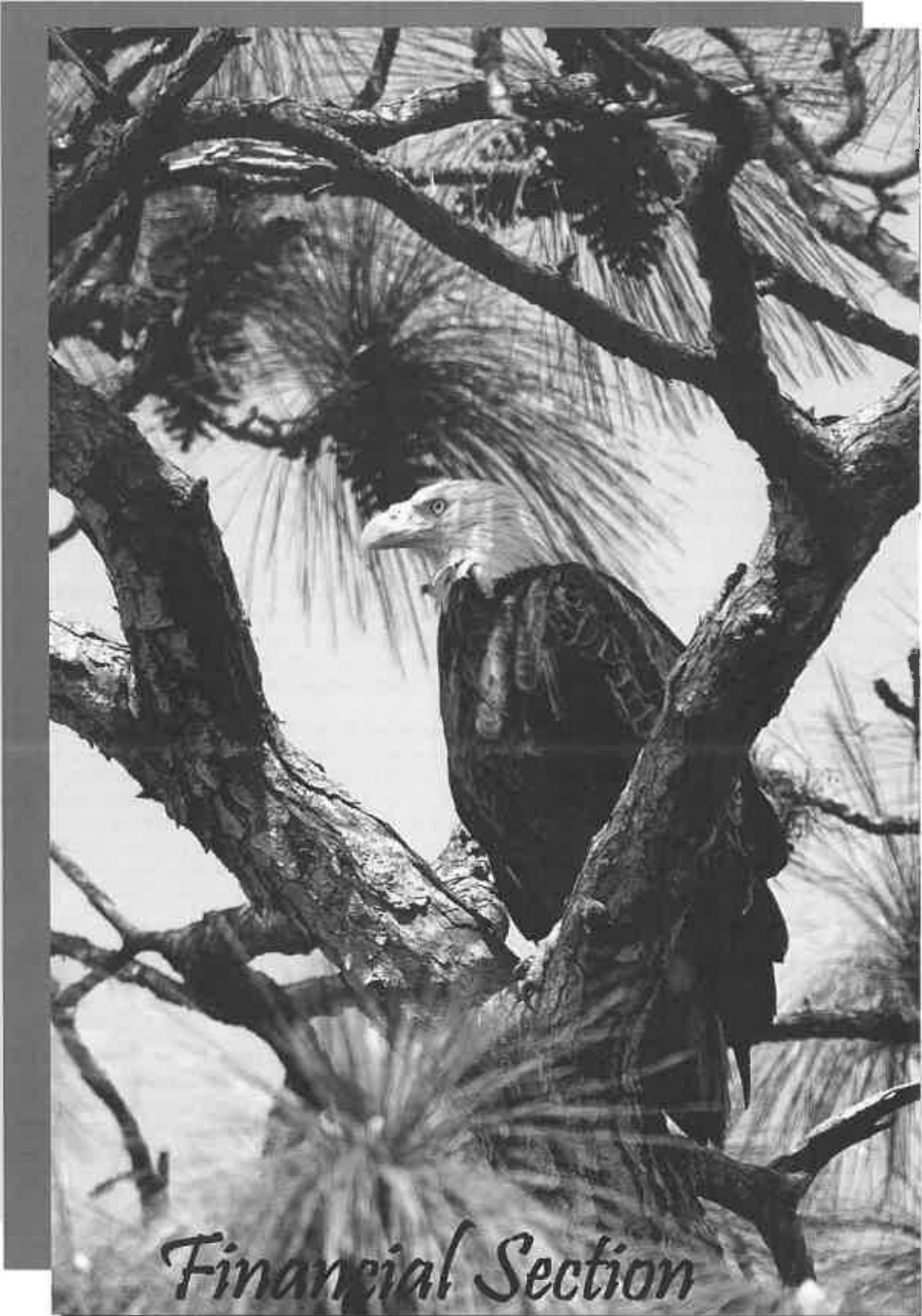
Presented to

Lee County  
Florida

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

September 30, 2012

Executive Director/CEO



### ***Emphasis of Matter***

#### ***Change in Accounting Principle***

As discussed in Note VIII to the basic financial statements the County adopted the provisions of Governmental Accounting Standards Board Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and Governmental Accounting Standards Board Statement No. 65, *Items Previously Reported as Assets and Liabilities*, effective October 1, 2012. Our opinion is not modified with respect to this matter.

#### ***Prior Period Adjustment***

As discussed in Note VIII to the financial statements, the 2012 financial statements have been restated to correct a misstatement. Our opinion is not modified with respect to this matter.

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and schedule of funding progress for other postemployment benefits on pages 17-27 and 104, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### ***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The introductory section, supplemental financial information sections, statistical section and other supplemental information section, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplemental financial information section is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental financial information section is fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory section, statistical section, and other supplemental information section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

## Management's Discussion and Analysis (unaudited)

This discussion and analysis of Lee County's ("the County") financial statements is designed to introduce the basic financial statements and provide an analytical overview of the County's financial activities for the fiscal year ended September 30, 2013. The basic financial statements are comprised of the government-wide financial statements, fund financial statements, and footnotes to the financial statements. We hope this will assist readers in identifying significant financial issues and changes in the County's financial position.

### *Financial Highlights*

- At the close of fiscal year 2013, the County's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources, resulting in total net position of \$3,367,572,000. Of this amount, \$505,513,000 represents unrestricted net position.
- Governmental and business-type portions of net position are \$1,943,801,000 and \$1,423,771,000, respectively.
- The County's total net position decreased \$47,757,000, or -1.4 percent, in comparison to prior year.
- Total revenues increased \$42,246,000, or 4.8 percent, in comparison to prior year.
- Total expenses increased \$19,812,000, or 2.1 percent, in comparison to prior year.
- The County's governmental activities reported total net position of \$1,943,801,000, which is a decrease of \$75,364,000, or -3.7 percent, in comparison to prior year. Approximately 12.0 percent of the total, or \$232,952,000, is unrestricted, and thus available for use at the County's discretion.
- The County's business-type activities reported total net position of \$1,423,771,000, which is an increase of \$27,607,000, or 2.0 percent, in comparison to prior year. Approximately 19.1 percent of the total, or \$272,561,000, is unrestricted, and thus available for spending at the County's discretion.

### *Government-wide Financial Statements*

The government-wide financial statements (statement of net position and statement of activities found on pages 30-31) concentrate on the County as a whole and do not emphasize fund types but rather a governmental or a business-type classification, which are presented in separate columns. The governmental and business-type activities comprise the primary government. Fiduciary funds are not included in the government-wide financial statements.

General governmental and intergovernmental revenues support the governmental activities, whereas the business-type activities are primarily supported by user fees and charges for services. The purpose of the government-wide financial statements is to allow the user to be able to analyze the County's total financial position.

The statement of activities reflects the expenses of a given function or program, which are offset by program revenues. Program revenues are defined as charges for services, operating grants and contributions, and capital grants and contributions directly associated with a given function or program. Taxes are reported under general revenue. The County maintains an allocation program for indirect expenses and, therefore, reports this allocation in a separate column on the government-wide statement of activities.

The effect of the inter-fund activity has been removed from the government-wide financial statements. However, the inter-fund services between functions are not eliminated. The internal service fund activity has been eliminated except for the outside activity on the government-wide financial statements.

## Lee County, Florida

services on a cost reimbursement basis. Individual fund data is in the combining statements as supplemental financial data.

### *Fiduciary Fund Financial Statements*

The fiduciary fund financial statements (found on pages 49-50) are not included in the government-wide financial statements because the resources of those funds are not available to support the County's programs. The County maintains an other postemployment benefits ("OPEB") trust fund that is used to hold the plan's assets, and agency funds that are used to account for assets held by the County as an agent for individuals and other governments.

### *Government-Wide Financial Analysis*

The government-wide financial statements were designed so that the user could determine if the County is in a better or worse financial condition from the prior year.

The following is a condensed summary of net position for the primary government for fiscal years 2013 and 2012.

Lee County, Florida  
Summary of Net Position  
September 30, 2013 and 2012  
(amounts expressed in thousands)

	Governmental		Business-type		Total	
	Activities		Activities			
	2013	2012	2013	2012	2013	2012
Current and other assets	\$660,470	\$669,927	\$562,030	\$486,195	\$1,222,500	\$1,156,122
Capital assets	1,842,965	1,852,431	1,809,341	1,809,206	3,652,306	3,661,637
Total assets	<u>2,503,435</u>	<u>2,522,358</u>	<u>2,371,371</u>	<u>2,295,401</u>	<u>4,874,806</u>	<u>4,817,759</u>
Total deferred outflows of resources	226	61	20,196	23,582	20,422	23,643
Other liabilities	53,844	56,687	63,574	51,688	117,418	108,375
Non-current liabilities	505,119	446,199	904,222	871,131	1,409,341	1,317,330
Total liabilities	<u>558,963</u>	<u>502,886</u>	<u>967,796</u>	<u>922,819</u>	<u>1,526,759</u>	<u>1,425,705</u>
Total deferred inflows of resources	897	368	-	-	897	368
Net Position:						
Net investment in capital assets	1,568,957	1,568,248	1,061,519	1,039,266	2,630,476	2,607,514
Restricted	141,892	147,113	89,691	95,455	231,583	242,568
Unrestricted	232,952	303,804	272,561	261,443	505,513	565,247
Total net position	<u>\$1,943,801</u>	<u>\$2,019,165</u>	<u>\$1,423,771</u>	<u>\$1,396,164</u>	<u>\$3,367,572</u>	<u>\$3,415,329</u>

Note: Fiscal year 2012 balances are restated due to a prior period adjustment and changes in net position from the implementation of Governmental Accounting Standards Board Statement No. 65. Additional information can be found in Note VIII on page 100.

Net investment in capital assets is the largest portion of the net position. This represents capital assets (land, buildings, improvements, equipment, furniture, vehicles and rolling stock, and infrastructure), net of accumulated depreciation and the outstanding related debt (less unspent proceeds) used to acquire the assets. The net investment in capital assets balance of \$2,630,476,000 (78.1 percent of total net position) increased \$22,962,000, or 0.9 percent, in comparison to prior year.



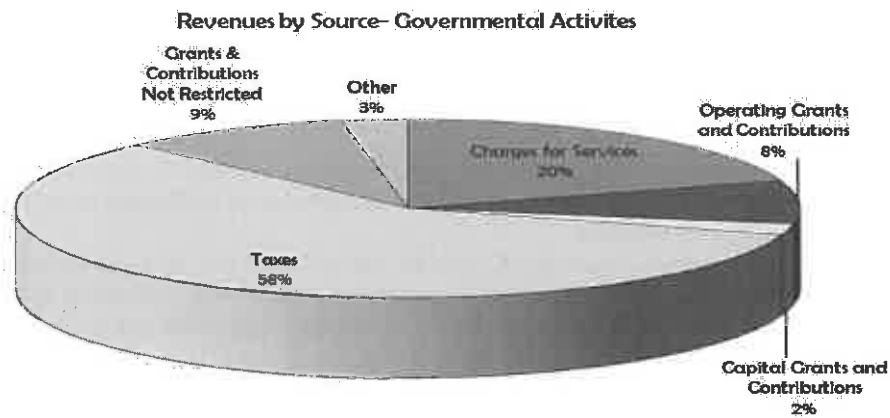
Lee County, Florida

Total revenues increased \$42,246,000, or 4.8 percent, in comparison to prior year. Total expenses increased \$19,812,000, or 2.1 percent, in comparison to prior year.

*Governmental Activities*

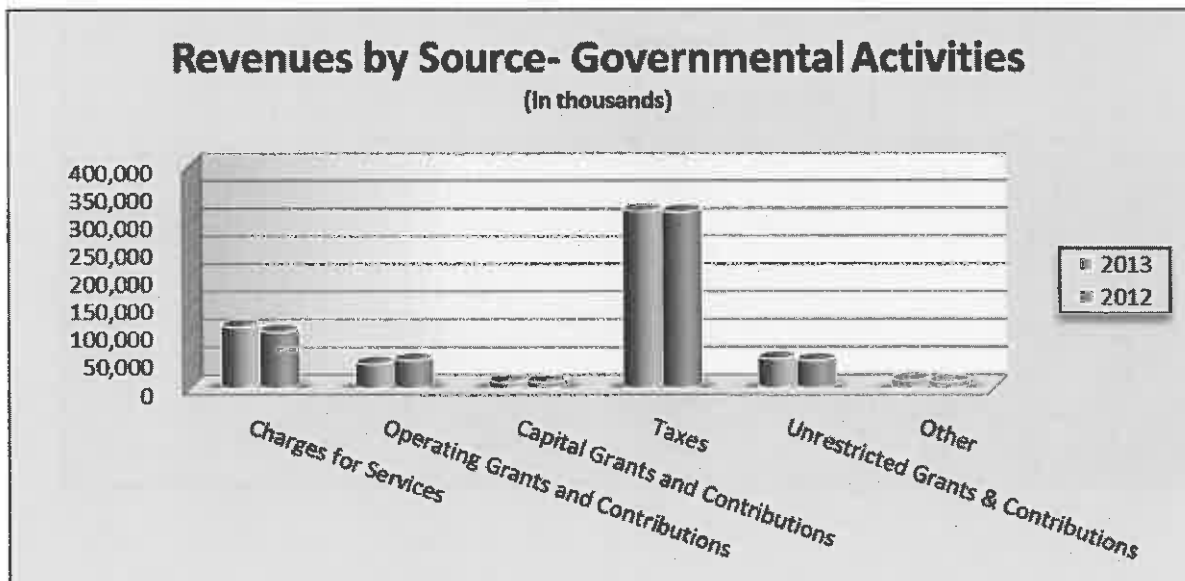
The governmental activities increased or (decreased) the County's total assets, total deferred outflows of resources, total liabilities, total deferred inflows of resources, and total net position by (\$18,923,000), \$165,000, \$56,077,000, \$529,000, and (\$75,364,000), respectively. The increase in the governmental activities' net investment in capital assets is \$709,000, or 0.05 percent, in comparison to prior year.

The following is a chart of revenues by source for governmental activities by percent of total revenues for fiscal year 2013.



Total revenues for governmental activities increased \$10,922,000 or 2.0 percent, in comparison to prior year.

The following is a chart of revenues by source for governmental activities for fiscal years 2013 and 2012.



## Lee County, Florida

The main components of the change in total expenses for governmental activities were as follows:

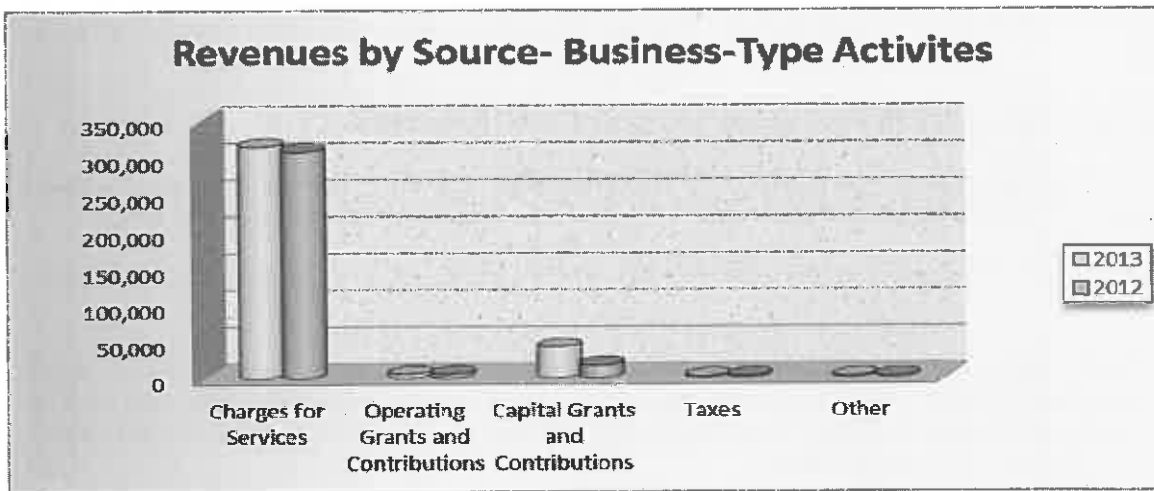
- Public safety increased \$1,741,000, or 0.9 percent, in comparison to prior year. The increase is primarily due to the internal service allocation related to the communication equipment expense.
- Physical environment increased \$2,276,000, or 15.7 percent, in comparison to prior year primarily due to a \$1,500,000 increase in depreciation expense from prior year.
- Transportation increased \$9,858,000, or 18.4 percent, in comparison to prior year primarily due to various construction in progress project write-offs totaling \$7,167,000.
- Economic environment decreased \$6,465,000, or -21.3 percent, notably due to fewer expenditures relating to the Neighborhood Stabilization Program ("NSP") and the Local Housing Assistance program.
- Human services decreased \$6,273,000, or -23.7 percent, notably due to the Medicaid payment for Lee County being shifted to being paid to a general government business unit. The prior year's payment was \$6,505,000.
- Culture and recreation increased \$5,684,000, or 9.1 percent, due to an increase in depreciation expense, additional purchases of library materials for the new Fort Myers library, and across the board expense increases.

### *Business-Type Activities*

The business-type activities increased (decreased) the County's total assets, total deferred outflows of resources, total liabilities, and total net position by \$75,970,000, (\$3,386,000), \$44,977,000, and \$27,607,000, respectively. The increase in the business-type activities' net investment in capital assets is \$22,253,000, or 2.1 percent, in comparison to prior year.

Total revenues reported in business-type activities increased \$31,324,000, or 9.3 percent, in comparison to prior year. The increase is primarily due to an increase in charges for services of \$6,352,000, or 2.1 percent, coupled with an increase in capital grants and contributions of \$25,169,000, or 147.4 percent. Water and Wastewater experienced an increase in their user fees of \$6,555,000 due to an increase in users coupled with a rate increase effective October 1, 2012. In the current year, Transit received \$21,823,000 from a Capital Urbanized Area Formula grant for the new Transit facility.

The following is a chart of revenues by source for business-type activities for fiscal years 2013 and 2012.



## Lee County, Florida

*Tourist Development Trust Fund-* Tourist Tax revenue increased \$1,863,000, or 7.0 percent, due to an increase in tourists visiting the area coupled with a continued collection and enforcement effort.

*Capital Improvement-* Ad valorem taxes decreased \$199,000, or -0.8 percent, due to a slight decrease in assessed property values.

### *Proprietary Funds*

Proprietary funds are comprised of enterprise funds and internal service funds. An enterprise fund is used to account for activities for which a fee is charged to external users for goods and services. Internal service funds are those that provide a service, primarily within the government, and charge a recovery fee.

The following are noteworthy facts and changes from prior year for major funds.

*Port Authority-* The Port Authority had an increase in net operating revenue of \$4,598,000, or 5.5 percent, directly related to the increase in passenger activity. User fees and concessions increased \$2,717,000 and \$3,186,000, respectively. Total operating costs increased \$5,981,000, or 7.4 percent, in comparison to prior year primarily due to the costs associated with the RSW Hazardous Wildlife Mitigation project.

*Water and Wastewater-* User fees increased by \$6,555,000, or 7.3 percent, due to the rate increase that went into effect in October combined with fewer foreclosed and abandoned homes in the service areas. Operating expenses increased \$1,001,000, or 1.1 percent, primarily due to an increase in depreciation expense.

*Transportation Facilities -* Toll revenue increased \$1,106,000, or 3.0 percent, due to increased bridge traffic coupled with increased collection methods. Total operating expenses increased \$586,000, or 3.3 percent, due to repair expenses for the Sanibel Bridge and an increase in depreciation due to the capitalization of additions to the Cape Coral Toll Plaza.

*Solid Waste -* User fees decreased \$6,510,000, or -10.9 percent, due to a disposal rate decrease and due to lower market value on recycling commodities. Total operating costs increased \$5,355,000, or 7.3 percent, due to across the board increases, most notably \$1,564,000 for recycling containers and an increase in depreciation expense of \$1,233,000.

### *General Fund Budgetary and Actual Highlights*

The difference between the original adopted and final amended budget expenditures in the General Fund is an increase of \$16,512,000. The major differences include:

- \$4,000,000 increase for the FIRST Incentive Award to Hertz Corporation
- \$1,579,000 increase to assist with the Neighborhood Stabilization Program
- \$1,574,000 increase for rehabilitation grants and loans
- \$1,500,000 increase for the Ceitus Boat Lift and Barrier project

The remaining amendments are a combination of increases and decreases for various reasons which separately are not noteworthy.

The variance between the final amended budget and actual expenditure results for the General Fund is a favorable variance of \$43,666,000. The differences are across the board including budgeted salaries in Public Safety that are \$916,000 higher than what was expended.

The remaining differences are for various reasons which separately are not noteworthy.

Lee County, Florida

comparison to prior year. New bonds issued include Tourist Development Tax Revenue Bonds for \$41,475,000 to construct improvements to the Minnesota Twins' Hammond Stadium, Non-Ad Valorem Revenue Bonds to refund outstanding Capital Revenue Bonds from 2003, and Water and Sewer Revenue Bonds and Refunding Revenue Bonds to construct new facilities and to refund outstanding Water and Sewer Revenue Bonds from 2003.

Total long-term liabilities of \$1,409,341,000, which includes bonds payable (net of unamortized discounts/premiums), variable debt, notes payable, self-insurance claims payable, compensated absences, other postemployment benefits, and landfill closure and postclosure costs increased \$86,196,000, or 6.5 percent, in comparison to prior year. The following is a schedule of outstanding bonds as of September 30, 2013 and 2012.

Lee County, Florida  
 Summary of Outstanding Bonded Debt  
 September 30, 2013 and 2012  
 (amounts expressed in thousands)

	Governmental Activities		Business-type Activities		Total	
	2013	2012	2013	2012	2013	2012
Revenue Bonds	\$253,208	\$261,928	\$723,810	\$693,500	\$977,018	\$955,428
Total	<u>\$253,208</u>	<u>\$261,928</u>	<u>\$723,810</u>	<u>\$693,500</u>	<u>\$977,018</u>	<u>\$955,428</u>

Standard and Poor's Rating Group suggests that debt service should not exceed 10-15 percent of appropriations. The fiscal year 2013 debt service was 6.0 percent, which is within the suggested guidelines. The decrease in debt service as a percent of appropriations in the current year from the prior year's 9.6 percent is primarily attributable to the early redemption payment for the Solid Waste 2001 Series bonds in the prior year.

Additional information on the County's long-term debt can be found in Note V on pages 77-91.

*Economic Factors and Next Year's Budget Rates*

The following were factors considered when next year's budget was prepared:

- Lee County had a 7.2 percent unemployment rate as compared to the State, which had a 7.1 percent unemployment rate, and the nation which had a 7.6 percent unemployment rate, as reported by the Florida Research & Economic Database and Lee County Economic Development.
- There was a 3 percent salary increase in the County's fiscal year 2013-2014 budget.
- There was an increase in the property values from fiscal year 2013, which is used for fiscal year 2014, of 3.2 percent, based upon values determined by the Property Appraiser.

*Request for information*

This financial report is designed to provide the reader an overview of the County. Questions regarding any information provided in this report should be directed to: Lee County Clerk of Courts, Finance and Records Department, 2115 Second Street, 3<sup>rd</sup> Floor, Fort Myers, Florida, 33901, phone (239) 533-2100.

A black and white photograph of a sunset over a body of water. In the foreground, there are several tall, thin grasses or reeds that are silhouetted against the bright sky. The sun is low on the horizon, creating a bright reflection on the water's surface. The sky is filled with soft, wispy clouds. The overall mood is serene and peaceful.

# *Basic Financial Statements*

Lee County, Florida  
STATEMENT OF ACTIVITIES  
For the Year Ended September 30, 2013  
(amounts expressed in thousands)

Functions/Programs	Program Revenue					Net (Expense) Revenue and Changes in Net Position	
	Expenses	Indirect Expense Allocation	Charges for Services	Operating		Governmental Activities	Total
				Grants and Contributions	Capital Grants and Contributions		
<b>Primary government:</b>							
<b>Governmental activities:</b>							
General government	\$ 215,492	\$ (8,227)	\$ 59,365	\$ 11,017	\$ 226	\$ (136,657)	\$ (136,657)
Public safety	203,878	656	38,992	7,478	3,438	(154,626)	(154,626)
Physical environment	16,750	157	2,004	4,205	2,380	(8,318)	(8,318)
Transportation	63,406	1,078	939	8,165	4,015	(51,365)	(51,365)
Economic environment	23,936	401	795	8,316	-	(15,226)	(15,226)
Human services	20,211	263	2,579	3,367	123	(14,405)	(14,405)
Culture and recreation	68,050	2,387	5,882	1,067	761	(62,727)	(62,727)
Interest on long-term debt	12,557	-	-	-	-	(12,557)	(12,557)
Total governmental activities	624,280	(3,285)	110,556	43,615	10,943	(455,881)	(455,881)
<b>Business-type activities:</b>							
Airport	103,588	406	104,009	331	11,042	-	11,388
Water and Wastewater	104,457	1,464	97,760	-	9,380	-	1,219
Transit	26,438	494	3,846	5,326	21,823	-	4,063
Transportation Facilities	25,416	400	38,725	-	-	-	12,909
Solid Waste	82,162	521	70,094	-	-	-	(12,589)
Total business-type activities	342,061	3,285	314,434	5,657	42,245	-	16,990
Total primary government	\$ 966,341	\$ -	\$ 424,990	\$ 49,272	\$ 53,188	(455,881)	(438,891)
<b>General revenues:</b>							
<b>Taxes:</b>							
Property taxes						254,662	561
Gas taxes						17,992	-
Tourist taxes						28,535	-
Communication taxes						9,559	-
Franchise fees						8,355	1,677
Grants and contributions not restricted to specific programs						52,668	-
Investment earnings						1,826	1,034
Miscellaneous						12,965	1,300
Transfers						(6,045)	6,045
Total general revenues and transfers						380,517	10,617
Change in net position						(75,364)	27,607
Net position - beginning - as restated						2,019,165	1,396,164
Net position - ending						\$ 1,943,801	\$ 1,423,771

The notes to the financial statements are an integral part of this statement.

Lee County, Florida  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
As of September 30, 2013  
(amounts expressed in thousands)

	Capital Improvement	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>			
Cash and equity in pooled cash and investments	\$ 149,342	\$ 187,112	\$ 514,536
Cash and cash equivalents with fiscal agent	-	13,944	13,944
Receivables (net)			
Accounts	-	392	5,082
Special assessments	-	5,305	5,305
Accrued interest	55	325	441
Due from other funds	5,645	6,584	19,718
Due from other governments	37	4,069	9,886
Inventories	-	2,221	4,579
Advances	-	17	105
Total assets	<u>\$ 155,079</u>	<u>\$ 219,969</u>	<u>\$ 573,596</u>
<b>LIABILITIES</b>			
Contracts and accounts payable	\$ 638	\$ 13,605	\$ 22,936
Accrued liabilities	15	895	7,561
Due to other funds	294	3,562	9,604
Due to other governments	93	2,216	6,177
Deposits and overbids	-	5,016	7,563
Unearned revenues	-	324	1,132
Advances	-	17	17
Other	-	-	54
Total liabilities	<u>1,040</u>	<u>25,635</u>	<u>55,044</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Special assessment receivable	-	5,551	5,551
Grant receivable	-	508	508
Accounts receivable	-	39	121
Total deferred inflows of resources	<u>-</u>	<u>6,098</u>	<u>6,180</u>
<b>FUND BALANCES</b>			
Nonspendable	-	2,221	2,814
Restricted	-	172,010	185,372
Committed	154,039	10,807	211,780
Assigned	-	3,209	18,109
Unassigned	-	(11)	94,297
Total fund balances	<u>154,039</u>	<u>188,236</u>	<u>512,372</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 155,079</u>	<u>\$ 219,969</u>	<u>\$ 573,596</u>

Lee County, Florida  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
For the Year Ended September 30, 2013  
(amounts expressed in thousands)

	General	Lee County Library	MSTU	Tourist Development Trust
<b>REVENUES</b>				
Taxes	\$ 195,146	\$ 15,738	\$ 31,159	\$ 28,535
Licenses and permits	159	-	7,243	-
Intergovernmental	62,752	653	729	125
Charges for services	46,138	109	5,995	800
Fines and forfeitures	149	538	-	-
Impact fees	-	-	-	-
Special assessments	-	-	-	-
Miscellaneous	6,891	256	538	2,422
Total revenues	<u>311,235</u>	<u>17,294</u>	<u>45,664</u>	<u>31,882</u>
<b>EXPENDITURES</b>				
Current				
General government	89,185	447	8,760	856
Public safety	171,952	-	7,582	-
Physical environment	5,263	-	3,843	-
Transportation	85	-	-	-
Economic environment	7,120	-	-	14,809
Human services	13,407	-	4,406	-
Culture and recreation	14,060	24,161	12,625	-
Capital outlay				
General government	4,150	-	17	-
Public safety	4,465	-	6	-
Physical environment	47	-	45	-
Transportation	-	-	-	-
Economic environment	-	-	-	4
Human services	-	-	2	-
Culture and recreation	141	108	498	-
Debt service				
Principal retirement	-	-	-	-
Interest and fiscal charges	12	-	-	-
Bond issuance costs	-	-	-	-
Total expenditures	<u>309,887</u>	<u>24,716</u>	<u>37,784</u>	<u>15,669</u>
Excess (deficiencies) of revenues over (under) expenditures	<u>1,348</u>	<u>(7,422)</u>	<u>7,880</u>	<u>16,213</u>
<b>OTHER FINANCING SOURCES AND (USES)</b>				
Transfers in	12,863	117	726	5,134
Transfers out	(50,177)	-	(22,930)	(21,903)
Bond premium	-	-	-	-
Debt issuance	-	-	-	-
Issuance of refunding debt	-	-	-	-
Payments to refunded debt escrow agent	-	-	-	-
Total other financing sources and (uses)	<u>(37,314)</u>	<u>117</u>	<u>(22,204)</u>	<u>(16,769)</u>
Net change in fund balances	<u>(35,966)</u>	<u>(7,305)</u>	<u>(14,324)</u>	<u>(556)</u>
Fund balances - beginning	147,466	12,463	56,254	12,065
Fund balances - ending	<u>\$ 111,500</u>	<u>\$ 5,158</u>	<u>\$ 41,930</u>	<u>\$ 11,509</u>

The notes to the financial statements are an integral part of this statement.

(continued)



Lee County, Florida  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
For the Year Ended September 30, 2013  
(amounts expressed in thousands)

Net change in fund balances - total governmental funds:		(\$11,810)
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is depreciated/amortized over their estimated useful lives.		
Expenditures for capital assets	\$60,314	
Less current year depreciation and amortization	<u>(56,886)</u>	3,428
The net effect of various miscellaneous transactions involving capital and intangible assets (i.e., disposals, transfers, donations) is to decrease net position.		
		(16,324)
Prepaid expenses are not recorded in governmental funds under the modified accrual basis of accounting however they are recorded in the statement of activities under full accrual accounting.		
		902
Revenues that were previously reported in the statement of activities are recognized as revenue in the funds.		
		733
Debt proceeds provide current financial resources for governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. Also, governmental funds report the effect of premiums and similar items when debt is first issued. These amounts are deferred and amortized in the statement of activities.		
Long-term debt proceeds	(134,400)	
Transfer to refunding escrow agent	92,303	
Principal payments	<u>15,432</u>	(26,665)
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Other post employment benefits	(31,840)	
Change in compensated absences	<u>(483)</u>	(32,323)
Interest on long-term debt in the statement of activities is recognized as the interest accrues, regardless of when it is due. In the governmental funds interest is recognized as an expenditure when it is due. Premiums and similar items are deferred and amortized in the statement of activities.		
Accrued interest on bonds	605	
Accreted interest on capital appreciation bonds	5,940	
Amortization of bond premiums, discounts, refunding gains and losses	<u>906</u>	7,451
Internal service funds are used by management to charge the costs of certain activities to individual funds.		
The net loss of the internal service funds is reported with governmental activities.		<u>(756)</u>
Change in net position of governmental activities		<u><u>(\$75,364)</u></u>

The notes to the financial statements are an integral part of this statement.

Lee County, Florida  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET (Non-GAAP Budgetary Basis) AND ACTUAL  
LEE COUNTY LIBRARY  
For the Year Ended September 30, 2013  
(amounts expressed in thousands)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 15,492	\$ 15,492	\$ 15,738	\$ 246
Intergovernmental	487	1,129	653	(476)
Charges for services	100	100	109	9
Fines and forfeitures	557	557	538	(19)
Miscellaneous	240	423	252	(171)
Total revenues	<u>16,876</u>	<u>17,701</u>	<u>17,290</u>	<u>(411)</u>
<b>EXPENDITURES</b>				
Current				
General government	457	457	447	10
Culture and recreation	24,500	25,256	24,161	1,095
Capital outlay				
Culture and recreation	35	108	108	-
Total expenditures	<u>24,992</u>	<u>25,821</u>	<u>24,716</u>	<u>1,105</u>
Excess (deficiencies) of revenues over (under) expenditures	<u>(8,116)</u>	<u>(8,120)</u>	<u>(7,426)</u>	<u>694</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	119	119	117	(2)
Total other financing sources (uses)	<u>119</u>	<u>119</u>	<u>117</u>	<u>(2)</u>
Net change in fund balance	<u>(7,997)</u>	<u>(8,001)</u>	<u>(7,309)</u>	<u>692</u>
Fund balances - beginning	<u>12,949</u>	<u>12,949</u>	<u>12,598</u>	<u>(351)</u>
Fund balances - ending	<u>\$ 4,952</u>	<u>\$ 4,948</u>	<u>\$ 5,289</u>	<u>\$ 341</u>

The notes to the financial statements are an integral part of this statement.

Lee County, Florida  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET (Non-GAAP Budgetary Basis) AND ACTUAL  
TOURIST DEVELOPMENT TRUST FUND  
For the Year Ended September 30, 2013  
(amounts expressed in thousands)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 24,659	\$ 28,159	\$ 28,535	\$ 376
Intergovernmental	-	125	125	-
Charges for services	800	800	800	-
Miscellaneous	2,076	2,577	2,414	(163)
Total revenues	27,535	31,661	31,874	213
<b>EXPENDITURES</b>				
Current				
General government	800	800	856	(56)
Economic environment	15,297	15,797	14,809	988
Capital outlay				
Economic environment	30	30	4	26
Total expenditures	16,127	16,627	15,669	958
Excess of revenues over expenditures	11,408	15,034	16,205	1,171
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	2,714	5,977	5,134	(843)
Transfers out	(18,962)	(23,269)	(21,903)	1,366
Total other financing sources (uses)	(16,248)	(17,292)	(16,769)	523
Net change in fund balance	(4,840)	(2,258)	(564)	1,694
Fund balances - beginning	12,066	12,065	12,266	201
Fund balances - ending	\$ 7,226	\$ 9,807	\$ 11,702	\$ 1,895

The notes to the financial statements are an integral part of this statement.

Lee County, Florida  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
As of September 30, 2013  
(amounts expressed in thousands)

	Port Authority	Business-type Activities - Enterprise Funds						Total Enterprise Funds	Governmental Activities Internal Service Funds
		Water and Wastewater	Transportation Facilities	Solid Waste	Other Non-Major Transit				
<b>LIABILITIES</b>									
Current liabilities:									
Contracts and accounts payable	14,691	3,285	235	7,996	1,758		27,965	2,069	
Accrued liabilities	808	340	79	105	236		1,568	130	
Refunds and rebates	5,130	-	-	-	-	-	5,130	-	
Due to other funds	87	155	5,116	6,005	8		11,371	59	
Due to other governments	468	774	34	301	100		1,677	69	
Customer deposits	944	-	-	19	-		963	-	
Unearned revenues	710	275	-	-	-		985	-	
Self-insurance claims payable	-	-	-	-	-		-	10,126	
Compensated absences	1,160	64	19	20	35		1,298	14	
Notes payable - current	395	-	314	-	-		709	-	
Current liabilities payable from restricted assets:									
Contracts and accounts payable	-	609	12	-	-		621	-	
Accrued liabilities	8,230	3,560	3,393	2,144	-		17,327	-	
Due to other governments	-	-	17	-	-		17	-	
Customer deposits	-	5,603	-	-	-		5,603	-	
Unearned revenues	-	3,035	1,718	-	-		1,718	-	
Notes payable - current	-	-	5,040	-	-		8,075	-	
Revenue bonds payable - current	8,470	3,890	4,040	100	-		16,500	-	
Total current liabilities	41,093	21,590	20,017	16,690	2,137		101,527	12,467	
Noncurrent liabilities:									
Self-insurance claims payable	-	-	-	-	-		-	9,794	
Compensated absences	438	871	260	278	476		2,323	203	
Notes payable	12,762	49,655	21,399	-	-		83,816	-	
Revenue bonds payable	311,216	203,988	130,214	86,279	-		731,697	-	
Landfill closure and postclosure costs	-	-	-	15,524	-		15,524	-	
Advances	88	-	-	-	-		88	-	
Other postemployment benefits	17,653	10,710	3,702	2,845	9,370		44,280	1,852	
Total noncurrent liabilities	342,157	265,224	155,575	104,926	9,846		877,728	11,849	
Total liabilities	383,250	286,814	175,592	121,616	11,983		979,255	24,316	

(continued)

Lee County, Florida  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**PROPRIETARY FUNDS**  
For the Year Ended September 30, 2013  
(amounts expressed in thousands)

	Business-type Activities - Enterprise Funds						Governmental Activities Internal Service Funds
	Port Authority	Water and Wastewater	Transportation Facilities	Solid Waste	Other Non-Major Transit	Total Enterprise Funds	
<b>OPERATING REVENUES</b>							
User fees	\$ 50,000	\$ 95,886	\$ -	\$ 53,121	\$ 3,827	\$ 202,834	\$ 119,749
Tolls	-	-	38,040	-	-	38,040	-
Rentals and franchise fees	5,288	196	-	1,677	15	7,176	-
Concessions	37,315	-	-	-	-	37,315	-
Miscellaneous	141	1,678	685	16,973	4	19,481	-
Total operating revenues	92,744	97,760	38,725	71,771	3,846	304,846	119,749
Less: Rebates	(3,932)	-	-	-	-	(3,932)	-
Net operating revenues	88,812	97,760	38,725	71,771	3,846	300,914	119,749
<b>OPERATING EXPENSES</b>							
Salaries and wages	20,055	13,276	3,089	4,051	9,031	49,502	2,234
Employee benefits	12,113	8,632	2,418	2,449	7,007	32,619	1,288
Contractual services, materials and supplies	25,292	19,335	1,797	53,380	3,794	103,798	18,903
Utilities	4,266	5,872	252	540	229	11,159	2,515
Repairs and maintenance	1,812	3,652	427	1,810	924	8,625	4,495
Insurance	1,733	714	1,039	333	505	4,324	5,169
Insurance claims	-	-	-	-	-	-	80,251
Other	2,142	3,605	676	1,022	868	8,313	9,052
Depreciation and amortization	19,715	40,127	8,482	14,685	4,052	87,061	2,689
Total operating expenses	87,128	95,413	18,180	78,270	26,410	305,401	126,596
Operating income (loss)	1,684	2,347	20,545	(6,499)	(22,564)	(4,487)	(6,847)
<b>NON-OPERATING REVENUES (EXPENSES)</b>							
Investment earnings	425	378	59	147	25	1,034	222
Taxes	-	-	-	561	-	561	-
Grants	331	-	-	(85)	5,259	5,505	(69)
Interest expense	(16,852)	(8,245)	(7,502)	(4,286)	-	(36,885)	-
Gain (loss) on disposal of capital assets	(165)	(495)	(37)	99	150	(448)	169
Passenger facility charges	15,197	-	-	-	-	15,197	-
Other revenues	5	875	378	35	7	1,300	995
Other expenses	(1)	(860)	(1)	(5)	-	(867)	-
Total non-operating revenues (expenses)	(1,060)	(8,347)	(7,103)	(3,534)	5,441	(14,603)	1,317

(continued)

Lee County, Florida  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
For the Year Ended September 30, 2013  
(amounts expressed in thousands)

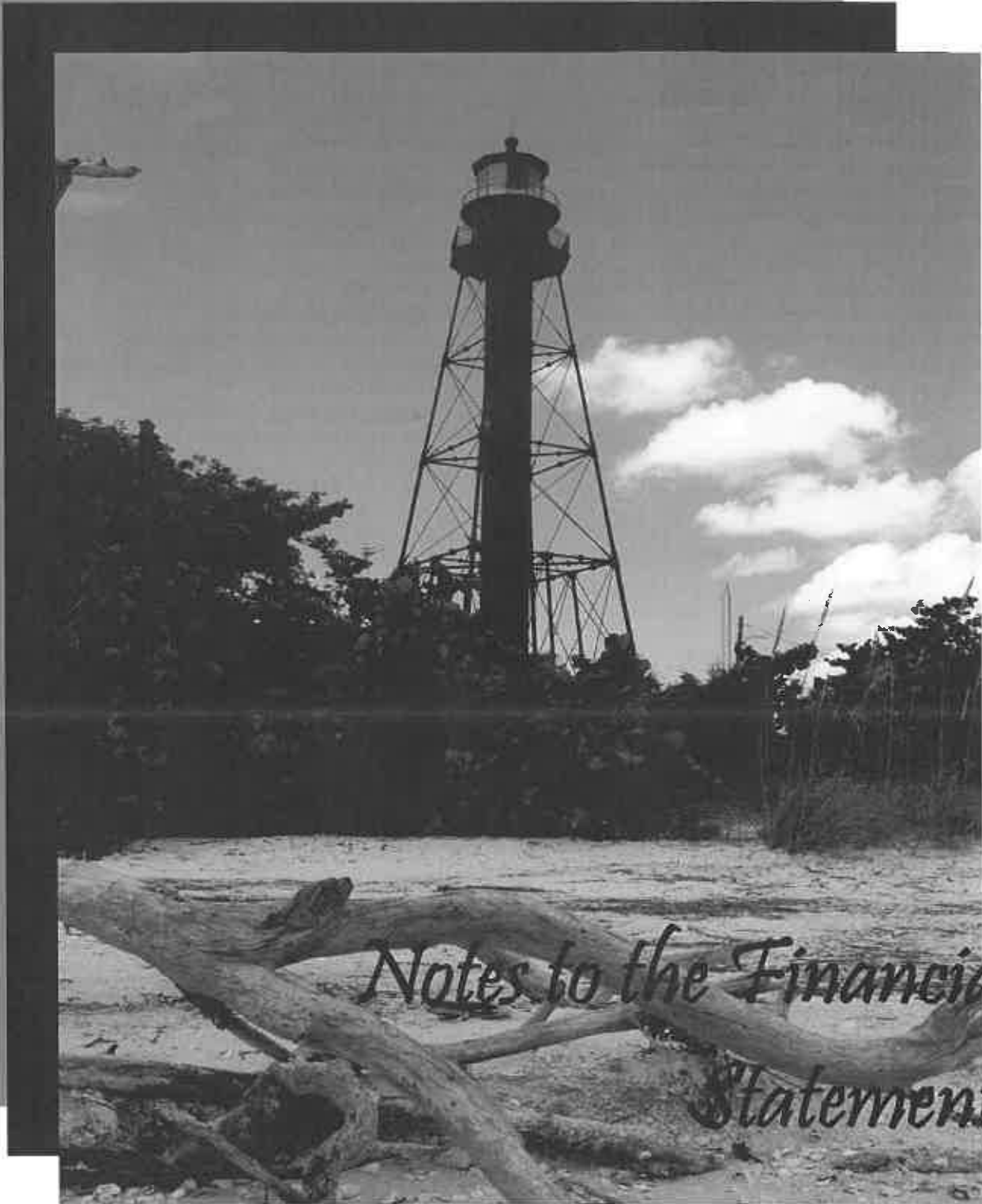
	Business-Type Activities - Enterprise Funds					Total Enterprise Funds	Governmental Activities Internal Service Funds
	Port Authority	Water and Wastewater	Transportation Facilities	Solid Waste	Other Non-Major Transit		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>							
Receipts from customers and users	\$ 90,947	\$ 97,651	\$ 39,174	\$ 73,749	\$ 4,114	\$ 305,635	\$ 13,846
Receipts from interfund services provided	-	-	-	-	-	-	105,673
Cash received from customer deposits	124	1,368	-	25	-	1,517	-
Cash returned from customer deposits	(37)	(1,153)	-	(27)	-	(1,217)	-
Payments to suppliers	(34,593)	(32,387)	(4,225)	(55,505)	(6,530)	(133,240)	(118,561)
Payments to employees	(23,546)	(11,875)	(13)	(4,172)	(12,698)	(52,304)	(2,557)
Payments for interfund services used	(4,897)	(7,527)	(4,686)	(1,667)	(1,414)	(20,191)	(955)
Net cash provided by (used in) operating activities	27,998	46,077	30,250	12,403	(16,528)	100,200	(2,554)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>							
Non-capital grants received	328	-	-	-	5,302	5,630	-
Non-capital grants issued	-	-	-	(85)	-	(85)	(69)
Transfers in	-	-	-	138	11,028	11,166	-
Net cash provided by (used in) noncapital financing activities	328	-	-	53	16,330	16,711	(69)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>							
Proceeds from capital debt	-	56,440	-	-	-	56,440	-
Proceeds from special assessments	-	17	-	-	-	17	-
Transfers to other funds	-	-	(1,999)	-	-	(1,999)	-
Capital contributions	11,407	4,792	-	-	20,175	36,374	-
Proceeds from passenger facility charges	15,312	-	-	-	-	15,312	-
Capital asset purchases	(27,841)	(14,846)	(2,760)	(3,340)	(20,269)	(69,056)	(2,789)
Principal paid on bonds, loans, leases, and interfund loans	(11,417)	(8,397)	(13,022)	(95)	-	(32,931)	-
Interest paid on bonds, loans, leases, and interfund loans	(16,932)	(8,591)	(6,923)	(4,295)	-	(36,741)	-
Transfer to refunding escrow agent	-	(2,533)	-	-	-	(2,533)	-
Proceeds from sale of capital assets	97	60	3	96	166	422	202
Net cash provided by (used in) capital and related financing activities	(29,374)	26,942	(24,701)	(7,634)	72	(34,695)	(2,587)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>							
Proceeds from sale and maturities of investments	34,996	-	-	-	-	34,996	-
Purchase of investments	(34,987)	-	-	-	-	(34,987)	-
Interest on investments	559	388	60	148	27	1,182	234
Net cash provided by investing activities	568	388	60	148	27	1,191	234
Net increase (decrease) in cash and equity in pooled cash and investments	(480)	73,407	5,609	4,970	(99)	83,407	(4,976)
Cash and cash equivalents at beginning of year	159,442	119,535	25,696	108,561	7,488	420,722	98,625
Cash and cash equivalents at end of year	<u>\$ 158,962</u>	<u>\$ 192,942</u>	<u>\$ 31,305</u>	<u>\$ 113,531</u>	<u>\$ 7,389</u>	<u>\$ 504,129</u>	<u>\$ 93,649</u>

(continued)

Lee County, Florida  
STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
As of September 30, 2013  
(amounts expressed in thousands)

	Other Postemployment Benefits Trust Fund	Agency Funds
<b>ASSETS</b>		
Cash and equity in pooled cash and investments	\$ -	\$ 42,283
Cash and cash equivalents with fiscal agent	34,204	-
Investments	-	2,047
Accounts receivable (net)	-	17
Due from other governments	-	245
Total assets	34,204	\$ 44,592
<b>LIABILITIES</b>		
Contracts and accounts payable	-	54
Due to individuals	-	1,099
Due to other governments	-	14,283
Bonds and deposits	-	29,156
Total liabilities	-	\$ 44,592
<b>NET POSITION</b>		
Held in trust for other postemployment benefits	\$ 34,204	

The notes to the financial statements are an integral part of this statement.





Lee County, Florida  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2013

NOTE I. SUMMARY OF SIGNIFICANT  
ACCOUNTING POLICIES

*Reporting Entity*

Lee County ("the County") was founded in 1887 as a political subdivision of the State of Florida established by Article VIII, Section 1(f), *Florida Constitution*. In 1996 by adoption of Lee County Ordinance No. 96-01 the County became a charter county as allowed by Article VIII, Section 1(c), *Florida Constitution*, and Chapter 125.82, *Florida Statutes*. Pursuant to Article VIII, Section 1(g), *Florida Constitution*, as a charter county the County has all powers of self-government not inconsistent with general law, or with special law approved by vote. It also gives the County authority to enact ordinances that are not inconsistent with general law.

The County is governed by an elected Board of County Commissioners ("the Board"), which is governed by Title XI, Chapters 124-164, *Florida Statutes*, and regulations. In addition to the members of the Board, there are five elected Constitutional Officers: Clerk of Circuit Court, Property Appraiser, Sheriff, Supervisor of Elections, and Tax Collector. The Constitutional Officers maintain separate accounting records and budgets.

The accompanying financial statements present the financial position and results of operations of the entity as a whole, by major fund, and non-major funds in aggregate, that are governed by the Board and the Constitutional Officers of Lee County, Florida.

As required by generally accepted accounting principles ("GAAP"), the financial statements of the reporting entity include those of Lee County (the primary government) and its component units. A component unit is a legally separate organization for which the elected officials of the primary government are financially accountable. In addition, a component unit may be another organization for which the nature and significance of its relationship with a primary government is such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The departments and divisions, of the Board and the Constitutional Officers as well as the Lee County Port Authority ("the Port Authority"), a blended component unit, are included in Lee County's *Comprehensive Annual Financial Report*.

*Blended Component Unit*

The Port Authority is a dependent political subdivision of the County as defined in Chapter 189, *Florida Statutes*. The Port Authority was created by Chapter 63-1541, *Laws of Florida*, and by adoption of Resolution No. PA-87-8-9. The legal authority by which the Port Authority operates is found in Chapter 63-1541, *Laws of Florida*, and Chapters 125 and 332, *Florida Statutes*. The Port Authority is included in the County's reporting entity because of the significance of the operational and financial relationships with the County. This component unit has substantively the same governing body as the Board, and is accounted for as a Board enterprise fund.

Complete financial statements of the Port Authority component unit can be obtained as follows:

Lee County Port Authority  
11000 Terminal Access Road, Suite 8671  
Fort Myers, Florida 33913

*Government-Wide and Fund Financial  
Statements*

The government-wide financial statements and the major-fund financial statements along with the notes to the financial statements comprise the basic financial statements. The government-wide financial statements (the statement of net position and the statement of activities) concentrate on the County as a whole and do not emphasize fund types but rather a governmental or a business-type classification, which are presented in separate columns. The governmental activities and business-type activities comprise the primary government. Neither fiduciary funds nor component units that are fiduciary in nature are included. General

Lee County, Florida  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2013

Non-operating revenues are not related to the operations of the proprietary fund and include taxes, interest earnings, grants, and passenger facility charges. Operating expenses represent the cost of operations, which includes depreciation. Non-operating expenses, such as interest expense, are not related to operations.

Governmental fund financial statements are prepared on the modified accrual basis using the current financial resources measurement focus. Under the modified accrual basis, revenues are recognized when they become measurable and available as net current assets. The County considers all revenues, except grants, available if they are collected within sixty days after year-end. Grants are recorded as earned if collected within ninety days after year-end. Primary revenues, such as property taxes, special assessments, inter-governmental revenues, charges for services, sales and franchise taxes, rents, and interest are treated as susceptible to accrual under the modified accrual basis and so have been recognized as revenues. Expenditures reported in governmental fund financial statements are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. An exception to this general rule includes principal and interest on general long-term debt, which is recognized when due, and compensated absences which are accrued when matured.

When both restricted and unrestricted resources are available, restricted resources will be used first for incurred expenses, and then unrestricted as needed. When using the unrestricted resources, committed amounts would be reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

The County reports the following major funds in the governmental fund financial statements:

*General Fund*

The General Fund is the general operating fund of the County that is used to account for all financial resources, except those required to be accounted for in another fund.

*Lee County Library*

The Library, a special revenue fund, is used to account for ad valorem taxes and governmental grant funds designated to operate and maintain the County's public library system.

*MSTU*

The Municipal Service Taxing Unit ("MSTU"), a special revenue fund, is used to account for ad valorem taxes, building license and permit fees, administration fees, charges for Animal Services, and other revenues, and expenditures to be used in the unincorporated areas of the County for services rendered.

*Tourist Development Trust Fund*

The Tourist Development Trust Fund, a special revenue fund, is used to account for the five percent tax on rents for temporary lodgings. This tax, approved by a voter referendum in 1982, is restricted for promotion of tourism and specific projects that have been identified as encouraging tourism such as beach and shoreline improvements, the William Hammond Stadium, and JetBlue Park. The debt service and operations for the stadiums are also allowed to be paid from this tax.

*Capital Improvement*

Capital Improvement is used to account for ad valorem taxes and other revenues, and expenditures to be used for the acquisition or construction of major non-transportation related capital facilities.

The County reports the following major funds in the proprietary fund financial statements:

*Port Authority*

The Lee County Port Authority is used to account for the activities related to the operation of the County owned aviation facilities, including Southwest Florida International Airport and Page Field General Aviation Airport.

*Water and Wastewater*

The Lee County Water and Wastewater System is used to account for the activities related to the operation of the County owned water and wastewater system.

Lee County, Florida  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2013

process. Differences between estimated beginning fund balances and actual fund balances, if material, are submitted to the Board as budget amendments. The annual budgets serve as the legal authorization for expenditures. Expenditures cannot legally exceed the total amount budgeted for each fund. The Board must approve all budget amendments, which change the legally adopted total appropriation for a fund, or amount of a Constitutional Officers' draw. Authority to transfer budget within a fund is delegated to the County Manager or Budget Director.

If, during the fiscal year, additional revenues become available for appropriation in excess of those estimated in the budget, the Board may make supplemental appropriations by resolution for the year up to the amount of such excess. During the fiscal year the Board, in accordance with Florida Statutes, approved various supplemental appropriations. Appropriations lapse at fiscal year-end.

*Assets, Liabilities, Deferred Outflows/  
Inflows of Resources, and Net Position or  
Equity*

*Cash and Equity in Pooled Cash and  
Investments*

The County considers cash and equity in pooled cash and investments to be cash on hand, demand deposits, highly liquid investments, including those held as restricted assets, with original maturities of three months or less when purchased, and those included in the internal investment pool.

For accounting and investment purposes, the County maintains a cash and investment pool that is available for use by all funds except those whose cash and investments must be segregated due to legal or other restrictions. Investments within this pool are treated as a demand deposit account by the various funds of the County that participate. Interest earned on investments in the pool is

allocated to the various funds based upon each fund's equity balance in the pool during the allocation period.

For purposes of the Statements of Cash Flows, the County considers cash and equity in pooled cash and investments (restricted and unrestricted), and restricted cash and cash equivalents with fiscal agent to be cash and cash equivalents.

*Investments*

The County reports all investments at fair value, with the exception of: repurchase agreements, money market mutual funds, State Board of Administration ("SBA") Local Government Surplus Funds Trust Fund Investment Pool ("LGIP"), and the Florida Local Government Investment Trust that are reported at amortized cost which approximates fair value. All fair valuations are based on quoted market prices. The fair value of the position in the LGIP, an external 2a7-like investment pool, and the money market mutual funds are the same as the value of the pool/fund shares. The SBA Fund B Surplus Funds Trust Fund ("Fund B") is accounted for as a fluctuating NAV pool.

*Accounts Receivable*

The trade accounts receivable of the County are recorded in the government-wide, governmental, and proprietary fund financial statements and are net of an allowance for doubtful accounts, which generally is equivalent to the receivables that are over 90 days, plus any amounts to be submitted to the Board of County Commissioners for writeoff due to known uncollectible amounts.

Special assessment receivables that are not expected to be collected in the current year are reported as Deferred Inflows - unavailable revenue in the governmental fund statements. Delinquent special assessments receivable are expected to be recovered, ultimately through liens or foreclosures.

*Due From/Due To*

Activity between funds during the year is recorded by transferring cash,, however, after September 30

Lee County, Florida  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2013

*Compensated Absences*

The County maintains a policy that permits employees to accumulate earned but unused vacation and sick pay benefits that will be paid to employees upon separation from County service if certain criteria are met. These benefits, plus their related tax and retirement costs are classified as compensated absences. The County's policy requires employees to bank unused sick pay benefits. Both the current and long-term portion of compensated absences are accrued and reported in the government-wide and proprietary fund financial statements. The exception to this policy is the Lee County Port Authority, which has a mandatory annual buyback of unused leave. This is accounted for pursuant to GASB Statement Number 16, *Accounting for Compensated Absences*. Payments for compensated absences are made by the respective fund.

*Unamortized Bond Premiums and Discounts*

Bond premiums and discounts related to long-term debt are amortized over the life of the debt, principally by the effective-interest method. Notes payable and revenue bonds payable in the government-wide and proprietary fund financial statements are shown net of unamortized discounts and premiums. Premiums and discounts related to general long-term debt in the governmental fund financial statements are recorded as expenditures or other financing sources when paid or received and, therefore, are not accounted for in subsequent periods.

*Deferred Outflows of Resources*

Deferred outflows of resources represents a consumption of net position that applies to future period(s) and so will not be recognized as an outflow of resources (expense or expenditure) until then. The County has only one item that qualifies for reporting in this category. It is the loss on refunding that results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is amortized using the effective-interest method in the government-wide and proprietary fund financial statements over the

shorter of the life of the old bonds or the life of the new bonds.

*Deferred Inflows of Resources*

Deferred inflows of resources represents acquisition of resources that applies to future reporting period(s) and will not be recognized as an inflow of resource (revenue) until then. In governmental funds, revenues not received within sixty days of yearend are deferred until collected as they do not meet the availability criteria. The County currently has unavailable revenue for special assessments, grants, and accounts receivables. Also included in deferred inflows are gains on refunding that results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is amortized using the effective-interest method in the government-wide and proprietary fund financial statements over the shorter of the life of the old bonds or the life of the new bonds.

*Net Position*

In the government-wide and proprietary fund financial statements net position is categorized as net investment in capital assets, restricted and unrestricted. Restricted net position indicates amounts that have constraints on their use externally imposed by creditors, through debt covenants, by grantors, or by law. Restricted assets are being reported for: capital projects; debt service; inventory held for resale; special revenue funds; and renewal and replacement. The government-wide statement of net position reports \$141,892,000 of governmental activities restricted net position, of which \$121,367,000 is restricted by enabling legislation.

*Fund Balances*

In the governmental fund financial statements the County maintains nonspendable, restricted, committed, assigned, and unassigned fund balances. Nonspendable balances are those that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. Criteria include items that are not

Lee County, Florida  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2013

NOTE III. PROPERTY TAXES

Property taxes become due and payable on November 1 of each year and are delinquent on April 1 of the following year. Discounts on property taxes are allowed for payments made prior to the April 1 delinquent date. Tax certificates for the full amount of any unpaid taxes must be sold no later than June 1 of each year. No accrual for the property tax levy becoming due in November 2013 is included in the accompanying financial statements, since such taxes are collected to finance expenditures of the subsequent period.

Procedures for collecting delinquent taxes, including applicable tax certificate sales and tax deed sales, are provided by Florida Statutes. The enforceable lien date is approximately two years after taxes become delinquent and occurs only upon request of a holder of a delinquent tax certificate. There were no significant delinquent property tax receivables at September 30, 2013.

Important dates in the property tax cycle are as follows:

- Assessment roll certified- July 1
- Millage resolution approved- no later than 95 days following receipt of the certified preliminary assessment roll
- Beginning of fiscal year for which taxes have been levied- October 1
- Taxes due and payable (levy date)- November 1
- Property taxes payable (maximum discount of 4 percent)- 30 days after levy date
- Due date- March 31
- Taxes become delinquent (lien date)- April 1
- Tax certificate sold- prior to June 1

NOTE IV. STEWARDSHIP,  
COMPLIANCE, AND ACCOUNTABILITY

*Compliance with Finance Related Legal  
and Contractual Provisions*

Management believes there were no violations of finance related legal and contractual provisions.

*Deficit Fund Balance*

At September 30, 2013, the Human Services Grant Construction fund had a deficit fund balance of \$11,000 due to the contract retainage liability held in the fund which will not be reimbursed until the completion of the project.

Lee County, Florida  
 NOTES TO THE FINANCIAL STATEMENTS  
 September 30, 2013

*Cash, Equity in Pooled Cash and Investments, and Investments (continued)*

Investment	Maturities	Fair Value	Call Date	Call Frequency	Rating
Federal Home Loan Mortgage Corp. Discount Note	11/14/2013	10,000			N/A
Federal Home Loan Mortgage Corp. Discount Note	11/27/2013	10,000			N/A
Federal National Mortgage Association	12/18/2013	20,030			AA+
Federal National Mortgage Assoc. Discount Note	2/14/2014	19,998			N/A
Federal National Mortgage Assoc. Discount Note	06/10/2014	19,991			N/A
Total		\$ 1,205,777			

Other Postemployment Benefits Trust Fund

As of September 30, 2013, the County had the following investments in their trust portfolio (amounts in thousands):

Investment	Maturities	Fair Value	Call Date	Call Frequency	Rating
Money Market Funds	N/A	\$ 34,204			AAAm

SBA- Fund B Surplus Funds Trust Fund contains the securities that have problems with payment defaults, paid slower than expected or have significant credit risk. Interest income is not paid and distributed to Fund B participants; however, periodic liquidity has been made available. Fund B is accounted for as a fluctuating NAV pool; the fair value factor as of September 30, 2013 was 1.13262284.

Lee County, Florida  
 NOTES TO THE FINANCIAL STATEMENTS  
 September 30, 2013

Cooperation Act of 1969, Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency, interest-bearing time deposits or savings accounts in qualified public depositories, or direct obligations of the U.S. Treasury. All other Constitutional Officers, except the Clerk, follow the guidance in Section 219.075, *Florida Statutes*, regarding the deposit of funds and the investment of surplus funds, in addition to Section 218.415, *Florida Statutes*.

There is no formal written policy for the other postemployment benefit trust portfolio. The County adopted an ordinance allowing the trust assets to be invested in the same investments allowed by the Florida Retirement System as described in Chapter 215, *Florida Statutes*.

*Custodial Credit Risk*

The Board's Policy requires that bank deposits be secured as provided by Chapter 280, *Florida Statutes*, and that the banks must be fully insured by the Federal Deposit Insurance Corporation (FDIC) or the Federal Savings and Loan Insurance Corporation (FSLIC) and approved by the State Treasurer as a public depository. At September 30, 2013, all of the County's bank deposits, including the Constitutional Officers', were in qualified public depositories.

The Board's Policy requires execution of a third-party custodial safekeeping agreement for all purchased securities and collateral, and requires that they be held in the County's name.

*Interest Rate Risk*

The Board's Policy requires an average minimum dollar amount equivalent to eight weeks of expenditures shall be held in a liquid investment, and securities will not be directly invested in or accepted as collateral that have a maturity date greater than five (5) years from the settlement date.

*Concentration of Credit Risk*

The Board's Policy establishes limitations on portfolio composition in order to control

concentration of credit risk. The Board's Policy allows 100 percent of the portfolio to be invested in United States Treasuries/Agencies, 50 percent to be invested in Local Government Surplus Funds, 20 percent to be invested in repurchase agreements, 65 percent to be invested in money market mutual funds (no individual fund family can exceed 30 percent of the overall portfolio), 30 percent to be invested in Certificate of Deposits, and 5 percent to be invested in FLGIT. No more than 25 percent of the total portfolio can be invested with one investment company.

The portion of the County's portfolio invested in Federal instrumentalities is detailed as follows, at September 30, 2013:

<u>Issuer</u>	<u>Percent of Portfolio</u>
Federal Home Loan Bank	10.18%
Federal Home Loan Mortgage Corp	7.26%
Federal National Mortgage Association	6.43%
Federal Farm Credit Bank	<u>16.08%</u>
Total Federal Instrumentalities	<u>39.95%</u>

Reconciliation of cash, equity in pooled cash and investments, and investments from the schedule of deposits and investments to the basic fund financial statements (dollars in thousands):

Current:	
Cash and equity in pooled cash and investments	\$844,900
Cash and cash equivalents with fiscal agent	99,824
Investments	10,184
Restricted:	
Cash and equity in pooled cash and investments	83,353
Cash and investments with fiscal agent	98,181
Investments	25,005
Agency Funds	
Cash and equity in pooled cash and investments	42,283
Investments	<u>2,047</u>
Total	<u>\$1,205,777</u>

Lee County, Florida  
 NOTES TO THE FINANCIAL STATEMENTS  
 September 30, 2013

*Restricted Assets and Liabilities (continued)*

	General Fund	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Other Governmental Activities	Total
Liabilities payable from restricted assets:						
Contracts and accounts payable	\$ -	\$ 1,647	\$ -	\$ 6,727	\$ -	\$ 8,374
Accrued liabilities	-	429	-	-	-	429
Due to other governments	-	1,735	-	225	-	1,960
Deposits and overbids	-	5,016	-	-	-	5,016
Unearned revenues	-	317	-	-	-	317
Accrued interest payable	-	-	-	-	6,153	6,153
Total	\$ -	\$ 9,144	\$ -	\$ 6,952	\$ 6,153	\$ 22,249

Special Revenue fund assets and liabilities are restricted to comply with various grant agreements and statutes. Debt Service Fund and Governmental Activities assets and liabilities are restricted per bond covenants to pay debt service on various bonds. Capital Projects assets and liabilities are restricted due to external loan and bond agreements and statutes.



Lee County, Florida  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2013

*Capital Assets*

Capital asset activity for the fiscal year ended September 30, 2013, was as follows (dollars in thousands):

	Beginning Balance	Increases	Decreases	Ending Balance
<i><u>Governmental Activities:</u></i>				
Capital assets not being depreciated:				
Artwork	\$ 329	\$ -	\$ -	\$ 329
Land	587,828	1,735	(6,193)	583,370
Construction in progress	116,736	58,843	(115,801)	59,778
Easements & Rights of Way	59,428	92	-	59,520
Software in progress	475	-	-	475
Total capital assets not being depreciated	<u>764,796</u>	<u>60,670</u>	<u>(121,994)</u>	<u>703,472</u>
Capital assets being depreciated:				
Buildings	516,727	17,088	(160)	533,655
Improvements other than buildings	216,110	27,236	(37,381)	205,965
Machinery and equipment	242,682	21,407	(7,667)	256,422
Software	14,601	202	(48)	14,755
Infrastructure	670,754	83,358	-	754,112
Total capital assets being depreciated	<u>1,660,874</u>	<u>149,291</u>	<u>(45,256)</u>	<u>1,764,909</u>
Less accumulated depreciation for:				
Buildings	128,491	11,856	(131)	140,216
Improvements other than buildings	56,926	13,808	(3,830)	66,904
Machinery and equipment	169,383	15,350	(7,016)	177,717
Software	11,200	854	(14)	12,040
Infrastructure	207,239	21,300	-	228,539
Total accumulated depreciation	<u>573,239</u>	<u>63,168</u>	<u>(10,991)</u>	<u>625,416</u>
Total capital assets being depreciated, net	<u>1,087,635</u>	<u>86,123</u>	<u>(34,265)</u>	<u>1,139,493</u>
Total governmental activities capital assets, net	<u>\$ 1,852,431</u>	<u>\$ 146,793</u>	<u>\$ (156,259)</u>	<u>\$ 1,842,965</u>
<i><u>Business-Type Activities:</u></i>				
Capital assets not being depreciated:				
Artwork				
Port Authority	\$ 715	\$ -	\$ (424)	\$ 291
Total Artwork	<u>715</u>	<u>-</u>	<u>(424)</u>	<u>291</u>
Land				
Port Authority	132,776	-	(117)	132,659
Water and Wastewater	26,343	24	-	26,367
Transportation Facilities	30,367	-	-	30,367
Solid Waste	21,131	6,019	-	27,150
Other non-major - Transit	8,675	7	-	8,682
Total land	<u>219,292</u>	<u>6,050</u>	<u>(117)</u>	<u>225,225</u>

Lee County, Florida  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2013

*Capital Assets (continued)*

	Beginning Balance	Increases	Decreases	Ending Balance
<i>Business-Type Activities (continued):</i>				
<b>Infrastructure</b>				
Port Authority	290,676	7,097	(278)	297,495
Water and Wastewater	349,359	6,094	-	355,453
Transportation Facilities	290,385	-	-	290,385
Solid Waste	22,012	325	-	22,337
Other non-major - Transit	177	-	(177)	-
<b>Total infrastructure</b>	<b>952,609</b>	<b>13,516</b>	<b>(455)</b>	<b>965,670</b>
<b>Total capital assets being depreciated</b>	<b>2,339,153</b>	<b>64,911</b>	<b>(17,127)</b>	<b>2,386,937</b>
Less accumulated depreciation for:				
<b>Buildings</b>				
Port Authority	56,518	6,906	-	63,424
Water and Wastewater	13,791	1,081	(9)	14,863
Transportation Facilities	4,445	447	-	4,892
Solid Waste	52,628	3,545	(6)	56,167
Other non-major - Transit	2,096	168	-	2,264
<b>Total buildings</b>	<b>129,478</b>	<b>12,147</b>	<b>(15)</b>	<b>141,610</b>
<b>Improvements other than buildings</b>				
Port Authority	9,726	1,276	(260)	10,742
Water and Wastewater	156,116	19,667	(821)	174,962
Transportation Facilities	2,488	214	-	2,702
Solid Waste	9,961	1,976	-	11,937
Other non-major - Transit	60	384	(6)	438
<b>Total improvements other than buildings</b>	<b>178,351</b>	<b>23,517</b>	<b>(1,087)</b>	<b>200,781</b>
<b>Machinery and equipment</b>				
Port Authority	23,328	3,093	(3,312)	23,109
Water and Wastewater	47,292	7,775	(1,941)	53,126
Transportation Facilities	3,918	200	(203)	3,915
Solid Waste	76,621	8,109	(278)	84,452
Other non-major - Transit	17,117	3,709	(4,345)	16,481
<b>Total machinery and equipment</b>	<b>168,276</b>	<b>22,886</b>	<b>(10,079)</b>	<b>181,083</b>
<b>Software</b>				
Port Authority	2,901	66	-	2,967
Transportation Facilities	89	104	-	193
Other non-major - Transit	65	67	-	132
<b>Total software</b>	<b>3,055</b>	<b>237</b>	<b>-</b>	<b>3,292</b>

Lee County, Florida  
 NOTES TO THE FINANCIAL STATEMENTS  
 September 30, 2013

*Construction Commitments*

The County has active construction projects as of September 30, 2013. The significant commitments for remaining contracts were as follows (dollars in thousands):

<u>Project</u>	<u>Contract Amount</u>	<u>Amount Spent-to-date</u>	<u>Remaining Commitment</u>	<u>Retainage</u>
Port Authority	\$ 83,764	\$ 64,949	\$ 18,815	\$ 2,866
Water and Wastewater	10,802	4,745	6,057	513
Transportation Facilities	34,186	7,468	26,718	516
Solid Waste	2,707	1,816	891	68
Library	12,695	10,605	2,090	729
Culture & recreation	24,962	22,066	2,896	461
Transportation	63,212	56,493	6,719	52
Other	297	223	74	-
Total	<u>\$ 232,625</u>	<u>\$ 168,365</u>	<u>\$ 64,260</u>	<u>\$ 5,205</u>

Lee County, Florida  
**NOTES TO THE FINANCIAL STATEMENTS**  
September 30, 2013

*Interfund Transactions (continued)*

*Due To/From Other Funds*

Interfund balances for the year ended September 30, 2013, consisted of the following (dollars in thousands):

<u>Receivable Fund/Payable Fund:</u>	<u>Amount</u>	<u>Receivable Fund/Payable Fund:</u>	<u>Amount</u>
<i>Due to: General Fund</i>		<i>Due to: Port Authority</i>	
Library	\$ 19	Transit	\$ 1
MSTU	35	<i>Due to: Water and Wastewater</i>	
Tourist Development Trust Fund	44	General Fund	6
Capital Improvement	5	Non-major governmental funds	1
Non-major governmental funds	651	Port Authority	28
		Internal service funds	4
Water and Wastewater	6	<i>Due to: Transportation Facilities</i>	
Transportation Facilities	6	Non-major governmental funds	20
Solid Waste	6,000	Internal service funds	4
Transit	1	<i>Due to: Solid Waste</i>	
Internal service funds	9	General Fund	135
Total due to General Fund	6,776	MSTU	8
<i>Due to: Lee County Library</i>		Non-major governmental funds	1
General Fund	125	Water and Wastewater	20
Internal service funds	4	Internal service funds	1
Total due to Library	129	<i>Due to: Transit</i>	
<i>Due to: MSTU</i>		Non-major governmental funds	58
General Fund	441	Internal service funds	4
Tourist Development Trust Fund	4	Total due to Enterprise funds	291
Non-major governmental funds	19	<i>Due to: Internal service funds</i>	
Internal service funds	6	General Fund	391
Total due to MSTU	470	Library	23
<i>Due to: Tourist Development Trust Fund</i>		MSTU	126
Capital Improvement	112	Tourist Development Trust Fund	3
Non-major governmental funds	2	Capital Improvement	6
Total due to Tourist Development Trust Fund	114	Non-major governmental funds	270
<i>Due to: Capital Improvement</i>		Port Authority	43
General Fund	214	Water and Wastewater	129
Tourist Development Trust Fund	3,503	Transportation Facilities	11
Internal service funds	1	Solid Waste	5
Non-major governmental funds	1,927	Transit	6
Total due to Capital Improvements	5,645	Internal service funds	12
<i>Due to: Non-major governmental funds</i>		Total due to Internal service funds	1,025
General Fund	662	<b>Total</b>	<b>\$ 21,034</b>
Library	9		
Capital Improvement	171		
Non-major governmental funds	613		
Port Authority	16		
Transportation Facilities	5,099		
Internal service funds	14		
Total due to Non-major governmental funds	\$ 6,584		

*Advances To/Advances From Other Funds*

Interfund advances for the year ended September 30, 2013, consisted of the following (dollars in thousands):

<u>Receivable Fund/Payable Fund:</u>	<u>Amount</u>	<u>Receivable Fund/Payable Fund:</u>	<u>Amount</u>
<i>Advances from General Fund</i>		<i>Advances from Special Assessment Districts</i>	
Port Authority	88	Municipal Service Benefit Unit Districts	7
Total advances from General Fund	88	MSBU Projects Commercial Loan	10
<i>Advances from Special Assessment Districts</i>		Total advances from Special Assessment Districts	17
Port Authority	88	Loan to Port Authority for utility line construction	88
Total advances from Special Assessment Districts	88	Loans for temporary lighting district operations	7
<i>Advances from Special Assessment Districts</i>		Loans for project debt service	10
Municipal Service Benefit Unit Districts	7		
MSBU Projects Commercial Loan	10		
Total advances from Special Assessment Districts	17		
<b>Total</b>	<b>\$ 105</b>		

Repayment of advances is based on cash availability at year end in the borrowing funds therefore the outstanding balances are not on a schedule to be repaid within the following year.

Lee County, Florida  
 NOTES TO THE FINANCIAL STATEMENTS  
 September 30, 2013

*Long-Term Obligations*

*Leases*

*Operating Leases*

The County is currently committed to various operating leases with terms in excess of one year. The future minimum rental payments as of September 30, 2013, were as follows (dollars in thousands):

<u>Fiscal Year(s)</u>	<u>Amount</u>
2014	\$2,306
2015	1,623
2016	1,071
2017	741
2018	279
2019-2023	479
2024-2028	355
2029-2033	<u>193</u>
Total	<u>\$7,047</u>

For all operating leases, rental expense is recorded with separate amounts for minimum rentals, contingent rentals, and sublease rentals.

The following schedule shows the total rental expense for all operating leases, including those with terms of less than one year, for the year ended September 30, 2013 (dollars in thousands):

Minimum rentals	\$2,960
Contingent rentals	59
Short-term leases	<u>904</u>
Total rent expense	<u>\$3,923</u>

An operating lease has a contingent rental when the amount of the rental payment may change based on the occurrence of certain events. For example, rental payments may increase due to additional usage or a change in the Consumer Price Index (CPI) rate or other economic indicators. Most operating leases have the option to renew for either a one or two year term. In most cases, the County expects to renew or replace all operating leases.

*Revenue Bonds*

The County issued revenue bonds for both governmental and business-type activities. The descriptions and balances of the outstanding revenue bonds as of September 30, 2013, were as follows:

*Governmental Activities*

- Series 2006 Capital Revenue Bonds for \$63,605,000 at interest rates ranging from 4 percent to 5 percent (effective interest rate of 4.41 percent) collateralized by a lien on and a pledge of non-ad valorem funds including ambulance service receipts, building permits, zoning fees, data processing fees, excess County Officer fees, franchise fees, guaranteed entitlement funds, investment earnings, license fees, pledged gas taxes, and sales tax. The bonds are payable through 2026. The outstanding balance was \$63,605,000.

The Capital Revenue Bonds were issued for the construction of the Jail and Evidence Facility. The total principal and interest remaining to be paid is \$92,357,000. Principal and interest paid for the current year on all Capital Revenue Bonds including refunded and matured debt, and pledged revenues collected were \$16,470,000 and \$101,115,000, respectively.

- Series 2004 Tourist Development Tax Refunding Revenue Bonds for \$8,195,000 at interest rates ranging from 2 percent to 5.25 percent (effective interest rate of 5.03 percent), collateralized by a lien on and a pledge of the tourist development tax, gross revenues of the baseball stadiums, and investment earnings. The bonds are payable through 2016. The outstanding balance was \$2,940,000.
- Series 2010A Tourist Development Tax Revenue Bonds (Federally Taxable-Build America Bonds-Direct Subsidy) for \$42,480,000 at interest rates ranging from 4.10 percent to 6.09 percent (effective interest rate of 5.79 percent),

Lee County, Florida  
NOTES TO THE FINANCIAL STATEMENTS  
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percent to 5 percent (effective interest rate of 5.49 percent), collateralized by a lien on and a pledge of net revenues of the SWFIA. The bonds are payable through 2033. The outstanding balance was \$37,540,000.

- Series 2010A Airport Revenue Refunding Bonds, for \$119,350,000 at interest rates ranging from 3.0 percent to 5.5 percent (effective interest rate of 5.25 percent), collateralized by a lien on and a pledge of net revenues of the SWFIA. The bonds are payable through 2022. The outstanding balance was \$103,880,000.
- Series 2011A Airport Revenue Refunding Bonds \$174,450,000 at interest rates ranging from 3.0 percent to 5.63 percent (effective interest rate of 5.53 percent), collateralized by a lien on and a pledge of net revenues of the SWFIA. The bonds are payable through 2032. The outstanding balance was \$174,450,000.

The Airport Revenue Bonds were issued for various capital projects. The total principal and interest remaining to be paid out on the Airport Revenue Bonds is \$521,855,000. Principal and interest paid for the current year and pledged revenues collected were \$24,505,000 and \$32,156,000, respectively.

- Series 2011 Water and Sewer Refunding Revenue Bonds for \$74,855,000 at interest rates ranging from 3 percent to 5.25 percent (effective interest rate of 4.29 percent), collateralized by a lien on and a pledge of the net revenues of the Lee County Water and Wastewater System. The bonds are payable through 2026. The outstanding balance was \$71,125,000.
- Series 2012A Water and Sewer Refunding Revenue Bonds for \$19,990,000 at an interest rate of 5 percent (effective interest rate of 3.65 percent), collateralized by a lien on and a pledge of the net revenues of the Lee County Water and Wastewater System. The bonds are payable through 2029. The outstanding balance was \$19,990,000.

- Series 2012B Water and Sewer Refunding Revenue Bonds for \$7,490,000 at an interest rate of 5 percent (effective interest rate of 3.75 percent), collateralized by a lien on and a pledge of the net revenues of the Lee County Water and Wastewater System. The bonds are payable through 2029. The outstanding balance was \$7,490,000.
- Series 2013A Water and Sewer Revenue Bonds for \$53,755,000 at interest rates ranging from 2 percent to 5 percent (effective interest rate of 4.45 percent), collateralized by a lien on and a pledge of the net revenues of the Lee County Water and Wastewater System. The bonds are payable through 2043. The outstanding balance was \$53,755,000.
- Series 2013B Water and Sewer Refunding Revenue Bonds for \$39,440,000 at interest rates ranging from 2 percent to 5 percent (effective interest rate of 4.29 percent), collateralized by a lien on and a pledge of the net revenues of the Lee County Water and Wastewater System. The bonds are payable through 2027. The outstanding balance was \$39,440,000.

The Water and Sewer Revenue Bonds were issued for various capital projects. The total principal and interest remaining to be paid out on the Water and Sewer Revenue Bonds is \$306,774,000. Principal and interest paid for the current year which includes refunded bonds and net pledged revenues collected were \$12,944,000 and \$47,586,000, respectively.

- Series 2004B Transportation Facilities Refunding Revenue Bonds for \$58,375,000 at interest rates ranging from 2 percent to 5 percent (effective interest rate of 5.72 percent) collateralized by a lien on and pledge of the net revenues of the Sanibel Bridge, Cape Coral Bridge, and Midpoint Memorial Bridge Facilities. The bonds are payable through 2022. The outstanding balance was \$38,420,000.

Lee County, Florida  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2013

The annual debt service requirements for revenue bonds at September 30, 2013, were as follows (dollars in thousands):

Fiscal Year(s)	Governmental Activities		Business-type Activities		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2014	\$7,950	\$12,133	\$16,500	\$34,338	\$24,450	\$46,471
2015	8,530	12,127	24,085	34,951	32,615	47,078
2016	8,905	11,775	25,965	33,812	34,870	45,587
2017	11,115	11,327	27,165	32,558	38,280	43,885
2018	11,695	10,793	28,465	31,235	40,160	42,028
2019-2023	37,995	48,615	170,260	132,518	208,255	181,133
2024-2028	70,375	33,594	212,195	83,140	282,570	116,734
2029-2033	21,970	23,073	152,230	35,527	174,200	58,600
2034-2038	29,535	15,853	49,375	7,484	78,910	23,337
2039-2043	37,053	6,296	14,275	2,678	51,328	8,974
2044	8,085	173	3,295	82	11,380	255
<b>Total</b>	<b>\$253,208</b>	<b>\$185,759</b>	<b>\$723,810</b>	<b>\$428,323</b>	<b>\$977,018</b>	<b>\$614,082</b>

Fiscal Year(s)	Port Authority		Water and Wastewater		Transportation Facilities		Solid Waste	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2014	\$8,470	\$16,249	\$3,890	\$7,536	\$4,040	\$6,267	\$100	\$4,286
2015	8,900	15,818	6,190	8,863	4,165	6,105	4,830	4,165
2016	9,330	15,365	7,195	8,622	4,360	5,906	5,080	3,919
2017	9,800	14,891	7,465	8,311	4,565	5,696	5,335	3,660
2018	10,280	14,399	7,790	7,980	4,785	5,469	5,610	3,387
2019-2023	59,880	63,237	44,580	34,141	33,125	22,829	32,675	12,311
2024-2028	80,275	44,847	55,905	21,622	43,290	13,407	32,725	3,264
2029-2033	104,000	20,556	30,030	9,294	18,200	5,677	-	-
2034-2038	24,935	623	11,185	5,845	13,255	1,016	-	-
2039-2043	-	-	14,275	2,678	-	-	-	-
2044	-	-	3,295	82	-	-	-	-
<b>Total</b>	<b>\$315,870</b>	<b>\$205,985</b>	<b>\$191,800</b>	<b>\$114,974</b>	<b>\$129,785</b>	<b>\$72,372</b>	<b>\$86,355</b>	<b>\$34,992</b>

Lee County, Florida  
NOTES TO THE FINANCIAL STATEMENTS  
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*Bond Resolutions*

The resolution for the following bonds established certain accounts and determined the order in which certain revenues are to be deposited into those accounts. In addition, there are various other covenants established by the official statements and County resolutions, including such items as debt service coverage, reporting requirements, and maintenance of facilities. Management believes that it has complied, in all material respects, with these covenants. All required balances at September 30, 2013, were maintained on all issues. The following issues are still outstanding:

Revenue Bonds

Five Cent Local Option Gas Tax Refunding Revenue Bonds, Series 2004  
Capital Revenue Bonds, Series 2006  
Tourist Development Tax Refunding Revenue Bonds, Series 2004  
Tourist Development Tax Revenue Bonds, Series 2010A  
Tourist Development Tax Revenue Bonds, Series 2010B  
Tourist Development Tax Revenue Bonds, Series 2010C  
Tourist Development Tax Revenue Bonds, Series 2013  
Non-Advalorem Refunding Revenue Bonds, Series 2012  
Airport Revenue Refunding Bonds, Series 2005  
Airport Revenue Refunding Bonds, Series 2010A  
Airport Revenue Refunding Bonds, Series 2011A  
Water and Sewer Refunding Revenue Bonds, Series 2011  
Water and Sewer Refunding Revenue Bonds, Series 2012A  
Water and Sewer Refunding Revenue Bonds, Series 2012B  
Water and Sewer Refunding Revenue Bonds, Series 2013A  
Water and Sewer Refunding Revenue Bonds, Series 2013B  
Transportation Facilities Refunding Revenue Bonds, Series 2004B

Transportation Facilities Refunding Revenue Bonds, Series 2005A  
Transportation Facilities Revenue Bonds, Series 2005B  
Solid Waste System Revenue Bonds, Series 2006A  
Solid Waste System Refunding Revenue Bonds, Series 2006B

*Variable Debt*

The County has entered into a loan agreement with a commercial bank to provide long-term financing for certain capital projects used in governmental activities. The loan is collateralized by special assessments levied against the benefited property owners of certain municipal service benefit units ("MSBU") of the County. Interest is payable semi-annually. Principal is payable in equal annual installments maturing in fiscal year 2018. The descriptions and the outstanding balances of the variable debt at September 30, 2013, were as follows:

- Bal Isle Drive Sewer district loan was issued on June 4, 2004, for \$79,000. For the year ended September 30, 2013, the interest rate was 6.12 percent. The interest rate is fixed until 2014 when it becomes variable and is calculated at 133 percent of the five-year Treasury note yield. The outstanding balance was \$25,000.
- Country/Triple Crown Court Waterline district loan was issued on July 15, 2004, for \$195,000. For the year ended September 30, 2013, the interest rate was 5.95 percent. The interest rate is fixed until 2014 when it becomes variable and is calculated at 133 percent of the five-year Treasury note yield. The outstanding balance was \$52,000.
- Cottage Point Waterline district loan was issued on July 28, 2004, for \$131,000. For the year ended September 30, 2013, the interest rate was 5.93 percent. The interest rate is fixed until 2014 when it becomes variable and is calculated at 133 percent of the five-year Treasury note yield. The outstanding balance was \$37,000.



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financing for certain capital projects. The loans are collateralized by special assessments levied against the benefited property owners of certain MSBU of the County. Interest is payable semi-annually. Principal is payable in equal annual installments maturing in fiscal years 2014 through 2025.

- South Pebble/Broken Arrow district loan was issued on May 27, 1998, for \$360,000 at an interest rate of 5.74 percent. The outstanding balance was \$16,000.
- Briarcrest Sewer district loan was issued on August 10, 2007, for \$324,000 at an interest rate of 5.51 percent. The outstanding balance was \$194,000.
- Harbor Drive district loan was issued on February 29, 2008, for \$867,000 at an interest rate of 4.67 percent. The outstanding balance was \$650,000.
- Western Acres district loan was issued on April 25, 2008, for \$1,696,000 at an interest rate of 4.36 percent. The outstanding balance was \$1,242,000.
- Emily Lane district loan was issued on August 19, 2009, for \$457,000 at an interest rate of 3.99 percent. The outstanding balance was \$335,000.
- McGregor Isle district loan was issued on June 10, 2010, for \$223,000 at an interest rate of 3.31 percent. The outstanding balance was \$139,000.
- San Carlos district loan was issued on June 30, 2010, for \$458,000 at an interest rate of 3.17 percent. The outstanding balance was \$367,000.
- McGregor Villages district loan was issued on June 23, 2010, for \$116,000 at an interest rate of 3.34 percent. The outstanding balance was \$93,000.
- Airport Woods Sewer district loan was issued on October 10, 2012, for \$451,000 at an interest rate of 2.85 percent. The outstanding balance was \$451,000.

- Port Carlos Dredge district loan was issued on August 9, 2013, for \$84,000 at an interest rate of 3.10 percent. The outstanding balance was \$84,000.

The total principal and interest remaining to be paid out on the MSBU notes payable is \$4,468,000. Principal and interest paid for the current year and pledged revenues collected were \$484,000 and \$464,000, respectively.

On March 9, 2011, the County entered into a loan agreement for \$7,060,000 with a commercial bank to refund the Capital Revenue Bonds, Series 2000. The loan is collateralized by a lien on and a pledge of non-ad valorem funds including ambulance service receipts, building permits, zoning fees, data processing fees, excess County Officer fees, franchise fees, guaranteed entitlement funds, investment earnings, license fees, pledged gas taxes, and sales tax. Interest is payable semi-annually at an interest rate of 2.135 percent. Principal is payable annually starting on October 1, 2011, and maturing on October 1, 2015. The outstanding balance was \$2,840,000 as a result of the early application of the principal payment by the bank before September 30, 2013.

The total principal and interest remaining to be paid out on the commercial bank loan for the refunding of the Capital Revenue Bonds, series 2000 is \$2,931,000. Principal and interest paid for the current year and pledged revenues collected were \$1,465,000 and \$101,115,000, respectively.

On August 14, 2013, the County entered into a loan agreement for \$35,540,000 with a commercial bank to refund the Capital and Transportation Facilities Refunding Revenue Bonds, Series 2003. The County covenanted to budget and appropriate legally available non-ad valorem revenues reduced by General Government and Public Safety expenditures. Interest is payable semi-annually at an interest rate of 2.09 percent. Principal is payable annually starting on October 1, 2014, and maturing on October 1, 2021. The outstanding balance was \$35,540,000.

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authorize the borrowing, excluding capitalized interest, of \$10,000,000, \$10,000,000, and \$3,559,000 at interest rates of 2.62 percent, 2.22 percent, and 2.79 percent respectively. To date the County has received \$34,510,000 which includes capitalized interest and service fees of \$950,000. The first of 40 semiannual loan payments began on October 15, 2010 for \$683,000 and which was increased to \$1,000,000 on April 15, 2011. On October 15, 2011 and thereafter the semiannual installments of \$1,121,000 are due on April 15 and October 15 of each year until all amounts due have been fully paid in 2030. The outstanding balance was \$30,618,000.

The total principal and interest remaining to be paid out on the Florida Department of Environmental Protection loans is \$64,831,000. Principal and interest paid for the current year and pledged revenues collected were \$5,146,000 and \$29,791,000, respectively.

The annual debt service requirements for notes payable at September 30, 2013, were as follows (dollars in thousands):

Fiscal Year(s)	Governmental Activities		Business-type Activities		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2014	\$359	\$641	\$8,389	\$1,892	\$8,748	\$2,533
2015	2,562	909	11,772	1,783	14,334	2,692
2016	2,707	848	11,658	1,547	14,365	2,395
2017	1,292	800	11,675	1,306	12,967	2,106
2018	1,307	768	8,318	1,102	9,625	1,870
2019-2023	9,600	885	15,805	4,060	25,405	4,945
2024-2028	24,124	764	17,182	1,824	41,306	2,588
2029-2031	-	-	4,364	148	4,364	148
	\$41,951	\$5,615	\$89,163	\$13,662	\$131,114	\$19,277

Florida Department of Transportation

- On June 29, 2006, the Lee County Transportation Facilities entered into an agreement with the Florida Department of Transportation to borrow \$1,500,000 from the Florida Toll Facilities Revolving Trust Fund for the design of the Colonial Boulevard elevated expressway. The project was discontinued in 2011 and all unspent proceeds along with interest earnings were repaid to the Trust Fund on March 2, 2011. The interest free loan is to be repaid in three annual installments of \$314,000 beginning in fiscal year 2013 through 2015. The outstanding balance is \$628,000. Principal paid for the current year, including debt that matured was \$614,000. Net pledged revenues collected were \$29,464,000.

Lee County, Florida  
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*Changes in Long-Term Debt*

Changes in bonded and other indebtedness of the County for the year ended September 30, 2013, were as follows (dollars in thousands):

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<b><u>Governmental Activities:</u></b>					
Bonds payable:					
Revenue bonds	\$ 261,928	\$ 89,860	\$ (98,580)	\$ 253,208	\$ 7,950
Less/plus deferred amounts:					
Unamort discount/premium	2,815	8,427	(2,300)	8,942	-
Total bonds payable	<u>264,743</u>	<u>98,287</u>	<u>(100,880)</u>	<u>262,150</u>	<u>7,950</u>
Variable debt	982	37	(905)	114	27
Notes payable	13,094	36,075	(7,218)	41,951	359
Accreted interest payable	5,940	-	(5,940)	-	-
Other:					
Self-insurance claims payable	19,142	80,251	(79,473)	19,920	10,126
Other postemployment benefits	127,252	32,236	-	159,488	-
Compensated absences	20,986	18,108	(17,598)	21,496	7,549
Total governmental activity long-term liabilities	<u>\$ 452,139</u>	<u>\$ 264,994</u>	<u>\$ (212,014)</u>	<u>\$ 505,119</u>	<u>\$ 26,011</u>

The liability for compensated absences is liquidated primarily by the General Fund, with other governmental funds and internal service funds liquidating less than 10 percent each on an annual basis. The other postemployment benefit obligation is currently liquidated by the Other Postemployment Benefits Trust Fund. The entire claims liability is reported in the Self-Insurance Group Health and Dental Fund and will be liquidated by that fund.

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<b><u>Business-Type Activities:</u></b>					
<b><u>Port Authority</u></b>					
Bonds payable:					
Revenue bonds	\$ 323,765	\$ -	\$ (7,895)	\$ 315,870	\$ 8,470
Less/plus deferred amounts:					
Unamort discount/premium	4,297	-	(481)	3,816	-
Total bonds payable	<u>328,062</u>	<u>-</u>	<u>(8,376)</u>	<u>319,686</u>	<u>8,470</u>
Variable debt	3,812	-	(375)	3,437	395
Notes payable	12,840	-	(3,120)	9,720	-
Other postemployment benefits	14,207	3,446	-	17,653	-
Compensated absences	1,495	2,466	(2,363)	1,598	1,160
Total Port Authority long-term liabilities	<u>\$ 360,416</u>	<u>\$ 5,912</u>	<u>\$ (14,234)</u>	<u>\$ 352,094</u>	<u>\$ 10,025</u>

Lee County, Florida  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2013

*Changes in Long-Term Debt (continued)*

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<u><i>Solid Waste</i></u>					
Bonds payable:					
Revenue bonds	\$ 86,450	\$ -	\$ (95)	\$ 86,355	\$ 100
Less/plus deferred amounts:					
Unamort discount/premium	53	-	(29)	24	-
Total bonds payable	86,503	-	(124)	86,379	100
Landfill closure & postclosure costs	14,488	1,036	-	15,524	-
Other postemployment benefits	2,253	592	-	2,845	-
Compensated absences	251	379	(332)	298	20
Total Solid Waste long-term liabilities	<u>\$ 103,495</u>	<u>\$ 2,007</u>	<u>\$ (456)</u>	<u>\$ 105,046</u>	<u>\$ 120</u>
<u><i>Other Non-Major - Transit</i></u>					
Other postemployment benefits	\$ 7,489	\$ 1,881	\$ -	\$ 9,370	\$ -
Compensated absences	503	828	(820)	511	35
Total Other Non-Major long-term liabilities	<u>\$ 7,992</u>	<u>\$ 2,709</u>	<u>\$ (820)</u>	<u>\$ 9,881</u>	<u>\$ 35</u>
<u><i>Total Business-Type Activities</i></u>					
Bonds payable:					
Revenue bonds	\$ 693,500	\$ 93,195	\$ (62,885)	\$ 723,810	\$ 16,500
Less/plus deferred amounts:					
Unamort discount/premium	19,612	7,505	(2,730)	24,387	-
Total bonds payable	713,112	100,700	(65,615)	748,197	16,500
Variable debt	3,812	-	(375)	3,437	395
Notes payable	101,122	-	(11,959)	89,163	8,389
Total variable debt and notes payable	104,934	-	(12,334)	92,600	8,784
Landfill closure & postclosure costs	14,488	1,036	-	15,524	-
Other postemployment benefits	35,073	9,207	-	44,280	-
Compensated absences	3,399	5,325	(5,103)	3,621	1,298
Total business-type activity long-term liabilities	<u>\$ 871,006</u>	<u>\$ 116,268</u>	<u>\$ (83,052)</u>	<u>\$ 904,222</u>	<u>\$ 26,582</u>

Lee County, Florida  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2013

*Segment Information- Port Authority (continued)*

	Southwest Florida International Airport
Loss before capital contributions	(8,605)
Capital contributions	9,729
Transfers	17,136
Change in net position	18,260
Beginning net position, as restated	378,501
Ending net position	\$ 396,761
 <i>Condensed Statement of Cash Flows</i>	
Net cash provided (used) by:	
Operating activities	\$ 30,728
Noncapital financing activities	15,744
Capital and related financing activities	(41,069)
Investing activities	110
Net increase	5,513
Beginning cash and equity in pooled cash and investments	100,701
Ending cash and equity in pooled cash and investments	\$ 106,214

Certain funds that relate to activities at both the Southwest Florida International Airport and Page Field are not included in the segmented statements, including the K-9 donation fund and the discretionary fund. In addition, all of the funds related to the passenger facility charges and Page Field activities are omitted from the segmented statements.

Lee County, Florida  
 NOTES TO THE FINANCIAL STATEMENTS  
 September 30, 2013

\$3,746,000 were made from the trust fund for the employer's portion of the insurance premiums and to reimburse the self-insurance fund for retiree claims paid. The balance in the trust fund on September 30, 2013, was \$34,204,000.

*Lee County Sheriff Health Care Plan*

Chapter 74.522, *Laws of Florida*, as amended by Chapter 99.434, and 2003.329, *Laws of Florida*, establishes the contribution requirements of the plan members. The current published monthly rates for Health Care coverage are \$717 for single and \$1,351 for family. An \$80 discount is applied for plan members enrolled in Medicare Part B. The LCSO subsidizes a percentage of the monthly major medical and hospitalization insurance based on the number of years of service credited to the Florida Retirement System ("FRS") before retirement. Vision and dental insurance are offered to retirees; however, they are not subsidized by LCSO.

The table below shows the contribution percentages for the corresponding years of service.

Percent of the Total Contribution Rates Paid by Retiree		
Eligible Service Credit at Retirement or Termination	Retiree	Dependent
More than 10 years but less than 15 years	100%	100%
15 years	25%	100%
16 years	20%	100%
17 years	15%	100%
18 years	10%	100%
19 years	5%	100%
20 years or more	0%	50%

The retiree contribution rate for the life insurance policy is \$0.90 per month. The plan is funded on a pay-as-you-go basis.

*Annual OPEB Cost and Net OPEB Obligation*

The annual OPEB cost (expense) is calculated based on the Annual Required Contribution ("ARC") of the employer, an amount actuarially determined in accordance with the parameters of GASB 45. The ARC represents a level funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over 30 years. The current ARC rate as a percentage of annual covered payroll is 21 percent and 23 percent for GHPLC and LCSHCP, respectively.

The following table shows the components of the County and Sheriff's OPEB cost for the year, the estimated contributions to the plan per the actuary report, and the changes in the net OPEB obligation.

	GHPLC	LCSHCP
Annual Required Contribution	\$30,816,000	\$15,937,000
Interest on net OPEB Obligation	3,992,000	3,215,000
Adjustment to ARC	(5,869,000)	(3,349,000)
Annual OPEB cost/expense	\$28,939,000	\$15,803,000
Employer contributions made	-	(3,299,000)
Increase, (decrease) in net OPEB obligation	\$28,939,000	\$12,504,000
Net OPEB obligation-beginning of year	<u>81,961,000</u>	<u>\$80,364,000</u>
Net OPEB obligation-end of year	<u>\$110,900,000</u>	<u>\$92,868,000</u>

The annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for fiscal year 2013 and the two preceding years were as follows:

	Year Ended	Annual OPEB Cost	Percent of OPEB Cost Contributed	Net OPEB Obligation
GHPLC	09/30/2013	\$28,939,000	0.0%	\$110,900,000
	09/30/2012	\$26,827,000	6.8%	\$81,961,000
	09/30/2011	\$32,686,000	16.2%	\$56,948,000
LCSHCP	09/30/2013	\$15,804,000	20.9%	\$92,868,000
	09/30/2012	\$20,396,000	17.3%	\$80,364,000
	09/30/2011	\$19,248,000	20.6%	\$63,496,000

Lee County, Florida  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2013

NOTE VIII. OTHER INFORMATION

*Retirement Plan*

*Plan Description and Provisions*

The County participates in the Florida Retirement System ("FRS"), a cost sharing, multiple-employer, public employee retirement system, which covers substantially all of the full-time and part-time employees. The FRS is contributory and is administered by the State of Florida. Benefits under the plan vest after six years of service for members who joined FRS prior to July 1, 2011, and vest eight years for members who first joined FRS on or after July 1, 2011. Employees who joined FRS prior to July 1, 2011, and retire at or after age 62 (age 55 for special risk) with six years of credited service, or 30 years of service (25 years for special risk) regardless of age, are entitled to receive an annual retirement benefit, payable monthly for life. Employees who joined FRS on or after July 1, 2011, and retire at or after age 65 (age 60 for special risk) with eight years of credited service, or 33 years of service (30 years for special risk) regardless of age, are entitled to receive an annual retirement benefit, payable monthly for life. The FRS also provides for early retirement at reduced benefits and death and disability benefits. These benefit provisions and all other requirements are established by Chapters 112 and 121, *Florida Statutes*. The FRS offers several other plan and/or investment options that may be elected by the employee. Each offers specific contribution and benefit options. The FRS plan documents should be referenced for complete details of these options and benefits.

Pension costs for the County as required and defined by State statute ranged between 5.18 percent and 35.96 percent of gross salaries for fiscal year 2013. For fiscal years ended September 30, 2013, 2012, and 2011, the County contributed 100 percent of the required contributions. These contributions aggregated \$22 million, \$19 million, and \$31 million, respectively, which represents 9 percent, 8 percent,

and 13 percent of covered payroll. The employee is required to contribute three percent of their gross salary.

The Deferred Retirement Option Program ("DROP") is a program that provides an alternative method for payment of retirement benefits for a specified and limited period for members of FRS, effective July 1, 1998. Under this program, the employee may retire and have their benefits accumulate in the Florida Retirement System Trust Fund, earning interest, while continuing to work for a system employer. The participation in the program does not change conditions of employment. When the DROP period ends, maximum of 60 months, employment must be terminated. At the time of termination of employment, the employee will receive payment of the accumulated DROP benefits, and begin receiving their monthly retirement benefit (in the same amount determined at retirement, plus annual cost-of-living increases).

A copy of the FRS's June 30, 2013 annual report can be obtained by writing to the Division of Retirement, PO Box 9000, Tallahassee, Florida 32315-9000, or by phoning (850) 488-5706.

*Risk Management*

The County is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees, and natural disasters. After September 30, 1989, and prior to October 1, 1987, the Board established a Self-Insured Retention (SIR) program (an internal service fund) to account for and finance its uninsured risks of loss. Under this program, the SIR provides coverage in the areas mentioned below. The County purchases commercial insurance for claims in excess of coverage provided by the fund and for all other risks of loss. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years. As a result there was no reduction in insurance coverage.

Lee County, Florida  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2013

reported as landfill closure and postclosure care liability in the fund statements, \$15,524,000, represents the cumulative portion of total estimated closure and postclosure care as of September 30, 2013, based on the use of 37 percent of the capacity of the 79 acre active disposal areas at the landfill. The total estimated cost for closure and postclosure care for the landfill at September 30, 2013, was \$37,309,000. The County will recognize the remaining estimated cost of closure and postclosure care of \$21,785,000 as the remaining estimated capacity is filled. The County will recalculate its liability annually; the liability amount is based on what it presently would cost to perform all closure and postclosure care at September 30, 2013. The Class I - MSW landfill facility configuration, as currently planned, is expected to provide approximately 15 more years of disposal capacity for Lee and Hendry Counties. Actual costs may be higher due to inflation, or changes in regulations.

The County is required by FDEP to annually calculate closure and postclosure costs, and to provide proof of its capacity to fund closure costs. The County is in compliance with these requirements, and at September 30, 2013, cash and investments of \$8,616,000 are held for these purposes. These are reported as restricted assets on the balance sheet.

### *Commitments and Contingencies*

The County is currently receiving, and has received in the past, grants that are subject to special compliance audits by the grantor agency that may result in disallowed expense amounts. These amounts constitute a contingent liability of the County. The County does not believe any contingent liabilities to be material.

The County currently prepares rebate calculations on all debt subject to arbitrage per the United States department of the Treasury Regulations, Section 1.148, and the Internal Revenue Service Code of 1986. Rebates, if any, are paid to the Internal Revenue Service every fifth year after the year of issuance and a final computation is completed when paid in full. Within the five-year period, any positive arbitrage (liability) can be offset by any negative arbitrage (non-liability). These rebates constitute a contingent liability of the County. The

County does not believe any contingent liabilities to be material.

The Sheriff has agreements with a corporation for the provision of inmate medical services and food services at its detention facilities. The contracts are paid 100 percent by the Sheriff through its annual budget. The food services are based on a cost per meal per inmate basis, and the future contract commitment is estimated at approximately \$2,800,000 per year based on the results of the current year. No liability is recorded in the fund statements, as any future commitment will be budgeted and paid from the subsequent year's budget. The minimum payment requirements for inmate medical services are as follows:

	<u>Amount</u>
Year ending September 30, 2014:	\$6,700,000

For the year ended September 30, 2013, the Sheriff paid \$8,577,532 for inmate medical services and \$2,536,578 for food services at its detention facilities.

The Sheriff has an agreement with a corporation to arrange for medical staff, including doctors, to be located at a site (clinic) designated by the Sheriff to provide medical services to the employees, dependents and retirees of the Sheriff. The agreement has an initial one (1) year term ending November 2013 but is cancellable with ninety (90) day written notice. The agreement automatically renews unless cancelled in writing. No liability is recorded in the fund statements, as any future commitment will be budgeted and paid from the subsequent year's budget.

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded as reservations of budget, is employed as an extension of the statutory required budgetary process. Although encumbrances lapse at fiscal year-end it is the County's intention to substantially honor these encumbrances under authority provided in the subsequent year's budget. Encumbrances outstanding at September 30, 2013, are as follows:



Lee County, Florida  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2013

Net Position for fiscal year 2013 has been decreased by the amount of unamortized debt issuance costs at the beginning of the year, and debt issuance costs incurred in fiscal year 2012 have been expensed and amortization expense has been reduced.

Facilities fund net position has been restated to reflect the correct amount of amortization of bond premiums that should have been expensed in the prior period.

In addition to the changes in net position from the implementation of GASB 65, the Transportation

Changes to net position as of September 30, 2012, are in the following table (dollars in thousands):

Business Type Activities	Port Authority	Water and Wastewater	Transportation Facilities	Solid Waste	Transit	Total
Net position, as previously reported	\$ 500,907	\$ 490,571	\$ 115,653	\$ 269,769	\$ 23,750	\$ 1,400,650
Adjustment to retroactively apply GASB 65 - debt issuance costs	(3,596)	(1,326)	(1,676)	(26)		(6,624)
Adjustment to correct prior year amortization			(1,993)			(1,993)
Net position, as restated	<u>\$ 497,311</u>	<u>\$ 489,245</u>	<u>\$ 111,984</u>	<u>\$ 269,743</u>	<u>\$ 23,750</u>	<u>\$ 1,392,033</u>
						4,131
						<u>1,396,164</u>
Increase (decrease) in net position, as previously reported	\$ (8,844)	\$ (8,467)	\$ 9,869	\$ 2,698	\$ (1,099)	\$ (5,843)
Adjustments to apply GASB 65						
Interest expense	299	45	190	(118)		416
Other expenses	(27)	(297)	(50)			(374)
Adjustment to correct amortization			(242)			(242)
Increase (decrease) in net position, as restated	<u>\$ (8,572)</u>	<u>\$ (8,719)</u>	<u>\$ 9,767</u>	<u>\$ 2,580</u>	<u>\$ (1,099)</u>	<u>\$ (6,043)</u>
<b>Governmental Activities</b>						
Net position, as previously reported	\$ 2,021,320					
Adjustment to retroactively apply GASB 65 - debt issuance costs	(2,155)					
Net position, as restated	<u>\$ 2,019,165</u>					
Increase (decrease) in net position, as previously reported	\$ (83,051)					
Adjustments to apply GASB 65						
Interest expense	205					
Increase (decrease) in net position, as restated	<u>\$ (82,846)</u>					

*Supplemental Financial  
Information*





*General Fund*

Lee County, Florida  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GENERAL FUND**

For the Year Ended September 30, 2013  
(amounts expressed in thousands)

	Board of County Commissioners	Clerk of Circuit Court	Property Appraiser	Sheriff	Supervisor of Elections	Tax Collector	Eliminations	Total
<b>REVENUES</b>								
Taxes	\$ 195,146	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 195,146
Licenses and permits	159	-	-	-	-	-	-	159
Intergovernmental	60,393	856	1,503	-	-	-	-	62,752
Charges for services	30,422	4,534	313	-	3	22,999	(12,133)	46,138
Fines and forfeitures	149	-	-	-	-	-	-	149
Miscellaneous	4,820	246	81	1,511	2	231	-	6,891
Total revenues	291,089	5,636	1,897	1,511	5	23,230	(12,133)	311,235
<b>EXPENDITURES</b>								
Current								
General government	52,150	11,827	8,885	7,883	4,721	15,852	(12,133)	89,185
Public safety	43,916	-	-	128,036	-	-	-	171,952
Physical environment	5,263	-	-	-	-	-	-	5,263
Transportation	85	-	-	-	-	-	-	85
Economic environment	7,120	-	-	-	-	-	-	7,120
Human services	13,407	-	-	-	-	-	-	13,407
Culture and recreation	14,060	-	-	-	-	-	-	14,060
Capital outlay								
General government	2,331	602	58	-	931	228	-	4,150
Public safety	1,497	-	-	2,968	-	-	-	4,465
Physical environment	47	-	-	-	-	-	-	47
Culture and recreation	141	-	-	-	-	-	-	141
Debt service								
Interest and fiscal charges	12	-	-	-	-	-	-	12
Total expenditures	140,029	12,429	8,943	136,887	5,652	16,080	(12,133)	309,887
Excess (deficiencies) of revenues over (under) expenditures	151,060	(6,793)	(7,046)	(137,376)	(5,647)	7,150	-	1,348
<b>OTHER FINANCING SOURCES AND (USES)</b>								
Transfers in	21,027	7,516	7,518	137,698	6,228	-	(167,124)	12,863
Transfers out	(208,053)	(723)	(472)	(322)	(561)	(7,150)	167,124	(50,177)
Total other financing sources and (uses)	(187,026)	6,793	7,046	137,376	5,647	(7,150)	0	(37,314)
Net change in fund balances	(35,966)	-	-	-	-	-	-	(35,966)
Fund balances - beginning	147,466	-	-	-	-	-	-	147,466
Fund balances - ending	\$ 111,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 111,500

See accompanying independent auditor's report.

Lee County, Florida  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCES - BUDGET (Non - GAAP Budgetary Basis) AND ACTUAL  
 GENERAL FUND

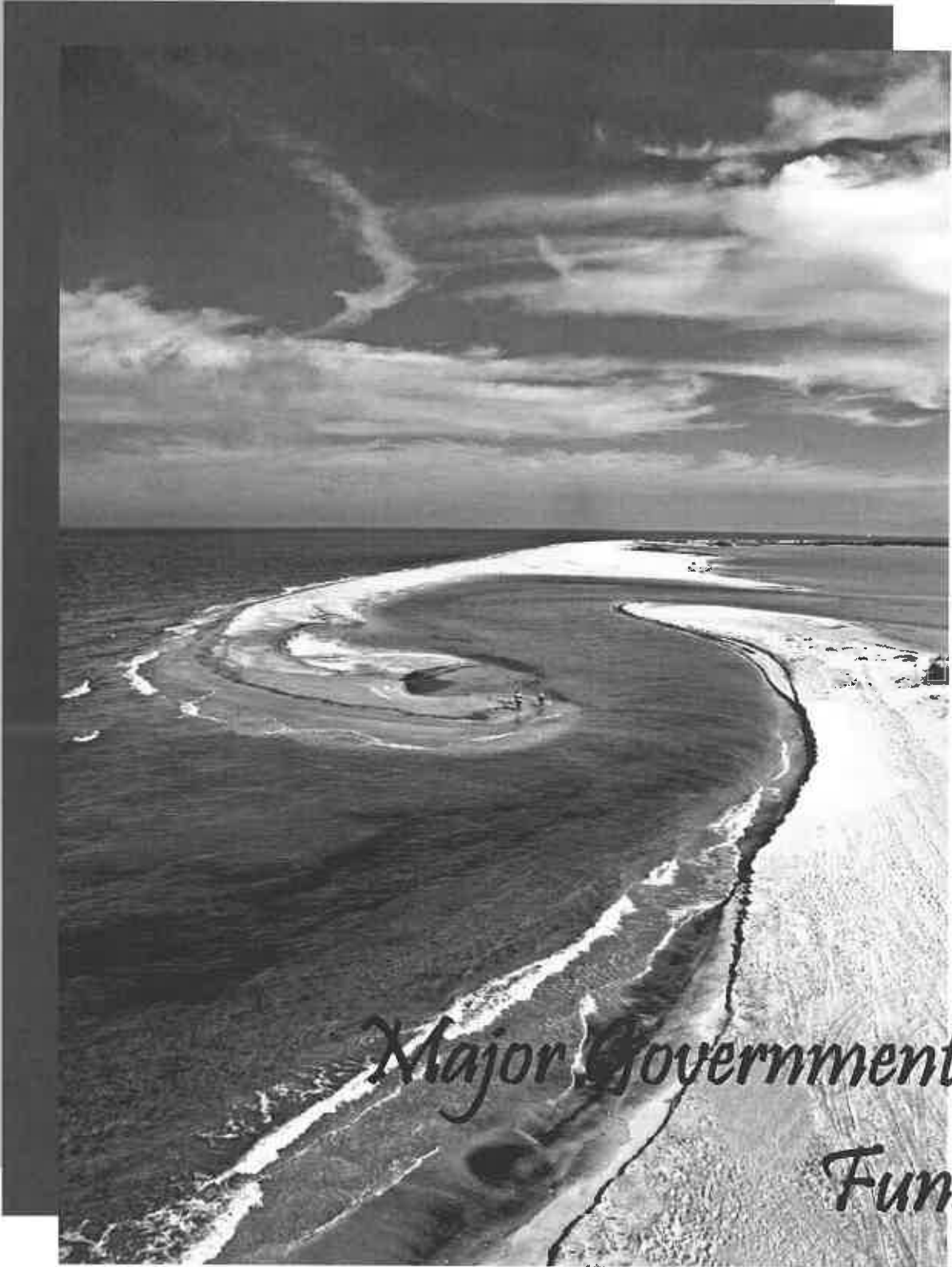
For the Year Ended September 30, 2013

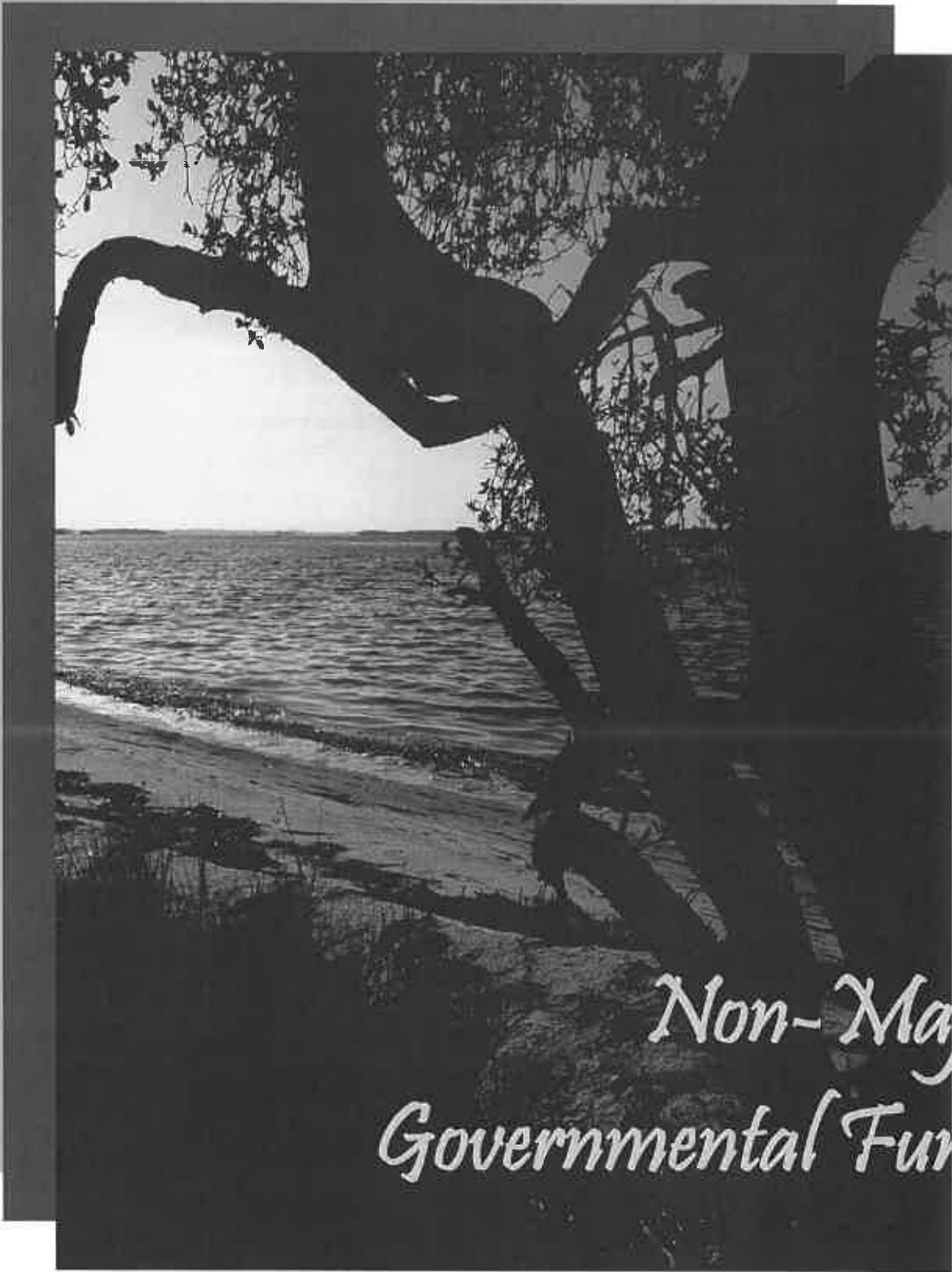
(amounts expressed in thousands)

	Sheriff		Supervisor of Elections		Tax Collector	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
<b>REVENUES</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	3	24,976	22,999
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	1,511	1,511	-	2	388	231
<b>Total revenues</b>	<b>1,511</b>	<b>1,511</b>	<b>-</b>	<b>5</b>	<b>25,364</b>	<b>23,230</b>
<b>EXPENDITURES</b>						
<b>Current</b>						
General government	7,883	7,883	5,297	4,721	17,063	15,852
Public safety	128,036	128,036	-	-	-	-
Physical environment	-	-	-	-	-	-
Transportation	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-
Human services	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
<b>Capital outlay</b>						
General government	-	-	931	931	228	228
Public safety	2,968	2,968	-	-	-	-
Physical environment	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
<b>Debt service</b>						
Interest and fiscal charges	-	-	-	-	-	-
<b>Total expenditures</b>	<b>138,887</b>	<b>138,887</b>	<b>6,228</b>	<b>5,652</b>	<b>17,291</b>	<b>16,080</b>
Excess (deficiencies) of revenues over (under) expenditures	(137,376)	(137,376)	(6,228)	(5,647)	8,073	7,150
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	137,698	137,698	6,228	6,228	-	-
Transfers out	(322)	(322)	-	(581)	(8,073)	(7,150)
<b>Total other financing sources (uses)</b>	<b>137,376</b>	<b>137,376</b>	<b>6,228</b>	<b>5,647</b>	<b>(8,073)</b>	<b>(7,150)</b>
Excess (deficiencies) of revenues and other financing sources over (under) expenditures and other financing uses	-	-	-	-	-	-
Fund balances - beginning	-	-	-	-	-	-
Fund balances - ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

See accompanying independent auditors' report.

(continued)





## Special Revenue Funds (continued)

*Impact Fees-EMS-* To account for revenues received from impact fees that are restricted for the purpose of providing advanced life support and related services within Lee County, except for Lehigh Acres Fire Control and Rescue District.

*Animal Trust Fund-* To account for donations and expenditures used to improve the welfare of animals served by Lee County Animal Services.

*Court Administration-* To account for the revenues and expenditures of the Twentieth Judicial Circuit Court Administrator's Office funded by Lee County.

*Clerk of Circuit Court's Special Revenue-* To account for revenues and expenditures mandated by Chapter 28.24(15)(d), *Florida Statutes*, to be held in trust by the Clerk and used exclusively for equipment and maintenance of equipment, personnel training, and technical assistance in modernizing the public records system of the office, and Chapter 28.24 (12)(e), *Florida Statutes*, to provide Court Technology support as defined in Chapter 28.008(1)(f)(2) and (h), *Florida Statutes*.

*Property Appraiser's Special Revenues-* To account for revenues used to operate the County's Geographical Information System (GIS).

*Sheriff's Special Revenues-* To account for grant revenues to be used for law enforcement purposes.

## Debt Service Funds

Debt service funds are used to account for the accumulation of resources to be used for payment of governmental funds' debt principal, interest, and related costs.

*Capital Improvement BOA Loan-* To account for payment of the 2010 Bank of America loan for the Matlacha Bridge. Funding is from the sixth cent local option gas tax revenue.

*Capital Revenue Refunding Bank Note-* To account for payment of the Capital Revenue Refunding Bank Loan, Series 2011, which refunded the Capital Revenue Bonds, Series 2000. Funding is from ambulance service receipts, building and zoning permits and fees, data processing fees, excess County Officer fees, franchise fees, guaranteed entitlement funds, investment earnings, license fees, pledged gas taxes, and sales tax.

*Certificates of Participation-* To account for payment of the 1993 Certificates. Funding is from non-ad valorem revenues and ad valorem tax revenues.

*Tourist Development Tax Revenue Bonds-* To account for payment of the 2004, 2010A, 2010B, 2010C, and 2013 Bonds. Funding is from tourist development tax revenues, William Hammond Stadium and JetBlue Park rental revenue.

*Five Cent Local Option Gas Tax Revenue Bonds-* To account for payment of the 2004 Bonds. Funding is from the five-cent local option gas tax revenue.

*Capital Revenue Bonds-* To account for payment of the 1993B, 2003, 2004, and 2006 Bonds. Funding is from ambulance service receipts, building and zoning permits and fees, data processing fees, excess County Officer fees, franchise fees, guaranteed entitlement funds, investment earnings, license fees, pledged gas taxes, and sales tax.





## *Capital Projects Funds (continued)*

*Impact Fees EMS Construction-* To account for financial resources to be used for EMS capital projects from impact fees related to designated areas within the County.

*Fifth Third Line of Credit Construction-* To account for financial resources to be used for various capital improvement projects and public facilities within the County for which funds have been drawn against the line of credit.

Lee County, Florida  
**COMBINING BALANCE SHEET**  
**NON - MAJOR GOVERNMENTAL FUNDS**  
As of September 30, 2013  
(amounts expressed in thousands)

	Special Revenue Funds			
	State Housing Incentives Partnership Program	Human Services Grants	E 9-1-1	Transportation Trust
<b>ASSETS</b>				
<b>Current Assets:</b>				
Cash and equity in pooled cash and investments	\$ 1,121	\$ 566	\$ 10,249	\$ 2,969
Cash and cash equivalents with fiscal agent	-	-	-	-
Receivables (net)				
Accounts	-	-	232	58
Special assessments	-	-	-	-
Accrued interest	-	-	4	1
Due from other funds	-	-	-	73
Due from other governments	-	163	-	782
Inventories	-	-	-	2,221
Advances	-	-	-	-
<b>Total assets</b>	<b>1,121</b>	<b>729</b>	<b>10,485</b>	<b>6,104</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Contracts and accounts payable	-	158	527	956
Accrued liabilities	-	-	9	271
Due to other funds	-	123	4	208
Due to other governments	-	5	5	120
Deposits and overbids	-	-	-	-
Unearned revenues	-	-	-	7
Advances	-	-	-	-
<b>Total liabilities</b>	<b>-</b>	<b>286</b>	<b>545</b>	<b>1,562</b>
<b>Deferred inflows of resources:</b>				
Special assessment receivable	-	-	-	-
Grant receivable	-	-	-	-
Accounts receivable	-	-	-	39
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>39</b>
<b>Fund Balances:</b>				
Nonspendable	-	-	-	2,221
Restricted	1,121	443	9,940	-
Committed	-	-	-	-
Assigned	-	-	-	2,282
Unassigned	-	-	-	-
<b>Total fund balances</b>	<b>1,121</b>	<b>443</b>	<b>9,940</b>	<b>4,503</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 1,121</b>	<b>\$ 729</b>	<b>\$ 10,485</b>	<b>\$ 6,104</b>

(continued)

Lee County, Florida  
**COMBINING BALANCE SHEET**  
**NON - MAJOR GOVERNMENTAL FUNDS**  
As of September 30, 2013  
(amounts expressed in thousands)

	Special Revenue Funds			
	Impact Fees- EMS	Animal Trust Fund	Court Administration	Clerk of Circuit Court's Special Revenue
<b>ASSETS</b>				
<b>Current Assets:</b>				
Cash and equity in pooled cash and investments	\$ 569	\$ 247	\$ 4,620	\$ 17,834
Cash and cash equivalents with fiscal agent	-	-	-	-
Receivables (net)				
Accounts	-	-	-	1
Special assessments	-	-	-	-
Accrued interest	1	-	2	-
Due from other funds	-	-	706	2
Due from other governments	-	-	3	213
Inventories	-	-	-	-
Advances	-	-	-	-
<b>Total assets</b>	<b>570</b>	<b>247</b>	<b>5,331</b>	<b>18,050</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Contracts and accounts payable	1	-	289	215
Accrued liabilities	-	-	237	263
Due to other funds	-	-	14	454
Due to other governments	-	-	156	1,689
Deposits and overbids	-	-	-	5,016
Unearned revenues	-	-	-	-
Advances	-	-	-	-
<b>Total liabilities</b>	<b>1</b>	<b>-</b>	<b>696</b>	<b>7,637</b>
<b>Deferred inflows of resources:</b>				
Special assessment receivable	-	-	-	-
Grant receivable	-	-	-	-
Accounts receivable	-	-	-	-
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances:</b>				
Nonspendable	-	-	-	-
Restricted	569	-	-	10,413
Committed	-	247	4,635	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
<b>Total fund balances</b>	<b>569</b>	<b>247</b>	<b>4,635</b>	<b>10,413</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 570</b>	<b>\$ 247</b>	<b>\$ 5,331</b>	<b>\$ 18,050</b>

(continued)

Lee County, Florida  
**COMBINING BALANCE SHEET**  
**NON - MAJOR GOVERNMENTAL FUNDS**  
As of September 30, 2013  
(amounts expressed in thousands)

	Debt Service Funds			
	Tourist Development Tax Revenue Bonds	Five Cent Local Option Gas Tax Revenue Bonds	Capital Revenue Bonds	Non-Ad Valorem Revenue Bonds
<b>ASSETS</b>				
<b>Current Assets:</b>				
Cash and equity in pooled cash and investments	\$ 10,492	\$ -	-	\$ 1
Cash and cash equivalents with fiscal agent	3,863	2,081	4,033	3,967
Receivables (net)				
Accounts				
Special assessments				
Accrued interest				
Due from other funds				
Due from other governments				
Inventories				
Advances				
<b>Total assets</b>	<u>14,355</u>	<u>2,081</u>	<u>4,033</u>	<u>3,968</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Contracts and accounts payable				
Accrued liabilities				
Due to other funds	1			
Due to other governments				
Deposits and overbids				
Unearned revenues				
Advances				
<b>Total liabilities</b>	<u>1</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Deferred inflows of resources:</b>				
Special assessment receivable				
Grant receivable				
Accounts receivable				
<b>Total deferred inflows of resources</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balances:</b>				
Nonspendable				
Restricted	14,354	2,081	4,033	3,968
Committed				
Assigned				
Unassigned				
<b>Total fund balances</b>	<u>14,354</u>	<u>2,081</u>	<u>4,033</u>	<u>3,968</u>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<u>\$ 14,355</u>	<u>\$ 2,081</u>	<u>\$ 4,033</u>	<u>\$ 3,968</u>

(continued)

Lee County, Florida  
 COMBINING BALANCE SHEET  
 NON - MAJOR GOVERNMENTAL FUNDS  
 As of September 30, 2013  
 (amounts expressed in thousands)

	Capital Projects Funds			
	Human Services Grant Construction	Library Construction Projects	All Hazards Protection Construction Projects	Impact Fees Community Parks Construction
<b>ASSETS</b>				
<b>Current Assets:</b>				
Cash and equity in pooled cash and investments	\$ 90	\$ 7,914	\$ 1,362	\$ 4,820
Cash and cash equivalents with fiscal agent	-	-	-	-
Receivables (net)	-	-	-	-
Accounts	-	-	-	-
Special assessments	-	-	-	-
Accrued interest	-	4	-	2
Due from other funds	-	-	-	56
Due from other governments	126	-	-	-
Inventories	-	-	-	-
Advances	-	-	-	-
<b>Total assets</b>	<b>216</b>	<b>7,918</b>	<b>1,362</b>	<b>4,878</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Contracts and accounts payable	213	2,090	222	2,641
Accrued liabilities	-	-	-	-
Due to other funds	14	-	-	-
Due to other governments	-	-	-	-
Deposits and overbids	-	-	-	-
Unearned revenues	-	-	-	-
Advances	-	-	-	-
<b>Total liabilities</b>	<b>227</b>	<b>2,090</b>	<b>222</b>	<b>2,641</b>
<b>Deferred inflows of resources:</b>				
Special assessment receivable	-	-	-	-
Grant receivable	-	-	-	-
Accounts receivable	-	-	-	-
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances:</b>				
Nonspendable	-	-	-	-
Restricted	-	-	1,140	1,310
Committed	-	5,828	-	-
Assigned	-	-	-	927
Unassigned	(11)	-	-	-
<b>Total fund balances</b>	<b>(11)</b>	<b>5,828</b>	<b>1,140</b>	<b>2,237</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 216</b>	<b>\$ 7,918</b>	<b>\$ 1,362</b>	<b>\$ 4,878</b>

(continued)

Lee County, Florida  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES**  
**NON - MAJOR GOVERNMENTAL FUNDS**  
For the Year Ended September 30, 2013  
(amounts expressed in thousands)

	Special Revenue Funds			
	Municipal Service Benefit Unit Districts	Special Assessment Districts	Law Enforcement Trust	Hickey Creek Mitigation Trust
<b>REVENUES</b>				
Taxes	\$ 2,566	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	118	-	-
Fines and forfeitures	-	-	317	-
Impact fees	-	-	-	-
Special assessments	-	902	-	-
Miscellaneous	23	84	2	-
Total revenues	<u>2,589</u>	<u>1,104</u>	<u>319</u>	<u>-</u>
<b>EXPENDITURES</b>				
Current				
General government	75	278	-	-
Public safety	860	-	-	-
Physical environment	-	160	-	-
Transportation	1,496	303	-	-
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	40
Capital outlay				
General government	-	-	-	-
Public safety	-	-	-	-
Physical environment	-	-	-	-
Transportation	25	25	-	-
Economic environment	-	-	-	-
Culture and recreation	-	-	-	-
Debt service				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Bond issuance costs	-	-	-	-
Total expenditures	<u>2,456</u>	<u>766</u>	<u>-</u>	<u>40</u>
Excess (deficiencies) of revenue over (under) expenditures	<u>133</u>	<u>338</u>	<u>319</u>	<u>(40)</u>
<b>OTHER FINANCING SOURCES AND (USES)</b>				
Transfers in	19	177	-	-
Transfer out	(6)	(118)	(300)	(12)
Bond premium	-	-	-	-
Debt issuance	-	-	-	-
Issuance of refunding debt	-	-	-	-
Payments to refunded debt escrow agent	-	-	-	-
Total other financing sources (uses)	<u>13</u>	<u>59</u>	<u>(300)</u>	<u>(12)</u>
Net change in fund balances	146	397	19	(52)
Fund balances - beginning	1,685	3,240	854	52
Fund balances - ending	<u>\$ 1,831</u>	<u>\$ 3,637</u>	<u>\$ 873</u>	<u>\$ -</u>

See accompanying independent auditor's report.

(continued)

Lee County, Florida  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES**  
**NON - MAJOR GOVERNMENTAL FUNDS**  
For the Year Ended September 30, 2013  
(amounts expressed in thousands)

	Special Revenue Funds			
	Transportation Trust	All Hazards Protection	Impact Fees- Community Parks	Impact Fees- Regional Parks
<b>REVENUES</b>				
Taxes	\$ 14	\$ 2,382	\$ -	\$ -
Licenses and permits	48	-	-	-
Intergovernmental	8,079	12	-	-
Charges for services	939	-	-	-
Fines and forfeitures	-	-	-	-
Impact fees	-	-	349	353
Special assessments	-	-	-	-
Miscellaneous	443	19	20	1
Total revenues	9,509	2,413	369	354
<b>EXPENDITURES</b>				
Current				
General government	864	1,423	6	6
Public safety	-	1,428	-	-
Physical environment	-	-	-	-
Transportation	25,432	8	-	-
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay				
General government	-	-	-	-
Public safety	-	9	-	-
Physical environment	-	-	-	-
Transportation	320	-	-	-
Economic environment	-	-	-	-
Culture and recreation	-	-	-	-
Debt service				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Bond issuance costs	-	-	-	-
Total expenditures	26,616	2,868	6	6
Excess (deficiencies) of revenue over (under) expenditures	(17,107)	(455)	363	348
<b>OTHER FINANCING SOURCES AND (USES)</b>				
Transfers in	15,983	18	11,001	-
Transfer out	-	-	(1,455)	-
Bond premium	-	-	-	-
Debt issuance	-	-	-	-
Issuance of refunding debt	-	-	-	-
Payments to refunded debt escrow agent	-	-	-	-
Total other financing sources (uses)	15,983	18	9,546	-
Net change in fund balances	(1,124)	(437)	9,909	348
Fund balances - beginning	5,627	4,581	(5,307)	(91)
Fund balances - ending	\$ 4,503	\$ 4,144	\$ 4,602	\$ 257

(continued)

Lee County, Florida  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES**  
**NON - MAJOR GOVERNMENTAL FUNDS**  
For the Year Ended September 30, 2013  
(amounts expressed in thousands)

	Special Revenue Funds			Debt Service Funds
	Clerk of Circuit Court's Special Revenue	Property Appraiser's Special Revenues	Sheriff's Special Revenues	Capital Improvement BOA Loan
<b>REVENUES</b>				
Taxes	\$ 0	\$ 0	\$ 0	\$ 0
Licenses and permits	0	0	0	0
Intergovernmental	8,293	0	5,157	0
Charges for services	7,127	2	4,248	0
Fines and forfeitures	0	0	0	-
Impact fees	0	0	0	0
Special assessments	0	-	-	0
Miscellaneous	143	-	459	5
Total revenues	15,563	2	9,864	5
<b>EXPENDITURES</b>				
Current				
General government	13,591	1,497	0	0
Public safety	0	0	8,921	0
Physical environment	0	0	0	0
Transportation	0	-	-	0
Economic environment	0	0	0	0
Human services	0	-	0	0
Culture and recreation	0	0	0	0
Capital outlay				
General government	36	2	0	-
Public safety	0	0	656	0
Physical environment	0	0	0	-
Transportation	0	0	0	0
Economic environment	0	0	0	-
Culture and recreation	0	0	0	0
Debt service				
Principal retirement	0	0	0	5,510
Interest and fiscal charges	0	0	0	120
Bond issuance costs	0	0	0	0
Total expenditures	13,627	1,499	9,577	5,630
Excess (deficiencies) of revenue over (under) expenditures	1,936	(1,497)	287	(5,625)
<b>OTHER FINANCING SOURCES AND (USES)</b>				
Transfers in	0	1,561	215	5,625
Transfer out	0	(78)	0	0
Bond premium	0	0	0	0
Issuance of refunding debt	0	0	0	0
Payments to refunded debt escrow agent	0	-	0	0
Transfer to refunding escrow agent	0	0	0	0
Total other financing sources (uses)	0	1,483	215	5,625
Net change in fund balances	1,936	(14)	502	0
Fund balances - beginning	8,477	16	2,500	1
Fund balances - ending	\$ 10,413	\$ 2	\$ 3,002	\$ 1

(continued)



Lee County, Florida  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES**  
**NON - MAJOR GOVERNMENTAL FUNDS**  
For the Year Ended September 30, 2013  
(amounts expressed in thousands)

	Debt Service Funds			
	Capital Revenue Bonds	Non-Ad Valorem Revenue Bonds	MSBU Projects Commercial Loan	Fifth Third Line of Credit
<b>REVENUES</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Impact fees	-	-	-	-
Special assessments	-	-	469	280
Miscellaneous	5	4	1	-
Total revenues	<u>5</u>	<u>4</u>	<u>470</u>	<u>280</u>
<b>EXPENDITURES</b>				
Current				
General government	-	-	2	-
Public safety	-	-	-	-
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay				
General government	-	-	-	-
Public safety	-	-	-	-
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic environment	-	-	-	-
Culture and recreation	-	-	-	-
Debt service				
Principal retirement	3,509	-	360	878
Interest and fiscal charges	12,961	912	176	-
Bond issuance costs	-	355	-	-
Total expenditures	<u>16,470</u>	<u>1,267</u>	<u>538</u>	<u>878</u>
Excess (deficiencies) of revenue over (under) expenditures	<u>(16,465)</u>	<u>(1,263)</u>	<u>(68)</u>	<u>(598)</u>
<b>OTHER FINANCING SOURCES AND (USES)</b>				
Transfers in	99,577	4,857	27	508
Transfer out	(1)	(56,045)	(551)	(27)
Bond premium	-	8,034	-	-
Issuance of refunding debt	-	-	535	-
Payments to refunded debt escrow agent	-	48,385	-	-
Transfer to refunding escrow agent	(92,303)	-	-	-
Total other financing sources (uses)	<u>7,273</u>	<u>5,231</u>	<u>11</u>	<u>481</u>
Net change in fund balances	(9,192)	3,968	(57)	(117)
Fund balances - beginning	13,225	-	466	117
Fund balances - ending	<u>\$ 4,033</u>	<u>\$ 3,968</u>	<u>\$ 409</u>	<u>\$ -</u>

(continued)

Lee County, Florida  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES**  
**NON - MAJOR GOVERNMENTAL FUNDS**  
For the Year Ended September 30, 2013  
(amounts expressed in thousands)

	Capital Projects Funds			
	Human Services Grant Construction	Library Construction Projects	All Hazards Protection Construction Projects	Impact Fees Community Parks Construction
<b>REVENUES</b>				
Taxes	\$ 22	\$ 2	\$ -	\$ 2
Licenses and permits	2	2	2	2
Intergovernmental	822	2	2	2
Charges for services	2	2	2	-
Fines and forfeitures	2	2	2	2
Impact fees	2	2	2	-
Special assessments	-	2	2	-
Miscellaneous	-	33	5	20
Total revenues	822	33	5	20
<b>EXPENDITURES</b>				
Current				
General government	2	2	2	2
Public safety	-	2	2	2
Physical environment	2	2	2	-
Transportation	2	2	2	2
Economic environment	2	2	-	2
Human services	2	2	2	2
Culture and recreation	2	412	-	2
Capital outlay				
General government	2	2	1,954	2
Public safety	2	2	2	2
Physical environment	2	2	2	2
Transportation	2	2	2	-
Economic environment	867	2	2	2
Culture and recreation	2	10,756	444	10,038
Debt service				
Principal retirement	2	2	2	2
Interest and fiscal charges	-	2	2	2
Bond issuance costs	2	2	-	2
Total expenditures	867	11,168	2,398	10,038
Excess (deficiencies) of revenue over (under) expenditures	(45)	(11,135)	(2,393)	(10,018)
<b>OTHER FINANCING SOURCES AND (USES)</b>				
Transfers in	-	2	2	1,455
Transfer out	2	2	2	-
Bond premium	-	-	2	2
Debt issuance	-	2	2	2
Issuance of refunding debt	-	-	2	2
Payments to refunded debt escrow agent	-	2	2	-
Total other financing sources (uses)	-	-	-	1,455
Net change in fund balances	(45)	(11,135)	(2,393)	(8,563)
Fund balances - beginning	34	16,963	3,533	10,800
Fund balances - ending	\$ (11)	\$ 5,828	\$ 1,140	\$ 2,237

(continued)

Lee County, Florida  
COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NON - MAJOR GOVERNMENTAL FUNDS  
For the Year Ended September 30, 2013  
(amounts expressed in thousands)

	Total Non-Major Governmental Funds
<b>REVENUES</b>	
Taxes	\$ 22,940
Licenses and permits	48
Intergovernmental	28,391
Charges for services	21,741
Fines and forfeitures	687
Impact fees	2,587
Special assessments	1,651
Miscellaneous	3,611
Total revenues	81,656
<b>EXPENDITURES</b>	
Current	
General government	32,793
Public safety	13,999
Physical environment	851
Transportation	34,243
Economic environment	2,504
Human services	2,542
Culture and recreation	452
Capital outlay	
General government	2,705
Public safety	1,291
Physical environment	47
Transportation	15,413
Economic environment	867
Culture and recreation	25,004
Debt service	
Principal retirement	15,432
Interest and fiscal charges	20,025
Bond issuance costs	774
Total expenditures	168,942
Excess (deficiencies) of revenue over (under) expenditures	(87,286)
<b>OTHER FINANCING SOURCES AND (USES)</b>	
Transfers in	186,667
Transfer out	(114,269)
Bond premium	8,427
Debt issuance	42,047
Issuance of refunding debt	83,925
Payments to refunded debt escrow agent	(92,303)
Total other financing sources (uses)	114,494
Net change in fund balances	27,208
Fund balances - beginning	161,028
Fund balances - ending	\$ 188,236

Lee County, Florida  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCES - BUDGET (Non-GAAP Budgetary Basis) AND ACTUAL  
 SPECIAL REVENUE FUNDS  
 As of September 30, 2013  
 (amounts expressed in thousands)

	Non - GAAP Hickey Creek Mitigation Trust		Non - GAAP Special Revenue Projects		Non - GAAP State Housing Incentives Partnership Program	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
<b>REVENUES</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	4,374	2,704	-	787
Charges for services	-	-	606	646	-	-
Fines and forfeitures	-	-	211	363	-	-
Impact fees	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-
Miscellaneous	-	-	143	115	2	85
<b>Total revenues</b>	<b>-</b>	<b>-</b>	<b>5,334</b>	<b>3,828</b>	<b>2</b>	<b>872</b>
<b>EXPENDITURES</b>						
<b>Current</b>						
General government	-	-	619	284	-	-
Public safety	-	-	171	75	-	-
Physical environment	-	-	622	613	-	-
Transportation	-	-	-	-	-	-
Economic environment	-	-	-	-	371	142
Human services	-	-	4,014	2,416	-	-
Culture and recreation	52	40	-	-	-	-
<b>Capital outlay</b>						
General government	-	-	284	263	-	-
Public safety	-	-	32	12	-	-
Physical environment	-	-	-	2	-	-
Transportation	-	-	-	-	-	-
<b>Total expenditures</b>	<b>52</b>	<b>40</b>	<b>5,742</b>	<b>3,665</b>	<b>371</b>	<b>142</b>
Excess (deficiencies) of revenue over (under) expenditures	(52)	(40)	(408)	163	(369)	730
<b>OTHER FINANCING SOURCES AND (USES)</b>						
Transfers in	-	-	-	-	-	-
Transfer out	-	(12)	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>(12)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net change in fund balances	(52)	(52)	(408)	163	(369)	730
Fund balances - beginning	52	59	3,429	11,526	391	(4,812)
Fund balances - ending	\$ -	\$ 7	\$ 3,021	\$ 11,689	\$ 22	\$ (4,082)

(continued)

Lee County, Florida  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCES - BUDGET (Non-GAAP Budgetary Basis) AND ACTUAL  
 SPECIAL REVENUE FUNDS  
 As of September 30, 2013  
 (amounts expressed in thousands)

	Non - GAAP All Hazards Protection		Non - GAAP Impact Fees- Community Parks		Non - GAAP Impact Fees- Regional Parks	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
<b>REVENUES</b>						
Taxes	\$ 2,346	\$ 2,382	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	27	12	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Impact fees	-	-	210	349	270	353
Special assessments	-	-	-	-	-	-
Miscellaneous	20	17	2	16	1	-
<b>Total revenues</b>	<b>2,393</b>	<b>2,411</b>	<b>212</b>	<b>365</b>	<b>271</b>	<b>353</b>
<b>EXPENDITURES</b>						
<b>Current</b>						
General government	2,343	1,423	-	6	-	6
Public safety	1,532	1,428	-	-	-	-
Physical environment	-	-	-	-	-	-
Transportation	8	8	-	-	-	-
Economic environment	-	-	-	-	-	-
Human services	-	-	-	-	-	-
Culture and recreation	-	-	47	-	3	-
<b>Capital outlay</b>						
General government	-	-	-	-	-	-
Public safety	-	9	-	-	-	-
Physical environment	-	-	-	-	-	-
Transportation	-	-	-	-	-	-
<b>Total expenditures</b>	<b>3,883</b>	<b>2,868</b>	<b>47</b>	<b>6</b>	<b>3</b>	<b>6</b>
Excess (deficiencies) of revenue over (under) expenditures	(1,490)	(457)	165	359	268	347
<b>OTHER FINANCING SOURCES AND (USES)</b>						
Transfers in	11	18	1,997	1,996	273	-
Transfer out	-	-	(1,710)	(1,470)	(480)	(303)
<b>Total other financing sources (uses)</b>	<b>11</b>	<b>18</b>	<b>287</b>	<b>526</b>	<b>(207)</b>	<b>(303)</b>
Net change in fund balances	(1,479)	(439)	452	885	61	44
Fund balances - beginning	4,581	4,587	3,730	6,123	212	150
Fund balances - ending	\$ 3,102	\$ 4,148	\$ 4,182	\$ 7,008	\$ 273	\$ 194

(continued)

Lee County, Florida  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCES - BUDGET (Non-GAAP Budgetary Basis) AND ACTUAL  
 SPECIAL REVENUE FUNDS  
 As of September 30, 2013  
 (amounts expressed in thousands)

	Non - GAAP Court Administration		Non - GAAP Clerk of Circuit Court's Special Revenue	
	Final Budget	Actual	Final Budget	Actual
<b>REVENUES</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	8,946	8,293
Charges for services	4,206	5,595	4,933	7,127
Fines and forfeitures	-	7	-	-
Impact fees	-	-	-	-
Special assessments	-	-	-	-
Miscellaneous	274	263	-	138
Total revenues	<u>4,480</u>	<u>5,865</u>	<u>13,879</u>	<u>15,558</u>
<b>EXPENDITURES</b>				
<b>Current</b>				
General government	16,149	14,402	14,899	13,590
Public safety	-	-	-	-
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
<b>Capital outlay</b>				
General government	312	450	427	36
Public safety	-	-	-	-
Physical environment	-	-	-	-
Transportation	-	-	-	-
Total expenditures	<u>16,461</u>	<u>14,852</u>	<u>15,326</u>	<u>13,626</u>
Excess (deficiencies) of revenue over (under) expenditures	<u>(11,981)</u>	<u>(8,987)</u>	<u>(1,447)</u>	<u>1,932</u>
<b>OTHER FINANCING SOURCES AND (USES)</b>				
Transfers in	10,725	10,675	251	231
Transfer out	-	-	(627)	(231)
Total other financing sources (uses)	<u>10,725</u>	<u>10,675</u>	<u>(376)</u>	<u>-</u>
Net change in fund balances	(1,256)	1,688	(1,823)	1,932
Fund balances - beginning	3,055	3,077	2,136	8,452
Fund balances - ending	<u>\$ 1,799</u>	<u>\$ 4,765</u>	<u>\$ 313</u>	<u>\$ 10,384</u>

(continued)

Lee County, Florida  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCES - BUDGET (Non-GAAP Budgetary Basis) AND ACTUAL  
 DEBT SERVICE FUNDS  
 As of September 30, 2013  
 (amounts expressed in thousands)

	Capital Improvement BOA Loan		Capital Revenue Refunding Bank Note		Certificates of Participation	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
<b>REVENUES</b>						
Special assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Miscellaneous	1	5	1	1	-	-
Total revenues	1	5	1	1	-	-
<b>EXPENDITURES</b>						
Current						
General government	-	-	-	-	-	-
Debt service						
Principal retirement	5,510	5,510	1,375	1,375	1,350	1,350
Interest and fiscal charges	120	120	90	89	35	35
Bond issuance costs	-	-	-	-	-	-
Total expenditures	5,630	5,630	1,465	1,464	1,385	1,385
Excess (deficiencies) of revenue over (under) expenditures	(5,629)	(5,625)	(1,464)	(1,463)	(1,385)	(1,385)
<b>OTHER FINANCING SOURCES AND (USES)</b>						
Transfers in	5,630	5,625	1,465	1,463	-	-
Transfer out	-	-	-	-	-	-
Bond premium	-	-	-	-	-	-
Debt issuance	-	-	-	-	-	-
Issuance of refunding debt	-	-	-	-	-	-
Payments to refunded debt escrow agent	-	-	-	-	-	-
Total other financing sources (uses)	5,630	5,625	1,465	1,463	-	-
Net change in fund balances	1	-	1	-	(1,385)	(1,385)
Fund balances - beginning	1	1	-	-	1,385	1,385
Fund balances - ending	\$ 2	\$ 1	\$ 1	\$ -	\$ -	\$ -

See accompanying independent auditor's report.

(continued)

Lee County, Florida  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCES - BUDGET (Non-GAAP Budgetary Basis) AND ACTUAL  
 DEBT SERVICE FUNDS  
 As of September 30, 2013  
 (amounts expressed in thousands)

	Non - GAAP Non-Ad Valorem Bonds		Non - GAAP MSBU Projects Commercial Loan		Fifth Third Line of Credit	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
<b>REVENUES</b>						
Special assessments	\$ -	\$ -	\$ 427	\$ 469	\$ 196	\$ 280
Miscellaneous	2	4	1	1	-	-
Total revenues	2	4	428	470	196	280
<b>EXPENDITURES</b>						
Current						
General government	-	-	2	1	-	-
Debt service						
Principal retirement	-	-	359	361	878	878
Interest and fiscal charges	912	912	204	176	-	-
Bond issuance costs	375	355	-	-	-	-
Total expenditures	1,287	1,267	565	538	878	878
Excess (deficiencies) of revenue over (under) expenditures	(1,285)	(1,263)	(137)	(68)	(682)	(598)
<b>OTHER FINANCING SOURCES AND (USES)</b>						
Transfers in	4,879	4,857	33	27	592	508
Transfer out	(56,044)	(56,045)	(653)	(551)	(27)	(27)
Bond premium	-	8,034	-	-	-	-
Debt issuance	-	-	657	535	-	-
Issuance of refunding debt	56,419	48,385	-	-	-	-
Payments to refunded debt escrow agent	-	-	-	-	-	-
Total other financing sources (uses)	5,254	5,231	37	11	565	481
Net change in fund balances	3,969	3,968	(100)	(57)	(117)	(117)
Fund balances - beginning	-	-	466	528	117	117
Fund balances - ending	\$ 3,969	\$ 3,968	\$ 366	\$ 471	\$ -	\$ -

(continued)



Lee County, Florida  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCES - BUDGET (Non-GAAP Budgetary Basis) AND ACTUAL  
 CAPITAL PROJECTS FUNDS**  
 As of September 30, 2013  
 (amounts expressed in thousands)

	Non - GAAP Special Assessment Districts Construction		Non - GAAP Transportation Capital Improvements		Non - GAAP Tourist Tax Revenue Bonds Construction	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
	<b>REVENUES</b>					
Taxes	\$ -	\$ -	\$ 16,435	\$ 17,992	\$ -	\$ -
Intergovernmental	-	-	52	406	-	-
Miscellaneous	-	-	102	298	3	26
<b>Total revenues</b>			<b>16,589</b>	<b>18,696</b>	<b>3</b>	<b>26</b>
<b>EXPENDITURES</b>						
Current						
General government	-	-	1	-	-	-
Physical environment	-	-	-	-	-	-
Transportation	-	-	9,313	6,672	-	-
Culture and recreation	-	-	-	-	-	-
Capital outlay						
General government	197	-	-	-	-	-
Physical environment	-	45	-	-	-	-
Transportation	1	2	33,554	13,038	-	-
Economic environment	-	-	-	-	-	-
Culture and recreation	-	-	-	-	36,636	3,766
Debt service						
Interest and fiscal charges	-	-	-	-	-	-
<b>Total expenditures</b>	<b>198</b>	<b>47</b>	<b>42,868</b>	<b>19,710</b>	<b>36,636</b>	<b>3,766</b>
Excess (deficiencies) of revenue over (under) expenditures	(198)	(47)	(26,279)	(1,014)	(36,633)	(3,740)
<b>OTHER FINANCING SOURCES AND (USES)</b>						
Transfers in	150	100	5,765	8,900	-	-
Transfer out	(114)	(114)	(10,191)	(10,210)	(5,251)	(5,249)
Bond premium	-	-	-	-	-	393
Debt issuance	-	-	-	-	41,868	41,475
<b>Total other financing sources (uses)</b>	<b>36</b>	<b>(14)</b>	<b>(4,426)</b>	<b>(1,310)</b>	<b>36,617</b>	<b>36,619</b>
Net change in fund balances	(162)	(61)	(30,705)	(2,324)	(16)	32,879
Fund balances - beginning	162	163	51,766	52,027	16	16
Fund balances - ending	\$ -	\$ 102	\$ 21,061	\$ 49,703	\$ -	\$ 32,895

See accompanying independent auditor's report.

(continued)

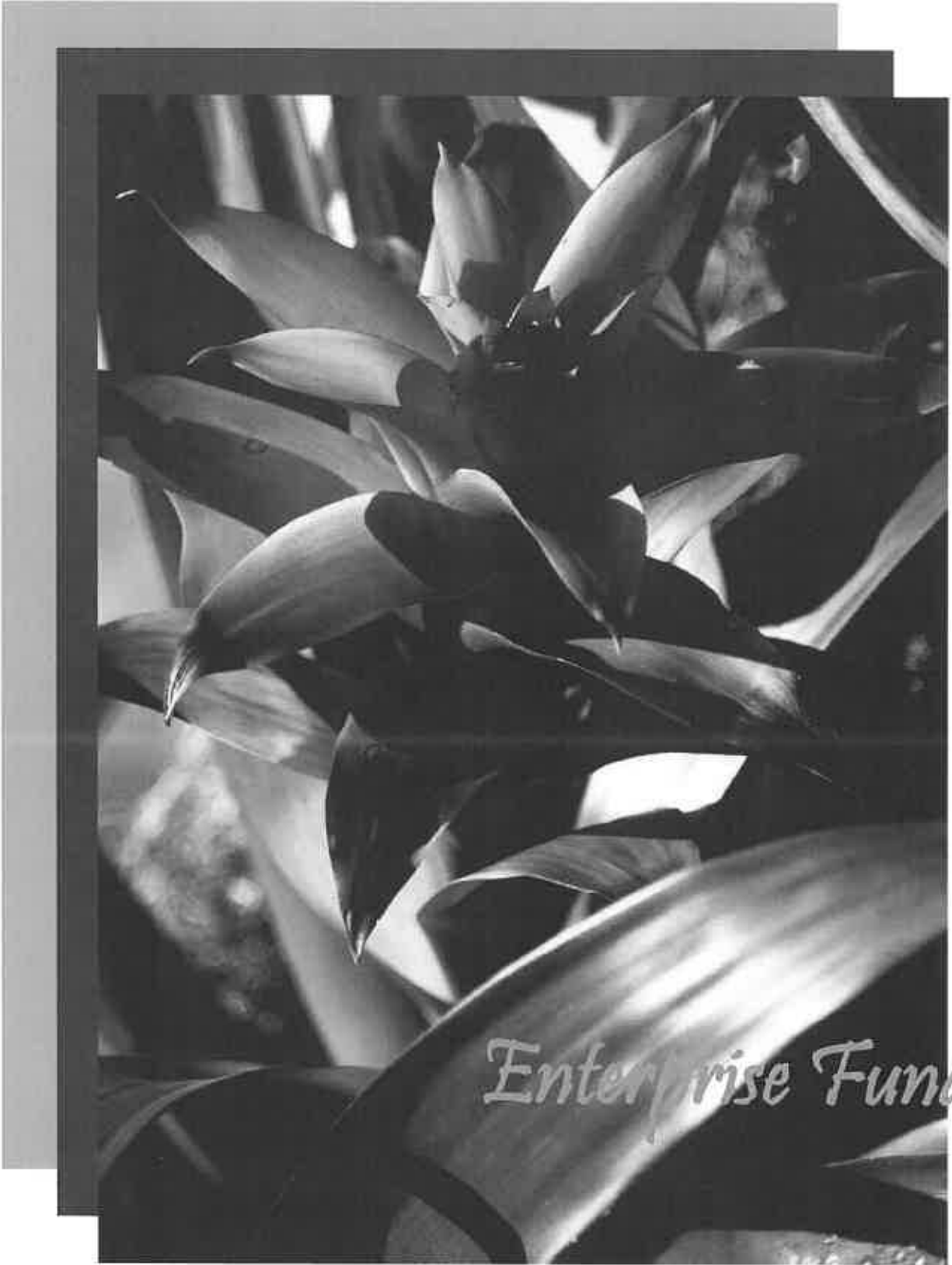
Lee County, Florida  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCES - BUDGET (Non-GAAP Budgetary Basis) AND ACTUAL  
 CAPITAL PROJECTS FUNDS  
 As of September 30, 2013  
 (amounts expressed in thousands)

	Non - GAAP Impact Fees Community Parks Construction		Non - GAAP Impact Fees Regional Parks Construction		Non - GAAP Impact Fees Road Construction	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
<b>REVENUES</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-
Miscellaneous	15	18	-	-	24	1,252
<b>Total revenues</b>	<u>15</u>	<u>18</u>	<u>-</u>	<u>-</u>	<u>24</u>	<u>1,252</u>
<b>EXPENDITURES</b>						
<b>Current</b>						
General government	-	-	-	-	-	-
Physical environment	-	-	-	-	-	-
Transportation	-	-	-	-	-	33
Culture and recreation	-	-	-	-	-	-
<b>Capital outlay</b>						
General government	-	-	-	-	-	-
Physical environment	-	-	-	-	-	-
Transportation	-	-	-	-	10,159	2,003
Economic environment	-	-	-	-	-	-
Culture and recreation	12,039	10,039	-	-	-	-
<b>Debt service</b>						
Interest and fiscal charges	-	-	-	-	-	-
<b>Total expenditures</b>	<u>12,039</u>	<u>10,039</u>	<u>-</u>	<u>-</u>	<u>10,159</u>	<u>2,036</u>
Excess (deficiencies) of revenue over (under) expenditures	<u>(12,024)</u>	<u>(10,021)</u>	<u>-</u>	<u>-</u>	<u>(10,135)</u>	<u>(784)</u>
<b>OTHER FINANCING SOURCES AND (USES)</b>						
Transfers in	1,665	1,662	176	-	-	-
Transfer out	(210)	(208)	(273)	-	(1,100)	(1,100)
Bond premium	-	-	-	-	-	-
Debt issuance	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<u>1,455</u>	<u>1,454</u>	<u>(97)</u>	<u>-</u>	<u>(1,100)</u>	<u>(1,100)</u>
Net change in fund balances	(10,569)	(8,567)	(97)	-	(11,235)	(1,884)
Fund balances - beginning	10,800	10,799	274	274	14,284	14,284
Fund balances - ending	<u>\$ 231</u>	<u>\$ 2,232</u>	<u>\$ 177</u>	<u>\$ 274</u>	<u>\$ 3,049</u>	<u>\$ 12,400</u>

(continued)

Lee County, Florida  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCES - BUDGET (Non-GAAP Budgetary Basis) AND ACTUAL  
 CAPITAL PROJECTS FUNDS  
 As of September 30, 2013  
 (amounts expressed in thousands)

	Total		Variance with Final Budget Positive (Negative)
	Final Budget	Actual	
<b>REVENUES</b>			
Taxes	\$ 16,435	\$ 17,992	\$ 1,557
Intergovernmental	1,318	1,228	(90)
Miscellaneous	162	1,626	1,464
Total revenues	<u>17,915</u>	<u>20,846</u>	<u>2,931</u>
<b>EXPENDITURES</b>			
Current			
General government	1	-	1
Physical environment	110	78	32
Transportation	9,313	6,705	2,608
Culture and recreation	-	412	(412)
Capital outlay			
General government	2,718	1,954	764
Physical environment	-	45	(45)
Transportation	43,714	15,043	28,671
Economic environment	1,266	867	399
Culture and recreation	64,627	25,004	39,623
Debt service			
Interest and fiscal charges	5	13	(8)
Total expenditures	<u>121,754</u>	<u>50,121</u>	<u>71,633</u>
Excess (deficiencies) of revenue over (under) expenditures	<u>(103,839)</u>	<u>(29,275)</u>	<u>74,564</u>
<b>OTHER FINANCING SOURCES AND (USES)</b>			
Transfers in	7,756	10,662	2,906
Transfer out	(17,139)	(16,882)	257
Bond premium	-	393	393
Debt issuance	41,929	41,513	(416)
Total other financing sources (uses)	<u>32,546</u>	<u>35,686</u>	<u>3,140</u>
Net change in fund balances	<u>(71,293)</u>	<u>6,411</u>	<u>77,704</u>
Fund balances - beginning	97,886	98,159	273
Fund balances - ending	<u>\$ 26,593</u>	<u>\$ 104,570</u>	<u>\$ 77,977</u>



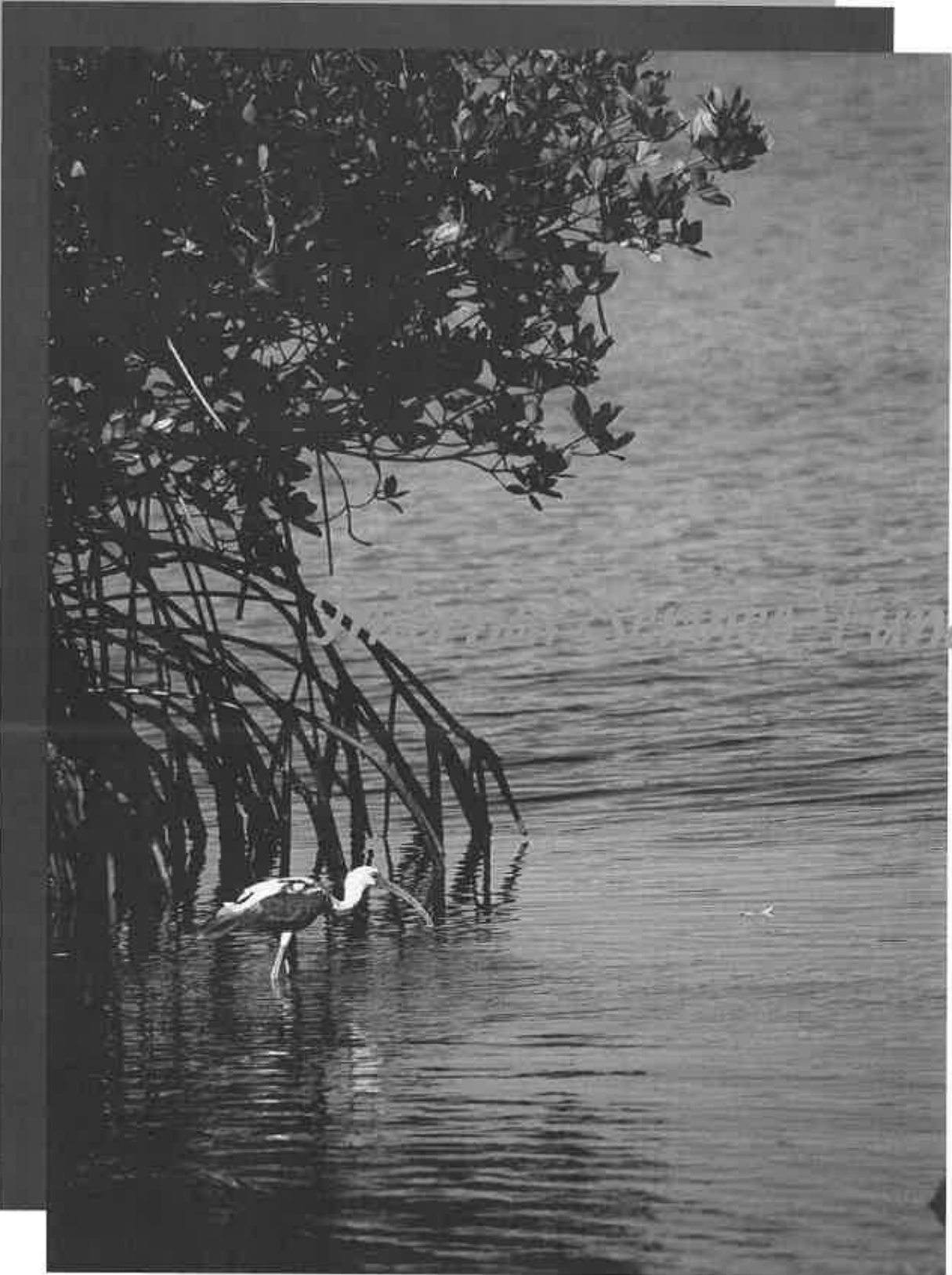
*Enterprise Funds*

Lee County, Florida  
 COMBINING SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN  
 NET POSITION - BUDGET (NON-GAAP BUDGETARY BASIS)  
 AND ACTUAL WITH RECONCILIATION TO GAAP  
 ENTERPRISE FUNDS  
 For the Year Ended September 30, 2013  
 (amounts expressed in thousands)

	Port Authority		Water and Wastewater		Transportation Facilities	
	Budget	Actual	Budget	Actual	Budget	Actual
<b>OPERATING REVENUES</b>						
User fees	\$ 50,797	\$ 50,000	\$ 88,477	\$ 95,886	\$ -	\$ -
Tolls	-	-	-	-	34,362	38,040
Rentals and franchise fees	5,271	5,288	111	196	-	-
Concessions	34,635	37,315	-	-	-	-
Miscellaneous	102	142	1,412	1,678	415	685
Total operating revenues	90,805	92,745	90,000	97,760	34,777	38,725
Less: Rebates	(3,814)	(3,932)	-	-	-	-
Net operating revenues	86,991	88,813	90,000	97,760	34,777	38,725
<b>OPERATING EXPENSES</b>						
Salaries and wages	20,396	19,953	14,143	13,220	3,184	3,080
Employee benefits	9,786	12,113	6,473	8,632	1,665	2,418
Contractual services, materials, and supplies	27,426	25,293	22,432	19,543	2,125	1,774
Utilities	4,739	4,266	7,170	5,872	314	252
Repairs and maintenance	1,933	1,812	3,072	3,615	371	436
Insurance	2,771	1,733	714	714	1,274	1,039
Other	1,943	2,090	3,593	3,375	782	651
Total operating expenses	68,994	67,260	57,597	54,971	9,715	9,650
Operating income	17,997	21,553	32,403	42,789	25,062	29,075
<b>NON - OPERATING REVENUES (EXPENSES)</b>						
Interest revenue	4,832	370	363	313	63	50
Taxes	-	-	-	-	-	-
Grants	381	331	551	-	-	-
Special assessment collections	-	-	35	21	-	-
Bond proceeds	-	-	100,700	100,700	-	-
Other debt proceeds	-	-	-	-	-	-
Interest expense	(16,742)	(16,737)	(9,058)	(8,683)	(6,829)	(6,798)
Capital outlay	(54,826)	(35,284)	(109,407)	(15,947)	(1,458)	(1,086)
Principal retirement	(12,938)	(11,390)	(9,584)	(9,465)	(8,759)	(8,759)
Payments to refunding escrow agent	-	-	(45,889)	(44,095)	-	-
Proceeds from disposal of capital assets	-	97	-	60	-	3
Passenger facility charges	15,696	15,197	-	-	-	-
Other revenues	3	5	260	875	240	378
Other expenses	(10)	(1)	(866)	(567)	(1)	(1)
Total non - operating revenues (expenses)	(63,604)	(47,412)	(72,895)	23,212	(16,744)	(16,213)
Income (loss) before contributions, special item, and transfers	(45,607)	(25,859)	(40,492)	66,001	8,318	12,862
Capital contributions	23,272	11,042	2,194	4,792	-	-
Transfers in	100,255	67,693	90,405	80,423	35,012	40,778
Transfers out	(95,493)	(67,693)	(89,748)	(80,423)	(41,675)	(50,177)
Total contributions and transfers	28,034	11,042	2,851	4,792	(6,663)	(9,399)
Change in net position	(17,573)	(14,817)	(37,641)	70,793	1,655	3,463
Total net position - beginning	132,875	172,112	109,550	148,010	10,245	19,414
Total net position - ending	\$ 115,302	\$ 157,295	\$ 71,909	\$ 218,803	\$ 11,900	\$ 22,877
<b>RECONCILIATION OF BUDGETARY BASIS TO GAAP</b>						
Change in net position, budgetary basis		\$ (14,817)		\$ 70,793		\$ 3,463
Add:						
Capital outlay		35,284		15,947		1,086
Principal retirement		11,390		9,465		8,759
Principal retirement-interfund loan		-		-		4,263
Capitalized interest		265		381		-
Payments to refunding escrow agent		-		44,095		-
Inventory adjustments		2		-		21
Fair market value adjustment		55		65		9
Prepaid adjustment		-		6		-
Capital contributions		-		4,588		-
Accounts receivable adjustments		-		-		-
Fixed asset transfers and adjustments		11		-		-
Bond amortization		-		57		-
Gain/loss on disposal of fixed assets		-		-		-
Less:						
Depreciation and amortization		(19,715)		(40,127)		(8,482)
Inventory adjustments		-		(37)		-
Compensated absences		(103)		(56)		(8)
Bond amortization		(382)		-		(705)
Prepaid adjustment		-		-		(29)
Special assessment collections		-		(21)		-
Bond proceeds		-		(100,700)		-
Loss on discontinued projects		(51)		-		-
Net book value of capital assets disposed		(273)		(848)		(41)
Accounts receivable adjustments		-		(228)		(30)
Change in net position		\$ 11,666		\$ 3,380		\$ 8,306

See accompanying independent auditor's report.

(continued)



*Wetlands*

Lee County, Florida  
**COMBINING STATEMENT OF NET POSITION**  
**INTERNAL SERVICE FUNDS**  
As of September 30, 2013  
(amounts expressed in thousands)

	Information Technology	Governmental Communications Network	Self-Insurance		Fleet Management	Sheriff's Internal Service	Total
			Group Health and Dental	General Liability			
<b>ASSETS</b>							
<b>Current Assets:</b>							
Cash and equity in pooled cash and investments	\$ 5,007	\$ 4,624	\$ 42,762	\$ 17,962	\$ 5,501	\$ 17,543	\$ 93,399
Cash and cash equivalents with fiscal agent			250				250
Receivables (net)	2	121	1,330	412	83		1,948
Due from other funds	313	48	33		631		1,025
Due from other governments			263				263
Inventories					269		269
Other	136	26		113			275
<b>Total current assets</b>	<b>5,458</b>	<b>4,819</b>	<b>44,388</b>	<b>18,737</b>	<b>6,484</b>	<b>17,543</b>	<b>97,429</b>
<b>Noncurrent Assets:</b>							
<b>Capital assets:</b>							
Non-depreciable	1,329				510		1,839
Depreciable	19,407	12,102	2	14	21,894		53,419
Less accumulated depreciation	(14,861)	(7,567)	(2)	(14)	(17,116)		(39,560)
<b>Total noncurrent assets</b>	<b>5,875</b>	<b>4,535</b>	<b>-</b>	<b>-</b>	<b>5,288</b>	<b>0</b>	<b>15,698</b>
<b>Total assets</b>	<b>11,333</b>	<b>9,354</b>	<b>44,388</b>	<b>18,737</b>	<b>11,772</b>	<b>17,543</b>	<b>113,127</b>
<b>LIABILITIES</b>							
<b>Current liabilities:</b>							
Contracts and accounts payable	988	6	343	42	551	139	2,069
Accrued liabilities	2	6	82	6	34		130
Due to other funds		10	33	11	5		59
Due to other governments	1	3	5	2	58		69
Self-insurance claims payable			5,497	1,246		3,383	10,125
Compensated absences	1	1	2	1	9		14
<b>Total current liabilities</b>	<b>992</b>	<b>26</b>	<b>5,962</b>	<b>1,308</b>	<b>657</b>	<b>3,522</b>	<b>12,467</b>
<b>Noncurrent liabilities:</b>							
Self-insurance claims payable				9,794			9,794
Compensated absences	18	17	34	13	121		203
Other postemployment benefits	44	155	275	182	1,196		1,852
<b>Total noncurrent liabilities</b>	<b>62</b>	<b>172</b>	<b>309</b>	<b>9,989</b>	<b>1,317</b>	<b>-</b>	<b>11,849</b>
<b>Total liabilities</b>	<b>1,054</b>	<b>198</b>	<b>6,271</b>	<b>11,297</b>	<b>1,974</b>	<b>3,522</b>	<b>24,316</b>
<b>NET POSITION</b>							
Net investment in capital assets	5,676	4,535			5,041		15,252
Unrestricted	4,603	4,621	38,117	7,440	4,757	14,021	73,559
<b>Total net position</b>	<b>10,279</b>	<b>9,156</b>	<b>38,117</b>	<b>7,440</b>	<b>9,798</b>	<b>14,021</b>	<b>88,811</b>

See accompanying independent auditor's report.

Lee County, Florida  
**COMBINING STATEMENT OF CASH FLOWS**  
INTERNAL SERVICE FUNDS  
For the Year Ended September 30, 2013  
(amounts expressed in thousands)

	Information Technology	Governmental Communications Network	Self-Insurance Group Health and Dental	Self-Insurance General Liability	Fleet Management	Sheriff's Internal Service Fund	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>							
Receipts from customers and users	\$ 369	\$ 1,544	\$ 11,617	\$ (401)	\$ 717	\$ -	\$ 13,846
Receipts from interfund services provided	11,988	1,009	48,985	9,526	7,933	26,232	105,673
Payments to suppliers	(9,744)	(2,285)	(57,523)	(16,201)	(6,707)	(26,101)	(118,561)
Payments to employees	(113)	(268)	(430)	(210)	(1,536)	-	(2,557)
Payments for interfund services provided	(16)	(226)	(114)	(63)	(536)	-	(955)
Net cash provided by (used in) operating activities	2,484	(226)	2,535	(7,349)	(129)	131	(2,554)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>							
Non-capital grant issued	-	(69)	-	-	-	-	(69)
Net cash provided by (used in) noncapital financing activities	-	(69)	-	-	-	-	(69)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>							
Capital asset purchases	(2,090)	(579)	-	-	(120)	-	(2,789)
Proceeds from sale of capital assets	-	-	-	-	202	-	202
Net cash used in capital and related financing activities	(2,090)	(579)	-	-	82	-	(2,587)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>							
Interest on investments	13	14	114	63	16	14	234
Net cash provided by investing activities	13	14	114	63	16	14	234
Net increase (decrease)	407	(860)	2,649	(7,286)	(91)	145	(4,976)
Cash and cash equivalents at beginning of year	4,600	5,484	40,113	25,498	5,532	17,398	98,625
Cash and cash equivalents at end of year	\$ 5,007	\$ 4,624	\$ 42,762	\$ 18,212	\$ 5,501	\$ 17,543	\$ 93,649
Classified as:							
Current assets	\$ 5,007	\$ 4,624	\$ 42,762	\$ 18,212	\$ 5,501	\$ 17,543	\$ 93,649
<b>NON-CASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES</b>							
Contributions of capital assets	\$ -	\$ 3,193	\$ -	\$ -	\$ -	\$ -	\$ 3,193
Increase in fair value of investments	\$ 3	\$ 2	\$ 23	\$ 10	\$ 3	\$ -	\$ 41

See accompanying independent auditors' report.

(continued)



Lee County, Florida  
 COMBINING SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN  
 NET POSITION - BUDGET (NON-GAAP BUDGETARY BASIS)  
 AND ACTUAL WITH RECONCILIATION TO GAAP  
 INTERNAL SERVICE FUNDS  
 For the Year Ended September 30, 2013  
 (amounts expressed in thousands)

	Information Technology		Governmental Communications Network	
	Budget	Actual	Budget	Actual
<b>OPERATING REVENUES</b>				
User fees	\$ 11,543	\$ 12,001	\$ 2,098	\$ 2,268
Total operating revenues	<u>11,543</u>	<u>12,001</u>	<u>2,098</u>	<u>2,268</u>
<b>OPERATING EXPENSES</b>				
Salaries and wages	105	97	239	232
Employee benefits	23	37	86	128
Contractual services, materials, and supplies	7,843	7,563	88	274
Utilities	2,302	2,247	237	201
Repairs and maintenance	689	438	1,539	1,672
Insurance	-	-	6	5
Insurance claims	-	-	-	-
Other	73	73	254	231
Total operating expenses	<u>11,035</u>	<u>10,455</u>	<u>2,449</u>	<u>2,743</u>
Operating income (loss)	<u>508</u>	<u>1,546</u>	<u>(351)</u>	<u>(475)</u>
<b>NON - OPERATING REVENUES (EXPENSES)</b>				
Interest revenue	15	10	25	10
Grants	-	-	(85)	(69)
Capital outlay	(3,162)	(2,013)	(995)	(580)
Proceeds from capital asset disposal	-	-	-	-
Other revenues	-	-	297	280
Total non - operating revenues (expenses)	<u>(3,147)</u>	<u>(2,003)</u>	<u>(758)</u>	<u>(359)</u>
Income (loss) before operating transfers	<u>(2,639)</u>	<u>(457)</u>	<u>(1,109)</u>	<u>(834)</u>
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total transfers	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in net position	<u>(2,639)</u>	<u>(457)</u>	<u>(1,109)</u>	<u>(834)</u>
Total net position - beginning	<u>4,938</u>	<u>7,302</u>	<u>5,449</u>	<u>4,570</u>
Total net position - ending	<u>\$ 2,299</u>	<u>\$ 6,845</u>	<u>\$ 4,340</u>	<u>\$ 3,736</u>
<b>RECONCILIATION OF BUDGETARY BASIS TO GAAP</b>				
Change in net position, budgetary basis		\$ (457)		\$ (834)
Add: Capital outlay		2,013		580
Compensated absences		-		1
Fair market value adjustment		3		2
Capital contributions		-		3,193
Prepaid adjustments		-		23
Claims payable reserve		-		-
Less: Depreciation and amortization		(718)		(717)
Prepaid adjustments		(62)		-
Inventory adjustment		-		-
Compensated absences		(3)		-
Net book value of capital assets disposed		-		-
Accounts receivable adjustments		-		-
Capital asset transfers out		-		-
Claims payable reserve		-		-
Change in net position		<u>\$ 776</u>		<u>\$ 2,248</u>

See accompanying independent auditors' report.

(continued)

Lee County, Florida  
 COMBINING SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN  
 NET POSITION - BUDGET (NON-GAAP BUDGETARY BASIS)  
 AND ACTUAL WITH RECONCILIATION TO GAAP  
 INTERNAL SERVICE FUNDS  
 For the Year Ended September 30, 2013  
 (amounts expressed in thousands)

	Fleet Management		Total		Variance Positive (Negative)
	Budget	Actual	Budget	Actual	
<b>OPERATING REVENUES</b>					
User fees	\$ 8,010	\$ 8,677	\$ 91,245	\$ 93,517	\$ 2,272
Total operating revenues	8,010	8,677	91,245	93,517	2,272
<b>OPERATING EXPENSES</b>					
Salaries and wages	1,460	1,310	2,450	2,204	246
Employee benefits	605	808	973	1,288	(315)
Contractual services, materials, and supplies	4,409	4,253	16,422	15,828	594
Utilities	65	59	2,613	2,515	98
Repairs and maintenance	2,296	2,377	4,525	4,489	36
Insurance	55	54	5,117	4,298	819
Insurance claims	-	-	62,779	57,237	5,542
Other	239	239	9,053	9,037	16
Total operating expenses	9,129	9,100	103,932	96,896	7,036
Operating income (loss)	(1,119)	(423)	(12,687)	(3,379)	9,308
<b>NON - OPERATING REVENUES (EXPENSES)</b>					
Interest revenue	20	12	186	167	(19)
Grants	-	-	(85)	(69)	16
Capital outlay	(1,048)	(367)	(5,205)	(2,960)	2,245
Proceeds from capital asset disposal	68	202	68	202	134
Other revenues	15	24	312	995	683
Total non - operating revenues (expenses)	(945)	(129)	(4,724)	(1,665)	3,059
Income (loss) before operating transfers	(2,064)	(552)	(17,411)	(5,044)	12,367
Transfers in	-	-	164	132	(32)
Transfers out	-	-	(164)	(132)	32
Total transfers	-	-	-	-	-
Change in net position	(2,064)	(552)	(17,411)	(5,044)	12,367
Total net position - beginning	4,930	5,394	80,659	81,606	947
Total net position - ending	\$ 2,866	\$ 4,842	\$ 63,248	\$ 76,562	\$ 13,314
<b>RECONCILIATION OF BUDGETARY BASIS TO GAAP</b>					
Change in net position, budgetary basis		\$ (552)		\$ (5,044)	
Add: Capital outlay		367		2,960	
Compensated absences		-		1	
Fair market value adjustment		3		41	
Capital contributions		-		3,193	
Prepaid adjustments		-		28	
Claims payable reserve		-		145	
Less: Depreciation and amortization		(1,254)		(2,689)	
Prepaid adjustments		(9)		(71)	
Inventory adjustment		(6)		(6)	
Compensated absences		(16)		(30)	
Net book value of capital assets disposed		(32)		(32)	
Accounts receivable adjustments		-		(32)	
Capital asset transfers out		(1)		(1)	
Claims payable reserve		-		(764)	
Change in net position		\$ (1,500)		\$ (2,301)	

*Fiduciary Funds*



Lee County, Florida  
 COMBINING STATEMENT OF FIDUCIARY NET POSITION  
 AGENCY FUNDS  
 As of September 30, 2013  
 (amounts expressed in thousands)

	Board of County Commissioners			
	Construction Management	Impact Fees- Fire	Impact Fees- School	Cash Bonds
<b>ASSETS</b>				
Cash and equity in pooled cash and investments	\$ 902	\$ 267	\$ 448	\$ 3,811
Investments	-	-	-	-
Receivables (net)	-	-	-	-
Due from other governments	-	-	30	-
Total assets	902	267	478	3,811
<b>LIABILITIES</b>				
Contracts and accounts payable	-	4	-	-
Due to individuals	-	-	43	-
Due to other governments	-	263	435	-
Bonds and deposits	902	-	-	3,811
Total liabilities	\$ 902	\$ 267	\$ 478	\$ 3,811

See accompanying independent auditor's report.

(continued)

Lee County, Florida  
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUNDS  
For the Year Ended September 30, 2013  
(amounts expressed in thousands)

	Beginning Balance	Additions	Deletions	Ending Balance
<i>Construction Management</i>				
ASSETS				
Cash and equity in pooled cash and investments	\$ 2,530	\$ 1,177	\$ 2,805	\$ 902
Total assets	<u>2,530</u>	<u>1,177</u>	<u>2,805</u>	<u>902</u>
LIABILITIES				
Contracts and accounts payable	-	773	773	-
Due to other governments	-	112	112	-
Bonds and deposits	2,530	9	1,637	902
Total liabilities	<u>2,530</u>	<u>894</u>	<u>2,522</u>	<u>902</u>
<i>Impact Fees- Fire</i>				
ASSETS				
Cash and equity in pooled cash and investments	128	522	383	267
Total assets	<u>128</u>	<u>522</u>	<u>383</u>	<u>267</u>
LIABILITIES				
Contracts and accounts payable	-	71	67	4
Due to other governments	128	807	672	263
Total liabilities	<u>128</u>	<u>878</u>	<u>739</u>	<u>267</u>
<i>Impact Fees- School</i>				
ASSETS				
Cash and equity in pooled cash and investments	1,296	2,971	3,819	448
Receivables (net)	8	-	8	-
Due from other governments	-	30	-	30
Total assets	<u>1,304</u>	<u>3,001</u>	<u>3,827</u>	<u>478</u>
LIABILITIES				
Contracts and accounts payable	-	3,812	3,812	-
Due to individuals	67	4	28	43
Due to other governments	1,237	2,976	3,778	435
Total liabilities	<u>1,304</u>	<u>6,792</u>	<u>7,618</u>	<u>478</u>
<i>Cash Bonds</i>				
ASSETS				
Cash and equity in pooled cash and investments	1,309	3,279	777	3,811
Total assets	<u>1,309</u>	<u>3,279</u>	<u>777</u>	<u>3,811</u>
LIABILITIES				
Contracts and accounts payable	-	761	761	-
Bonds and deposits	1,309	3,281	779	3,811
Total liabilities	<u>\$ 1,309</u>	<u>\$ 4,042</u>	<u>\$ 1,540</u>	<u>\$ 3,811</u>

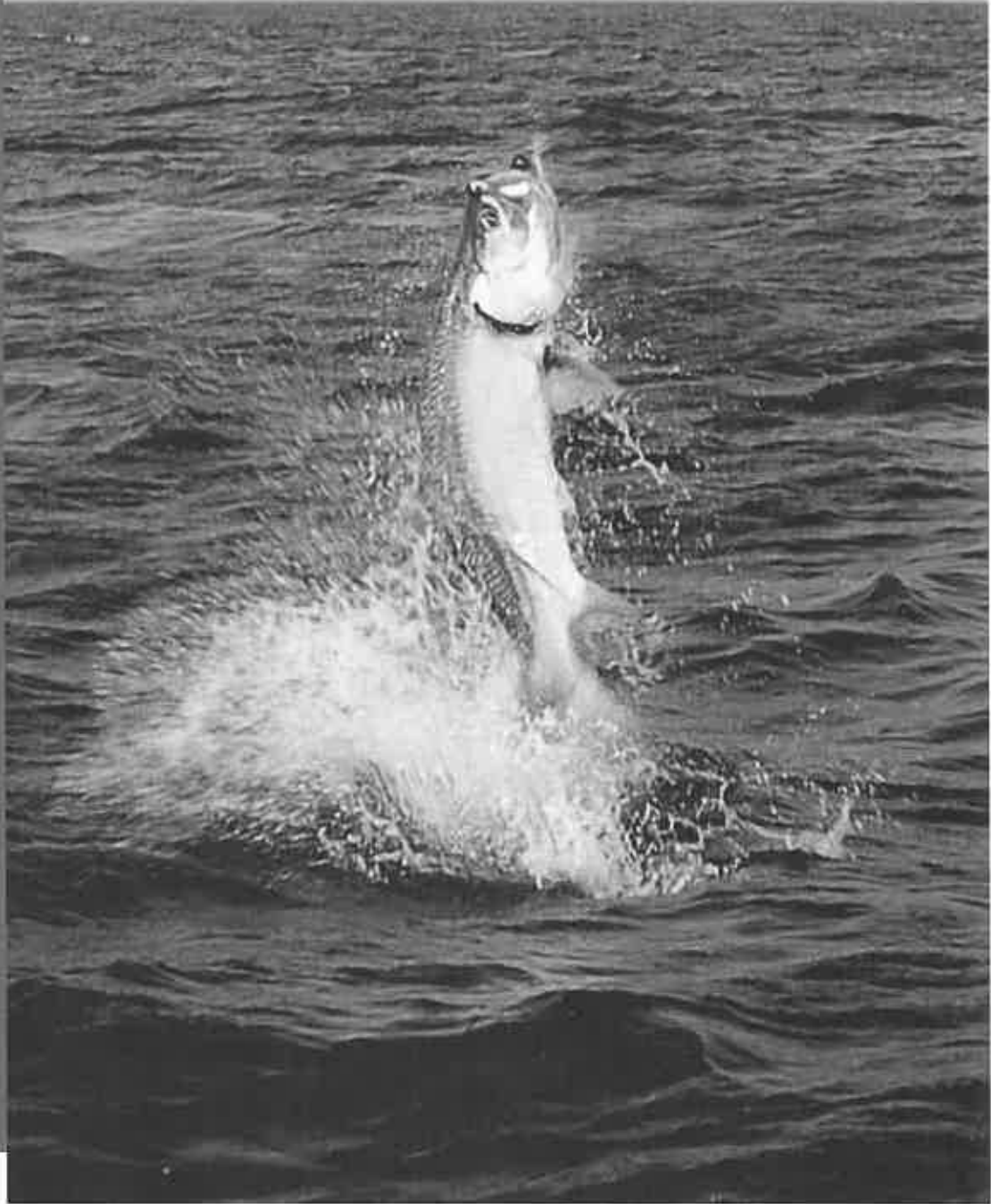
See accompanying independent auditors' report.

(continued)

Lee County, Florida  
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUNDS  
For the Year Ended September 30, 2013  
(amounts expressed in thousands)

	Beginning Balance	Additions	Deletions	Ending Balance
<i>Total</i>				
<b>ASSETS</b>				
Cash and equity in pooled cash and investments	\$ 33,038	\$ 1,143,856	\$ 1,134,611	\$ 42,283
Investments	995	187,552	186,500	2,047
Receivables (net)	27	700	710	17
Due from other governments	662	600	1,017	245
Total assets	<u>34,722</u>	<u>1,332,708</u>	<u>1,322,838</u>	<u>44,592</u>
<b>LIABILITIES</b>				
Contracts and accounts payable	50	141,323	141,319	54
Due to individuals	1,401	90,063	90,365	1,099
Due to other governments	14,711	961,181	961,609	14,283
Bonds and deposits	18,560	149,384	138,788	29,156
Total liabilities	<u>\$ 34,722</u>	<u>\$ 1,341,951</u>	<u>\$ 1,332,081</u>	<u>\$ 44,592</u>

# *Statistical Section*



Lee County, Florida  
SCHEDULE 1  
NET POSITION  
Last Ten Fiscal Years  
(dollars in thousands)

	2004	2005	2006*	2007	2008	2009	2010	2011	2012	2013**
<b>Governmental Activities</b>										
Net invested in capital assets	\$ 670,833	\$ 769,454	\$ 974,518	\$ 1,148,026	\$ 1,318,137	\$ 1,456,025	\$ 1,547,366	\$ 1,536,885	\$ 1,568,248	\$ 1,568,957
Restricted for:										
Capital projects	220,591	237,428	346,005	370,932	333,179	324,494	18,556	74,185	74,621	66,647
Debt service	22,453	25,742	19,567	21,940	20,138	19,849		15,990	11,239	11,998
Claiborne and Foulds Trust	1	-	-	-	-	-	-	-	-	-
Inventory for resale	-	-	-	-	-	-	-	-	2,134	1,853
Special revenue funds	-	-	-	-	-	-	22,526	47,615	59,119	61,394
Unrestricted	284,293	357,515	449,732	520,745	527,270	440,397	612,235	429,696	305,959	232,952
Governmental activities net position	1,198,171	1,390,139	1,789,822	2,061,643	2,198,724	2,240,765	2,200,683	2,104,371	2,021,320	1,943,801
<b>Business-type Activities</b>										
Net invested in capital assets	540,009	657,657	733,834	860,208	942,028	971,317	1,010,013	1,038,481	1,041,260	1,061,519
Restricted for:										
Capital projects	75,726	77,919	92,848	69,877	65,661	56,336	52,319	49,850	59,051	56,200
Debt service	35,677	30,965	30,706	37,626	40,954	41,207	39,901	61,123	26,155	24,971
Renewal and replacement	16,924	23,893	24,079	16,547	13,849	13,658	13,619	13,573	10,249	8,520
Unrestricted	241,545	228,357	246,428	252,241	258,169	284,602	271,908	245,844	268,066	272,561
Business-type activities net position	909,881	1,018,791	1,127,895	1,236,499	1,320,661	1,367,120	1,387,760	1,408,871	1,404,781	1,423,771
<b>Primary Government</b>										
Net invested in capital assets	1,210,842	1,427,111	1,708,352	2,008,234	2,260,165	2,427,342	2,557,379	2,575,366	2,609,508	2,630,476
Restricted for:										
Capital projects	296,317	315,347	438,853	440,809	398,840	380,830	52,319	124,035	133,672	122,847
Debt service	58,130	56,707	50,273	59,566	61,092	61,056	58,457	77,113	37,394	36,969
Renewal and replacement	16,924	23,893	24,079	16,547	13,849	13,658	13,619	13,573	10,249	8,520
Claiborne and Foulds Trust	1	-	-	-	-	-	-	-	-	-
Inventory for resale	-	-	-	-	-	-	-	-	2,134	1,853
Special revenue funds	-	-	-	-	-	-	22,526	47,615	59,119	61,394
Unrestricted	525,838	585,872	696,160	772,986	785,439	724,999	884,143	675,540	574,025	505,513
Total primary government net position	\$ 2,108,052	\$ 2,408,930	\$ 2,917,717	\$ 3,298,142	\$ 3,519,385	\$ 3,607,885	\$ 3,588,443	\$ 3,513,242	\$ 3,426,101	\$ 3,367,572

Note: Accounting standards require that net position be reported in three components in the financial statements: net invested in capital assets, restricted, and unrestricted.

\* Fiscal year 2006 reflects a cumulative prior period adjustment for impact fees that were treated as deferred revenues in prior years.

\*\* Fiscal year 2013 reflects a cumulative prior period adjustment to remove bond issuance costs from the statement of net position as required by Governmental Accounting Standards Board Statement 65 and to correct amortization from a prior year.



Lee County, Florida  
SCHEDULE 2

CHANGES IN NET POSITION  
Last Ten Fiscal Years  
(dollars in thousands)

	2004	2005	2006**	2007	2008	2009	2010	2011	2012***	2013***
<b>Net (Expense) Revenue*</b>										
Governmental Activities	\$ (279,447)	\$ (287,466)	\$ (336,687)	\$ (459,516)	\$ (516,524)	\$ (490,586)	\$ (466,970)	\$ (477,813)	\$ (452,546)	\$ (455,881)
Business-type Activities	99,938	87,802	73,780	68,050	57,233	28,986	5,347	6,330	(756)	16,990
<b>Total primary government net expense</b>	<b>\$ (179,509)</b>	<b>\$ (199,664)</b>	<b>\$ (262,907)</b>	<b>\$ (391,466)</b>	<b>\$ (459,291)</b>	<b>\$ (461,600)</b>	<b>\$ (461,623)</b>	<b>\$ (471,483)</b>	<b>\$ (453,302)</b>	<b>\$ (438,891)</b>
<b>General Revenues and Other Changes in Net Position</b>										
Governmental Activities:										
Taxes										
Property taxes	\$ 289,206	\$ 316,947	\$ 377,567	\$ 466,026	\$ 463,880	\$ 400,300	\$ 309,068	\$ 265,028	\$ 255,944	\$ 254,662
Gas taxes	18,060	19,319	20,124	19,541	18,260	17,775	17,232	17,032	17,116	17,992
Tourist taxes	12,318	11,603	18,728	22,986	23,768	21,880	22,756	23,981	26,672	28,535
Communication taxes	6,528	8,577	9,518	10,457	10,946	10,885	10,134	9,818	9,561	9,559
Franchise fees	6,031	6,912	8,836	9,352	9,161	9,293	8,407	8,398	8,013	8,355
Impact fees	20,434	30,954	68,829	39,671	14,769	7,003	3,127	1,892	-	-
Unrestricted grants and contributions	45,103	44,608	62,618	76,509	59,471	44,666	44,151	46,196	49,484	52,668
Investment earnings	8,169	21,802	47,806	64,510	37,976	14,813	7,112	3,670	2,729	1,826
Miscellaneous	18,731	24,843	24,851	31,233	24,171	15,592	13,487	13,866	8,744	12,965
Transfers	(17,653)	(6,131)	(4,464)	(8,948)	(8,197)	(9,580)	(8,386)	(8,380)	(8,768)	(6,045)
<b>Total governmental activities general revenues and transfers</b>	<b>406,927</b>	<b>479,434</b>	<b>634,413</b>	<b>731,337</b>	<b>653,603</b>	<b>532,627</b>	<b>426,888</b>	<b>381,501</b>	<b>369,495</b>	<b>380,517</b>
Business-type Activities:										
Property taxes	1,697	1,801	1,783	2,337	2,036	1,524	2,123	1,739	1,077	561
Franchise fees	931	907	1,464	1,535	2,221	1,586	1,580	1,604	1,701	1,677
Investment earnings	4,228	10,382	21,788	26,770	12,452	3,919	2,214	1,344	1,180	1,034
Miscellaneous	694	1,887	5,825	964	2,023	864	790	1,714	886	1,300
Special Item-Loss on discontinued project	-	-	-	-	-	-	-	-	(16,946)	-
Transfers	17,653	6,131	4,464	8,948	8,197	9,580	8,586	8,380	8,768	6,045
<b>Total Business-type activities general revenues, special item, and transfers</b>	<b>25,203</b>	<b>21,108</b>	<b>35,324</b>	<b>40,554</b>	<b>26,929</b>	<b>17,473</b>	<b>15,293</b>	<b>14,781</b>	<b>(3,334)</b>	<b>10,617</b>
<b>Total primary government general revenues, special item, and transfers</b>	<b>\$ 432,130</b>	<b>\$ 500,542</b>	<b>\$ 669,737</b>	<b>\$ 771,891</b>	<b>\$ 680,534</b>	<b>\$ 550,100</b>	<b>\$ 442,181</b>	<b>\$ 396,282</b>	<b>\$ 366,161</b>	<b>\$ 391,134</b>
<b>Change in Net Position</b>										
Governmental Activities	\$ 127,620	\$ 191,968	\$ 297,726	\$ 271,821	\$ 137,081	\$ 42,041	\$ (40,082)	\$ (96,312)	\$ (83,051)	\$ (75,364)
Business-type activities	125,141	108,910	109,104	108,604	84,162	46,459	20,640	21,111	(4,090)	27,607
<b>Total primary government</b>	<b>\$ 252,761</b>	<b>\$ 300,878</b>	<b>\$ 406,830</b>	<b>\$ 380,425</b>	<b>\$ 221,243</b>	<b>\$ 88,500</b>	<b>\$ (19,442)</b>	<b>\$ (75,201)</b>	<b>\$ (87,141)</b>	<b>\$ (47,757)</b>

\* Net (expense)/ revenue is the difference between the expenses and program revenues of a function or program. It indicates the degree to which a function or program is supported with its own fees and program-specific grants versus its reliance upon funding from taxes and other general revenues. Numbers in parentheses indicate that expenses were greater than program revenues and therefore general revenues were needed to finance that function or program. Numbers without parentheses mean that program revenues were more than sufficient to cover expenses.

\*\* Fiscal year 2006 reflects a cumulative prior period adjustment for impact fees that were treated as deferred revenues in prior years.

\*\*\* Impact Fees were re-categorized in fiscal years 2012 and 2013 to Capital Grants and Contributions. Additionally, fiscal year 2013 reflects a cumulative prior period adjustment to remove bond issuance costs from the statement of net position as required by Governmental Accounting Standards Board Statement 65 and to correct amortization from a prior year.

Lee County, Florida  
SCHEDULE 4

CHANGES IN FUND BALANCES of GOVERNMENTAL FUNDS

Last Ten Fiscal Years

(amounts expressed in thousands)

	2004	2005	2006 <sup>1</sup>	2007	2008	2009	2010	2011	2012	2013
<b>Revenues</b>										
Taxes	\$ 332,143	\$ 363,358	\$ 434,782	\$ 528,362	\$ 526,015	\$ 460,133	\$ 367,597	\$ 324,257	\$ 317,463	\$ 319,103
Licenses and permits	13,560	19,249	18,660	11,760	5,415	4,257	6,036	6,288	6,497	7,822
Intergovernmental	95,934	96,031	117,215	107,328	90,618	87,950	108,713	102,901	103,056	97,298
Charges for services	64,906	82,876	92,684	97,994	92,123	87,878	75,560	74,490	66,328	74,847
Fines and forfeitures	3,286	1,533	1,749	2,236	2,073	1,393	1,404	1,087	1,311	1,374
Impact fees	20,434	30,954	68,830	39,671	14,769	7,003	3,123	1,892	3,446	2,587
Special assessments	3,120	4,044	2,491	2,075	2,024	1,515	2,015	1,493	1,447	1,651
Miscellaneous	29,694	54,055	74,102	91,788	59,019	34,034	21,261	16,517	11,394	14,135
<b>Total revenues</b>	<b>563,077</b>	<b>652,100</b>	<b>810,513</b>	<b>881,214</b>	<b>792,056</b>	<b>684,163</b>	<b>585,709</b>	<b>528,925</b>	<b>510,942</b>	<b>518,817</b>
<b>Expenditures</b>										
<b>Current</b>										
General government	103,334	105,547	119,119	142,153	161,143	181,728	143,296	136,124	132,248	132,932
Public safety	141,274	165,699	189,841	217,040	236,717	228,742	214,989	210,923	195,541	193,533
Physical environment	13,565	15,119	22,357	24,618	13,698	15,351	11,745	12,649	13,968	14,321
Transportation	32,701	29,797	37,127	49,940	44,826	51,459	41,804	35,354	33,800	34,509
Economic environment	17,309	19,025	21,509	23,299	25,629	25,190	35,194	33,770	30,539	24,433
Human services	15,410	18,501	20,155	22,291	24,382	24,804	26,144	26,193	26,690	20,355
Culture and recreation	53,081	56,474	58,049	67,007	65,381	60,737	55,317	53,817	55,032	56,050
Capital outlay	90,935	126,643	232,694	241,054	199,458	182,787	130,446	108,952	87,692	60,314
Debt service										
Principal retirement	23,125	25,058	20,221	20,567	24,008	20,283	19,365	25,581	17,702	15,432
Interest and fiscal charges	10,905	11,936	12,137	13,954	14,770	11,693	10,827	12,805	19,852	20,037
Bond issuance costs	1,872	422	-	1,031	-	-	297	548	-	774
<b>Total expenditures</b>	<b>503,511</b>	<b>574,221</b>	<b>733,209</b>	<b>822,954</b>	<b>810,012</b>	<b>802,774</b>	<b>689,424</b>	<b>656,716</b>	<b>613,064</b>	<b>572,690</b>
<b>Excess (deficiencies) of revenues over (under) expenditures</b>	<b>59,566</b>	<b>77,879</b>	<b>77,304</b>	<b>58,260</b>	<b>(17,956)</b>	<b>(118,611)</b>	<b>(103,715)</b>	<b>(127,791)</b>	<b>(102,122)</b>	<b>(53,873)</b>
<b>Other Financing Sources (Uses)</b>										
Transfers in	94,281	95,542	136,592	142,010	136,352	297,958	131,163	244,570	112,730	221,138
Transfers out	(111,224)	(101,319)	(142,188)	(154,103)	(146,090)	(308,062)	(141,638)	(239,126)	(121,486)	(221,171)
Surplus to state and other local governments	(1,791)	-	-	-	-	-	-	-	-	-
Insurance proceeds	-	65	94	-	-	-	-	-	-	-
Bond premium	-	1,132	-	-	-	-	-	55	-	-
Proceeds from long-term debt	115,491	31,696	1,365	70,325	3,203	456	18,798	88,218	841	134,399
Payments to refunding escrow agent	(55,440)	(27,622)	-	-	-	-	-	(7,570)	-	(92,303)
<b>Total other financing sources (uses)</b>	<b>41,317</b>	<b>(506)</b>	<b>(4,137)</b>	<b>58,232</b>	<b>(6,535)</b>	<b>(9,648)</b>	<b>8,323</b>	<b>86,147</b>	<b>(7,915)</b>	<b>42,063</b>
<b>Net change in fund balances</b>	<b>\$ 100,883</b>	<b>\$ 77,373</b>	<b>\$ 73,167</b>	<b>\$ 116,492</b>	<b>\$ (24,491)</b>	<b>\$ (128,259)</b>	<b>\$ (95,392)</b>	<b>\$ (41,644)</b>	<b>\$ (110,037)</b>	<b>\$ (11,810)</b>
<b>Debt service as a percentage of noncapital expenditures<sup>2</sup></b>	<b>8.2%</b>	<b>8.3%</b>	<b>6.5%</b>	<b>5.9%</b>	<b>6.4%</b>	<b>5.2%</b>	<b>5.4%</b>	<b>7.0%</b>	<b>7.1%</b>	<b>6.9%</b>

1 Fiscal year 2006 reflects a cumulative prior period adjustment for impact fees that were treated as deferred revenues in prior years.

2 Total debt service for this calculation excludes bond issuance cost.

Lee County, Florida  
SCHEDULE 6  
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS  
(PER \$1,000 OF ASSESSED VALUE)  
Last Ten Fiscal Years

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013<sup>3</sup></u>
Lee County	4.3277	4.3277	4.2610	3.9332	3.5216	3.6506	3.6506	3.6506	3.6506	3.6506
Countywide	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Operating millage	<u>1.0124</u>	<u>1.0124</u>	<u>1.0124</u>	<u>1.0124</u>	<u>0.9536</u>	<u>0.5000</u>	<u>0.5000</u>	<u>0.5000</u>	<u>0.5000</u>	<u>0.5000</u>
Debt service millage	5.3401	5.3401	5.2734	4.9456	4.4752	4.1506	4.1506	4.1506	4.1506	4.1506
Capital improvements millage	1.2114	1.2114	1.2114	1.0028	0.9300	0.8398	0.8398	0.8398	0.8398	0.8398
Total Lee Countywide millage	0.9630	0.9630	0.6055	0.6055	0.4085	0.2844	0.2844	0.2844	0.3383	0.3541
MSTU (Unincorporated)	<u>0.0733</u>	<u>0.0733</u>	<u>0.0733</u>	<u>0.0733</u>	<u>0.0733</u>	<u>0.0693</u>	<u>0.0693</u>	<u>0.0693</u>	<u>0.0693</u>	<u>0.0693</u>
Lee County Library	<u>2.2477</u>	<u>2.2477</u>	<u>1.8902</u>	<u>1.6816</u>	<u>1.4118</u>	<u>1.3063</u>	<u>1.1935</u>	<u>1.1935</u>	<u>1.2474</u>	<u>1.2632</u>
All Hazards Protection Fund	<u>7.5878</u>	<u>7.5878</u>	<u>7.1636</u>	<u>6.6272</u>	<u>5.8870</u>	<u>5.4569</u>	<u>5.3441</u>	<u>5.3441</u>	<u>5.3980</u>	<u>5.4138</u>
Total Lee Non-Countywide millage	8.5720	8.3460	7.8820	7.8820	7.0120	6.9600	6.8680	7.5080	8.0150	7.5840
Total Lee County millage	5.8033	5.6831	5.5287	5.2787	4.8787	4.7698	4.7698	7.9702	7.9702	7.9570
School District	<u>0.5712</u>	<u>0.4218</u>	<u>0.2311</u>	<u>0.1119</u>	<u>0.0627</u>	<u>0.0627</u>	<u>0.0627</u>	<u>0.0000</u>	<u>0.0000</u>	<u>0.0000</u>
Operating millage	<u>6.3745</u>	<u>6.1049</u>	<u>5.7598</u>	<u>5.3906</u>	<u>4.9414</u>	<u>4.8325</u>	<u>4.8325</u>	<u>7.9702</u>	<u>7.9702</u>	<u>7.9570</u>
Debt service millage	1.7291	1.7291	2.5000	2.4801	2.5000	2.1966	2.1561	2.1561	2.1561	2.1000
Total Cape Coral millage	<u>0.4901</u>	<u>0.3870</u>	<u>0.2893</u>	<u>0.3218</u>	<u>0.3983</u>	<u>0.1467</u>	<u>0.4199</u>	<u>0.4589</u>	<u>0.4347</u>	<u>0.4570</u>
Operating millage	<u>2.2192</u>	<u>2.1161</u>	<u>2.7893</u>	<u>2.8019</u>	<u>2.8983</u>	<u>2.3433</u>	<u>2.5760</u>	<u>2.6150</u>	<u>2.5908</u>	<u>2.5570</u>
Debt service millage	7.7816	7.7816	7.2100	7.2100	6.8000	6.2560	7.1634	7.4000	8.4000	8.7760
Total Sanibel millage	1.0400	1.0000	0.8500	0.7498	0.6096	0.6053	0.7093	0.8187	0.9144	0.7687
Fort Myers	<u>1.0885</u>	<u>0.9976</u>	<u>0.9976</u>	<u>0.9976</u>	<u>0.7919</u>	<u>0.7244</u>	<u>0.8273</u>	<u>0.8273</u>	<u>0.8273</u>	<u>0.8173</u>
Fort Myers Beach	<u>18.5038</u>	<u>18.0002</u>	<u>17.6067</u>	<u>17.1499</u>	<u>16.0412</u>	<u>14.7615</u>	<u>16.1085</u>	<u>19.6312</u>	<u>20.7027</u>	<u>20.8760</u>
Bonita Springs	0.6970	0.6970	0.6970	0.6970	0.6970	0.6240	0.6240	0.6240	0.6240	0.4289
Total municipalities millage	0.0327	0.0295	0.0300	0.0295	0.0223	0.0214	0.0214	0.0277	0.0310	0.0298
South Florida Water Management Dist.	0.3294	0.2984	0.2720	0.2247	0.1695	0.1636	0.1636	0.2132	0.2388	0.2300
Lee County Hyacinth Control	<u>0.0400</u>	<u>0.0400</u>	<u>0.0400</u>	<u>0.0400</u>	<u>0.0400</u>	<u>0.0394</u>	<u>0.0394</u>	<u>0.0394</u>	<u>0.0394</u>	<u>0.0394</u>
Lee County Mosquito Control	<u>1.0991</u>	<u>1.0649</u>	<u>1.0390</u>	<u>0.9912</u>	<u>0.9288</u>	<u>0.8484</u>	<u>0.8484</u>	<u>0.9043</u>	<u>0.9332</u>	<u>0.7281</u>
West Coast Inland Waterway	0.0044-6.0000	0.4398-6.0000	0.0012-6.0000	0.0012-6.0000	0.0462-6.0000	0.0245-3.0000	0.0245-3.4500	0.0152-3.5000	0.0310-3.5000	0.0088-4.7000
Total special districts <sup>1</sup>	<u>35.7627</u>	<u>34.9989</u>	<u>33.8743</u>	<u>32.6503</u>	<u>29.8690</u>	<u>28.0268</u>	<u>29.1690</u>	<u>33.3876</u>	<u>35.0489</u>	<u>34.6019</u>
Other special districts <sup>1</sup>										
Total direct and overlapping rates <sup>2</sup>										

<sup>1</sup> Includes fire protection districts and lighting and improvement districts located throughout the unincorporated sections of Lee County.

<sup>2</sup> Does not include Other special districts since reported as a range. Overlapping rates are those of Lee County that apply to property owners within Lee County. Not all overlapping rates apply to all Lee County property owners (e.g. special assessments only apply to the property owners located in that district).

Source: Lee County Budget Office

<sup>3</sup> Effective 2013 for this schedule, property tax rates were redefined to reflect the millage rates collected for each year's operations, not the millage rates adopted each year for the following year's operations. All columns have been adjusted accordingly.

Lee County, Florida  
 SCHEDULE 8  
 PROPERTY TAX LEVIES AND COLLECTIONS  
 Last Ten Fiscal Years  
 (dollars in thousands)

Fiscal Year Ended September 30,	Tax Year	Taxes Levied for the Fiscal Year <sup>1</sup>	Collected within the		Collections in Subsequent Years	Total Collections to Date	
			Fiscal Year of the Levy			Amount	Percentage of Levy
			Amount <sup>2</sup>	Percentage of Levy			
2004	2003	\$ 297,850	\$ 285,130	95.73	\$ 285,409	95.82	
2005	2004	326,026	312,673	95.90	312,728	95.92	
2006	2005	388,369	372,541	95.92	372,442	95.90	
2007	2006	479,590	460,870	96.10	461,083	96.14	
2008	2007	478,895	458,933	95.83	460,189	96.12	
2009	2008	413,173	394,828	95.56	396,516	95.95	
2010	2009	316,752	302,267	95.43	303,155	95.61	
2011	2010	274,268	260,862	95.11	261,479	95.11	
2012	2011	262,901	251,665	95.73	252,011	95.86	
2013	2012	260,982	250,828	96.11	250,828	96.11	

Source: Lee County Tax Collector

Notes: <sup>1</sup> These tax levies are for funds for County purposes, excluding School Board, municipalities, and other independent special districts.

<sup>2</sup> Property taxes become due and payable on November 1 of each year and are delinquent on April 1 of the following year. A four percent discount is allowed if the taxes are paid in November, with the discount declining by one percent each month thereafter. Accordingly, taxes collected will not equal 100 percent of the tax levy. Tax certificates for the full amount of any unpaid taxes and assessments must be sold no later than June 1 of the following year.

Lee County, Florida  
SCHEDULE 10  
PLEDGED REVENUE BOND COVERAGE  
Last Ten Fiscal Years  
(dollars in thousands)

Fiscal Year	Passenger Facility Charge Revenue Bonds					Port Authority Line of Credit <sup>2</sup>					
	Passenger Facility Charge Revenues	Less: Operating Expenses	Net Available Revenues	Debt Service		Page Field General Aviation Airport Revenues	Less: Operating Expenses <sup>1</sup>	Net Available Revenue	Debt Service		
				Principal	Interest				Principal	Interest	Coverage
2004	\$ 12,878	n/a	\$ 12,878	\$ 1,920	\$ 2,103	\$ 7,129	\$ 5,853	\$ 1,276	\$ -	\$ 59	21.63
2005	15,615	n/a	15,615	2,005	2,018	8,026	6,974	1,052	230	317	1.92
2006	15,567	n/a	15,567	2,090	1,927	12,334	7,996	4,338	4,338 <sup>3</sup>	400	0.92
2007	16,858	n/a	16,858	2,185	1,830	8,904	8,678	226	295	164	0.49
2008	15,478	n/a	15,478	2,285	1,727	6,485	6,325	160	305	71	0.43
2009	14,942	n/a	14,942	2,390	1,618	7,070	6,732	338	325	43	0.92
2010	15,156	n/a	15,156	10,060 <sup>8</sup>	1,603	7,851	7,786	65	340	39	0.17
2011	15,581	n/a	15,581	2,620 <sup>9</sup>	1,000	8,831	8,508	323	355	36	0.83
2012	14,775	n/a	14,775	3,060	303	9,176	9,331	(155)	375	32	-0.38
2013	15,197	n/a	15,197	3,120	245						

Fiscal Year	Port Authority Revenue Bonds					Solid Waste System Revenue Bonds					
	Airport Revenues	Less: Operating Expenses <sup>5</sup>	Net Available Revenues	Debt Service		Solid Waste System Revenues <sup>7</sup>	Less: Operating Expenses <sup>1</sup>	Net Available Revenue	Debt Service		
				Principal	Interest				Principal	Interest	Coverage
2004	\$ 43,184 <sup>4</sup>	\$ 31,209	\$ 11,975	\$ 4,856	\$ 1,524	\$ 64,674	\$ 33,905	\$ 30,769	\$ 10,915	\$ 7,882	1.64
2005	62,657 <sup>6</sup>	33,902	28,755	4,871	13,648	67,356	35,659	31,697	11,390	7,369	1.69
2006	87,911 <sup>6</sup>	47,573	40,338	5,410	20,507	82,864	44,399	38,465	11,940	6,918	2.04
2007	86,661 <sup>6</sup>	51,679	34,982	5,670	20,196	88,584	48,793	39,791	12,040	9,473	1.85
2008	88,587 <sup>6</sup>	54,941	33,646	5,855	19,972	89,490	54,022	35,468	12,620	9,521	1.60
2009	84,763 <sup>6</sup>	52,175	32,588	6,125	19,611	87,919	56,530	31,389	13,590	8,846	1.40
2010	85,260 <sup>6</sup>	49,952	35,308	6,350	21,217	89,713	57,273	32,440	14,285	8,129	1.45
2011	84,578 <sup>6</sup>	49,921	34,657	7,660	17,146	119,737	57,371	62,366	49,385	7,549	1.10
2012	81,934 <sup>6</sup>	49,372	32,562	7,895	17,654	77,675	58,358	19,317	95	4,292	4.40
2013	86,659 <sup>6</sup>	51,623	35,036	8,470	16,459	70,409	62,541	7,868	100	4,288	1.79

Note: Details regarding the county's outstanding debt can be found in the notes to the financial statements.

<sup>1</sup> As defined by bond resolutions - Generally, current operating expense which doesn't include interest expense, depreciation or amortization expense.

<sup>2</sup> Ten years of data are not provided as the Line of Credit was issued in 2004.

<sup>3</sup> Additional principal payment was made in 2007 with funds transferred from the Airport discretionary fund. Amount in Revenues column includes the transferred amount.

<sup>4</sup> As defined by bond resolutions - Generally, all revenues generated from the operation of Southwest Florida International Airport, with the exception of passenger facility charges and grants.

<sup>5</sup> As defined by bond resolutions - Generally, current operating expense of Southwest Florida International Airport which includes arbitrage rebate liability and does not include interest expense, depreciation, unpaid Other Post Employment Benefits expense or rebates.

<sup>6</sup> As defined by bond resolutions - Generally, all revenues generated from the operation of Southwest Florida International Airport with the exception of passenger facility charges and grants but including surplus passenger facility charges per Federal Aviation Administration approvals.

<sup>7</sup> As defined by bond resolutions - Generally, all revenues generated from the operation of the Waste - to - Energy Facility, the landfill, and the collection services.

<sup>8</sup> Additional principal payment of \$7,555,000 was made in 2010 with a transfer from the PPC capital fund. The coverage before the additional payment is 3.69.

<sup>9</sup> Scheduled debt service payments. Due to refunding, no principal was paid down during the year.

(continued)

Lee County, Florida  
 SCHEDULE 11  
 DEMOGRAPHIC AND ECONOMIC STATISTICS  
 Last Ten Fiscal Years

Year	Population <sup>1</sup>	Total Personal Income <sup>2</sup> (in thousands)	Per Capita Personal Income <sup>2</sup>	Median Age <sup>2</sup>	School Enrollment <sup>4</sup>	Unemployment Rates (Percentage) <sup>2</sup>		
						County	State	National
2004	521,253	\$ 15,644,366	\$ 30,013	45.8	70,782	4.0	4.6	5.1
2005	549,442	19,098,604	34,760	44.2	75,558	2.9	3.7	4.8
2006	585,608	20,736,965	35,411	43.7	78,775	2.7	3.4	4.4
2007	615,741	24,266,353	39,410	43.2	80,526	5.2	4.3	4.5
2008	623,725	26,111,623	41,864	42.7	79,457	9.2	6.8	6.0
2009	615,124	24,674,348	41,954	42.7	80,161	13.9	11.1	9.8
2010	622,900	24,077,000	38,653	42.8	81,929	13.5	11.9	9.6
2011	625,310	18,986,288 <sup>3</sup>	30,363 <sup>3</sup>	45.6	83,771	11.2 <sup>5</sup>	10.6	9.1
2012	631,330	27,161,256 <sup>6</sup>	43,022 <sup>6</sup>	45.7	85,581	8.7 <sup>5</sup>	8.7 <sup>5</sup>	7.8 <sup>5</sup>
2013	638,029	25,679,391	40,248	45.7	87,215	7.2 <sup>5</sup>	7.1 <sup>5</sup>	7.6 <sup>5</sup>

Sources: <sup>1</sup> Bureau of Economic and Business Research (estimate)  
<sup>2</sup> Florida Research and Economic Database (FRED), except as otherwise noted  
<sup>3</sup> U.S. Census Bureau estimate  
<sup>4</sup> School District of Lee County  
<sup>5</sup> Regional Economic Research Institute, Lutgert College of Business, Florida Gulf Coast University  
<sup>6</sup> US Bureau of Economic Analysis (BEA) estimate as of April 2013

Lee County, Florida  
 SCHEDULE 13  
 GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM  
 Last Ten Fiscal Years

Function/Program	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Governmental activities:										
General government	1,153	1,271	1,363	1,416	1,402	1,426	1,398	1,342	1,312	1,281
Public safety	1,651	1,827	1,981	1,961	1,979	1,942	1,939	1,891	1,884	1,866
Physical environment	79	85	90	90	85	80	78	76	76	73
Transportation	234	247	267	271	252	255	221	221	220	220
Economic environment	59	64	68	66	61	61	63	62	66	65
Human services	57	65	64	67	68	68	70	69	76	75
Culture and recreation	520	546	562	566	517	504	503	512	523	518
Business-type activities:										
Airport	282	319	342	359	355	347	345	343	344	346
Water and wastewater	256	279	291	291	281	281	279	275	275	275
Transit	169	239	254	257	257	257	254	253	253	251
Transportation facilities	132	132	125	114	101	98	95	95	95	95
Solid waste	36	55	71	71	71	72	74	77	83	92
Total	4,628	5,129	5,478	5,529	5,429	5,391	5,319	5,216	5,207	5,157

Sources: Lee County Budget Office, Lee County Sheriff Finance Department, Lee County Clerk of Circuit Court Human Resources Department, Lee County Property Appraiser Finance Department, Lee County Tax Collector Human Resources Department, Lee County Supervisor of Elections Human Resources Department, Lee County Port Authority Human Resources Department, and 20th Judicial Circuit Court Finance Department

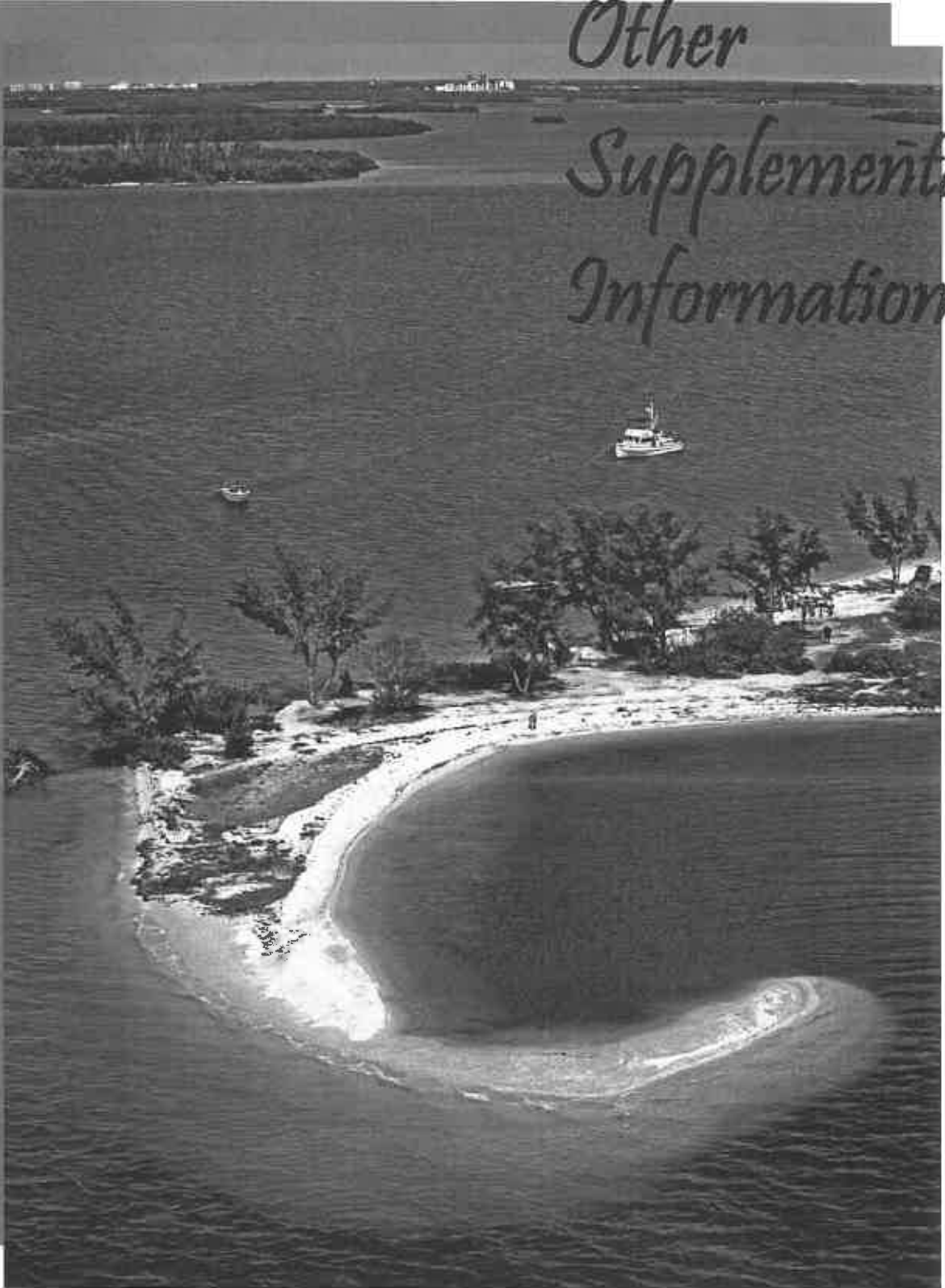
Lee County, Florida  
 SCHEDULE 15  
 CAPITAL ASSET STATISTICS BY FUNCTION  
 Last Ten Fiscal Years  
 (in units)

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
<b>Governmental Activities</b>										
General government	9,140	10,107	11,010	11,493	12,638	10,943	10,624	10,853	10,407	10,862
Public safety	6,646	7,581	8,055	8,997	9,789	10,196	10,535	10,374	10,085	10,299
Physical environment	401	447	433	505	521	528	531	530	550	552
Transportation	3,224	3,237	3,264	3,360	3,396	3,411	3,559	3,610	3,713	3,805
Economic environment	134	147	202	214	206	224	219	227	237	247
Human services	893	842	885	875	818	877	885	795	647	639
Culture and recreation	3,668	4,022	4,085	4,340	4,182	4,396	4,486	4,489	4,606	4,680
	<u>24,106</u>	<u>26,383</u>	<u>27,934</u>	<u>29,784</u>	<u>31,550</u>	<u>30,575</u>	<u>30,839</u>	<u>30,878</u>	<u>30,245</u>	<u>31,084</u>
<b>Business-type Activities</b>										
Port Authority	1,990	2,061	2,147	2,227	2,262	2,346	2,430	2,516	2,522	2,549
Water and Wastewater	6,429	7,814	9,033	10,800	12,776	13,806	14,691	15,650	16,633	17,285
Transportation Facilities	784	881	995	1,071	984	992	989	1,149	1,149	1,176
Solid Waste	354	407	441	459	482	487	543	596	608	646
Transit	412	504	541	606	631	811	832	867	897	948
	<u>9,969</u>	<u>11,667</u>	<u>13,157</u>	<u>15,163</u>	<u>17,135</u>	<u>18,442</u>	<u>19,485</u>	<u>20,778</u>	<u>21,809</u>	<u>22,604</u>

Source: Lee County Clerk of Courts Finance and Records Department and the Lee County Sheriff's Office



*Other  
Supplemental  
Information*



Lee County, Florida  
**SUPPLEMENTAL SCHEDULES**  
**TOURIST DEVELOPMENT TAX REVENUE BONDS**  
September 30, 2013  
(unaudited)

**Statement of Historical Collections and Distributions of the General Sales and Use Tax**  
**Fiscal Years Ended June 30, 2006 through June 30, 2013** <sup>(2)(4)</sup>

State Fiscal Year	Collections	General Revenue	Local Governments <sup>(3)</sup>	Ecosystem and Restoration		Sports Facilities Transfer	Emergency Distribution	Public Employees Relations Commission Trust Fund
				Management Trust Fund	Trust Fund			
2013-14 <sup>(1)</sup>	\$ 21,500,100,000	\$ 19,147,952,951	\$ 2,308,114,869	\$ -	\$ 24,532,180	\$ 17,900,000	\$ 1,600,000	
2012-13 <sup>(1)</sup>	20,399,600,000	18,164,231,463	2,192,204,503	-	24,764,034	16,900,000	1,500,000	
2011-12	19,573,276,105	17,422,017,710	2,110,305,421	-	23,313,888	16,191,413	1,447,673	
2010-11	18,697,072,646	16,638,328,066	2,018,168,676	-	23,730,558	15,463,982	1,381,364	
2009-10	17,992,091,826	16,014,736,490	1,937,498,114	-	23,730,558	14,802,480	1,324,184	
2008-09	18,609,519,245	16,531,424,863	2,000,692,853	36,957,571	23,730,558	15,345,300	1,368,100	
2007-08	20,721,299,764	18,428,916,348	2,209,833,935	41,191,617	23,730,556	17,112,840	1,514,468	
2006-07	21,877,149,948	19,435,200,499	2,358,309,936	43,539,314	20,409,979	18,060,908	1,629,311	
2005-06	21,812,428,112	19,367,389,624	2,362,466,167	43,453,669	18,016,900	18,016,900	1,635,040	

<sup>(1)</sup> Estimate.

<sup>(2)</sup> These figures reflect estimated distributions based on the State Fiscal Year of July 1 to June 30.

<sup>(3)</sup> Local Government distributions include the half-cent, county and municipal revenue sharing, and the shift of \$29,915,500 to counties that used to be funded from pari-mutual tax revenues.

<sup>(4)</sup> In addition to sales tax, these figures include state communications services taxes imposed under Chapter 202, Florida Statutes, on the sale of communications services as described in Section 202.12, Florida Statutes.

SOURCE: State of Florida, Office of Economic & Demographic Research, *Florida Tax Handbook*

Lee County, Florida  
 SUPPLEMENTAL SCHEDULES  
 NON-AD VALOREM REVENUE BONDS  
 September 30, 2013  
 (unaudited)

Historical Revenues, Expenses, and Debt Service Coverage  
 (dollars in thousands)

Fiscal Year Ended September 30	2009	2010	2011	2012	2013
<b>Taxes:</b>					
Local Communications Services Tax	\$ 10,896	\$ 10,134	\$ 9,818	\$ 9,561	\$ 9,559
FPL Electrical Franchise Fees	9,293	8,407	8,398	8,013	8,355
<b>Intergovernmental Revenues:</b>					
State Revenue Sharing	11,279	11,092	11,437	12,174	12,821
Local Half Cent Sales Tax	32,179	31,814	33,545	36,130	38,654
Mobile Home/Insurance/Alcohol Beverage Licenses	816	825	820	816	831
Racing Tax	223	223	223	223	223
<b>Charges for Services</b>					
Ambulance Service Receipts <sup>(1)</sup>	18,477	18,646	18,901	20,479	19,523
Excess County Officer Fees	14,500	11,798	8,716	7,921	7,873
<b>Licenses and Permits</b>					
Occupational Licenses	760	698	679	688	703
<b>Miscellaneous</b>					
Interest Earnings <sup>(2)</sup>	3,978	1,753	752	588	241
<b>Total</b>	<u>\$ 102,401</u>	<u>\$ 95,390</u>	<u>\$ 93,289</u>	<u>\$ 96,593</u>	<u>\$ 98,783</u>

<sup>(1)</sup> A portion of Ambulance Service Receipts are generated from the County's Medstar helicopter flight program, which service has been suspended.

<sup>(2)</sup> To the extent Investment Earnings are earnings on investments held to the credit of funds that are not legally available to pay debt service on the Series 2012 Bonds, such investment earnings will not constitute legally available Non-Ad Valorem Revenues.

Source: Lee County Clerk of Courts Finance and Records Department

Lee County, Florida  
 SUPPLEMENTAL SCHEDULES  
 LOCAL OPTION GAS TAX BONDS  
 September 30, 2013  
 (unaudited)

Gas Tax Revenues and Number of Taxable Gallons Sold  
 (dollars in thousands)

County Fiscal Year <sup>1</sup>	Five Cent		State Fiscal Year <sup>2</sup>	Gallons of Motor Fuel <sup>3</sup>	Percentage Increase (Decrease)
	Local Option Gas Tax Revenues	Percentage Increase (Decrease)			
2004	6,388	9.2%	2004	264,515,852	6.9%
2005	6,731	5.4%	2005	288,353,645	9.0%
2006	6,978	3.7%	2006	299,544,192	3.9%
2007	6,874	-1.5%	2007	303,698,720	1.4%
2008	6,364	-7.4%	2008	283,149,975	-6.8%
2009	6,299	-1.0%	2009	272,857,247	-3.6%
2010	6,032	-4.2%	2010	269,538,511	-1.2%
2011	6,006	-0.4%	2011	264,466,600	-1.9%
2012	6,027	0.3%	2012	264,609,679	0.1%
2013	6,356	5.5%	2013	269,731,950	1.9%

Five Cent Local Option Gas Tax Debt Service Coverage

County Fiscal Year <sup>1</sup>	Five Cent		
	Local Option Gas Tax Revenues	Maximum Annual Debt Service	Debt Service Coverage Ratio
2005	\$6,731	\$2,539	2.65
2006	6,978	2,539	2.75
2007	6,874	2,436	2.82
2008	6,364	2,436	2.61
2009	6,299	2,433	2.59
2010	6,032	2,430	2.48
2011	6,006	2,430	2.47
2012	6,027	2,424	2.49
2013	6,356	2,423	2.62

Allocation of Gas Tax Revenues

City of Cape Coral	24.95%
City of Fort Myers	14.00%
Sanibel	5.00%
Town of Ft. Myers Beach	1.02%
City of Bonita Springs	4.54%
Lee County	50.49%
	100.00%

<sup>1</sup> County fiscal year ended September 30.

<sup>2</sup> State fiscal year ended June 30.

<sup>3</sup> Number of gallons sold in Lee County.

Source: Lee County Clerk of Courts Finance and Records Department and Lee County Budget Services

Lee County, Florida  
**SUPPLEMENTAL SCHEDULES**  
**LEE COUNTY WATER AND WASTEWATER SYSTEMS**  
 September 30, 2013  
 (unaudited)

**Monthly Wastewater Rates\***

Customer Classification

<u>Residential Service</u>	<u>Monthly Service Charge</u>	<u>User Charge Per 1,000 Gallons</u>	<u>Unmetered User Charge</u>
Single - family	\$15.55 per unit	\$5.35	\$24.06 per unit
Multi - family	12.44 per unit/lot	5.35	19.25 per unit/lot
Recreational vehicle	6.22 per unit/lot	5.35	9.62 per unit/lot
Mobile Home	12.44 per unit/lot	5.35	19.25 per unit/lot

Each residential service account shall be charged a monthly administrative fee of \$3.13 per bill.

No wastewater user charge shall be imposed on metered water usage above nine thousand (9,000) gallons per month, per residential service dwelling unit.

The total monthly rate for residential service is the sum of the: a) service charge; b) administrative fee; and c) user charges, in accordance with the schedule.

Commercial and All Non-Residential

<u>Meter Size</u>	<u>Monthly Service Charge</u>	<u>User Charge Per 1,000 Gallons</u>
5/8"	\$18.68	\$5.35
3/4"	26.46	5.35
1"	42.01	5.35
1½"	80.88	5.35
2"	127.53	5.35
3"	251.93	5.35
4"	391.88	5.35
6"	780.63	5.35
8"	1,247.13	5.35
10"	2,257.88	5.35

Unmetered commercial and non-residential charges will be calculated individually based on estimates of wastewater discharges and the above schedule of rates.

The total monthly rate is the sum of the service and the user charges.

**Connection Fees**

<u>Customer Classification</u>	<u>Number ERU's</u>	<u>Water Charge</u>	<u>Wastewater Charge</u>
<u>Residential Service</u>			
Single - family	1.00	\$2,440.00	\$2,660.00
Multi - family (per Dwelling Unit)	0.80	1,952.00	2,128.00
Recreational vehicle (per Dwelling Unit/Lot)	0.40	976.00	1,064.00
<u>Commercial and All Non-Residential</u>			
Charge Per Gallon		\$9.76	\$10.64

**Water Meter Installation and Service Connection Fees**

<u>Meter Size</u>	<u>Installation Charge</u>	<u>Tap-In Charge</u>
5/8"	\$260.00	\$1,025.00
3/4"	295.00	1,060.00
1"	325.00	1,090.00
1½"	525.00	1,650.00
2"	595.00	1,800.00
3" and above	Actual Cost	Actual Cost
Wastewater Main Tap Charge		Actual Cost

In addition to new installations, these rates may also apply to water and sewer service upgrades or facility locations.

Charges for larger meter and wastewater main taps will be based on estimates of actual time and expense. Amounts collected by the County in excess of actual costs will be credited to the customer's account or be refunded, as may be applicable. Amounts due, caused by underestimation, will be billed and payable to Lee County Utilities.

Source: Lee County Utilities Division

Lee County, Florida  
**SUPPLEMENTAL SCHEDULES**  
**LEE COUNTY WATER AND WASTEWATER SYSTEMS**  
September 30, 2013  
(unaudited)

**Customer Statistics:**

Historical customer statistics with respect to the Lee County Water System are set forth below:

County Water System<sup>1</sup> Customer Accounts and Sales Statistics

Fiscal Year Ended September 30 <sup>2</sup> (Historical)	Retail Customers			Wholesale Water Sales (000s of gallons)	Total Water Sales (000s of gallons)	Treated/Purchased Finished Water (000s of gallons)	ADF-MGD
	Average Accounts	Water Sales (000s of gallons)	Monthly Use per Account (gallons)				
2006	74,547	7,975,812	8,916	699,070	8,674,882	11,354,552	31.11
2007	76,385	8,087,012	8,823	767,315	8,854,327	9,320,365	25.54
2008	76,145	7,503,846	8,212	742,338	8,246,184	8,838,535	24.22
2009 <sup>3</sup>	75,778	7,414,916	8,154	766,239	8,181,155	8,719,119	23.89
2010 <sup>3</sup>	75,588	7,052,466	7,775	712,203	7,764,669	8,424,254	23.08
2011	76,189	7,279,995	7,963	715,428	7,995,423	8,591,946	23.54
2012	77,396	7,116,776	7,663	724,001	7,852,972	8,750,233	23.97
2013	78,452	7,082,552	7,523	705,247	7,787,799	8,422,904	23.08

<sup>1</sup> It should be noted that the average use per single family residential customer - the largest customer class of the System - averaged approximately 5,000 gallons per month of water use during the last seven years ended Fiscal Year 2012.

<sup>2</sup> During the Fiscal Year 2005, the County adopted 2 day per week irrigation restrictions. Subsequently, during the Fiscal Year 2007 and continuing in some form today, SFWMD had imposed water use restrictions on the use of potable water in order to reduce water demand during an extreme period of drought that occurred throughout the State of Florida. Reduction in water use demand was a direct result of such restrictions, coupled with the reduction in Water System accounts (see Footnote 3).

<sup>3</sup> The decline in Water System accounts was anticipated by the County to be a direct result of the economic downturn in the Florida economy, which materially affected new construction and development and which has resulted in an increase in inactive accounts.

Historical customer statistics with respect to the Lee County Wastewater System are set forth below:

County Wastewater System Customer Accounts and Sales Statistics<sup>1</sup>

Fiscal Year Ended September 30 <sup>2</sup> (Historical)	Retail Customers			Wholesale Billed Flows (000s of gallons)	Total Billed Sales (000s of gallons)	Treated Waste- Water Flows (000s of gallons)	ADF-MGD
	Average Accounts	Billed Flows (000s of gallons)	Monthly Flow per Account (gallons)				
2006	52,361	5,226,897	8,319	282,643	5,509,540	6,561,287	17.98
2007	54,356	5,456,888	8,366	287,578	5,744,466	5,901,537	16.17
2008	54,403	5,034,468	7,712	249,849	5,284,317	5,833,278	15.98
2009	53,873	5,166,383	7,992	247,458	5,413,841	5,602,042	15.35
2010	54,162	5,012,425	7,712	214,507	5,226,932	6,067,368	16.62
2011	54,763	5,699,953	8,674	254,450	5,954,403	5,663,066	15.51
2012	55,922	5,714,966	8,516	276,247	5,992,162	5,580,126	15.29
2013	56,222	5,079,107	7,528	275,787	5,354,894	5,475,070	15.00

<sup>1</sup> Amounts shown include all customer classes, including wholesale customers. It should be noted that the average billed wastewater flow per single family residential customer - the largest customer class of the System - averaged approximately 4,000 gallons per month during the years ended Fiscal year 2010, and is based on metered water use at the customer's premise.

<sup>2</sup> The decline in Wastewater System accounts was anticipated by the County to be a direct result of the economic downturn in the Florida economy, which materially affected new construction and development and which has resulted in an increase in inactive accounts.

Source: Lee County Utilities Division

Lee County, Florida  
**SUPPLEMENTAL SCHEDULES**  
**LEE COUNTY SOLID WASTE SYSTEM**  
**September 30, 2013**  
**(unaudited)**

**Historic Tipping Fees for Solid Waste System**

Fiscal Year	Unincorporated Area <sup>(1)</sup>	Incorporated Area
2004	\$54.16	\$48.15
2005	54.82	48.15
2006	57.51	49.59
2007	58.40	51.20
2008	59.77	53.25
2009	59.93	54.00
2010	61.48	54.00
2011	61.44	55.00
2012	47.62	40.00
2013	37.74	32.00

(1) Includes Surcharges

Source: Lee County Solid Waste Division

**Historical Revenue and Operating Expenses of Lee County**  
**Solid Waste Enterprise Fund**  
**September 30, 2013**  
**(unaudited)**  
**(amounts in thousands)**

Fiscal Year	Revenues	Operating Expenses	Net Revenues	Annual Debt Service	Coverage	Net Position
2004	64,690	32,805*	31,885	18,797	1.70	147,051
2005	67,356	35,659*	31,697	18,759	1.69	163,798
2006	82,865	44,399	38,466	18,858	2.04	187,842
2007	88,584	48,793	39,791	21,513	1.85	215,911
2008	89,490	54,022	35,468	22,141	1.60	232,626
2009	87,919	56,934	30,985	22,436	1.38	243,246
2010	89,713	57,273	32,440	22,414	1.45	258,250
2011	119,737 <sup>(1)</sup>	57,371	62,366	56,934 <sup>(1)</sup>	1.10	267,071
2012	77,675	58,358	19,317	4,387	4.40	269,769
2013	70,409	62,542	7,867	4,388	1.79	259,835

\*Excludes expense related to hurricane damage which is treated in the financial statements as non-operating expense.

<sup>(1)</sup>Revenues include \$34,090,000 transferred from the System Reserve Fund for early redemption of \$34,462,000 included in the annual debt service.

Source: Lee County Clerk of Courts Finance and Records Department

Lee County, Florida  
**SUPPLEMENTAL SCHEDULES**  
**LEE COUNTY SOLID WASTE SYSTEM**  
September 30, 2013  
(unaudited)

<b>HISTORICAL REVENUES AND EXPENSES</b>		
Lee County, Florida Solid Waste System		
<b>System income (\$)</b>	<b>Fiscal Year 2012</b>	<b>Fiscal Year 2013</b>
1. WTE Facility Energy Revenues.....	16,198,968	16,112,121
2. Hendry County Disposal Revenues.....	1,498,231	1,443,036
3. Disposal Facility Assessment .....	5,397,637	2,667,106
4. Interest Income.....	136,836	146,605
5. Reserve Fund Earnings.....	382	609
6. Franchise Fees.....	1,700,634	1,677,170
7. Solid Waste Program Revenues.....	49,724,249	45,927,229
8. Transfers from System Reserve Fund.....	0	0
9. Resource Recovery Tip Fees Revenues.....	included in line 7	included in line 7
10. Landfill Tip Fee Revenues.....	included in line 7	included in line 7
11. MSTU Tax Fund.....	1,076,439	561,052
12. Other Revenue.....	<u>4,269,067</u>	<u>4,204,272</u>
13. TOTAL SYSTEM INCOME.....	80,002,443	72,739,200
14. Non-applied Income.....	<u>2,327,841</u>	<u>2,330,525</u>
15. NET SYSTEM INCOME.....	77,674,602	70,408,675
<b>System Expenses (\$)</b>		
<b>Landfill Operation Costs</b>		
16. Landfill Operating Costs.....	3,268,922	3,355,646
17. Landfill Closure Operating Costs.....	1,104,629	1,043,768
<b>WTE Facility Operation Costs</b>		
18. Operation and Maintenance Charge.....	18,380,852	19,524,464
19. Energy Credit.....	1,476,126	1,415,940
20. Pass Through Costs.....	3,764,879	3,581,830
21. County Operations .....	5,268,014	5,951,563
22. Regulation Service Charge.....	27,342	0
<b>Solid Waste Program Costs</b>		
23. Solid Waste Program Costs.....	<u>39,624,002</u>	<u>43,397,228</u>
24. TOTAL SYSTEM EXPENSES.....	72,914,766	78,270,439
25. Non-applied Expenses.....	<u>14,556,896</u>	<u>15,729,084</u>
26. NET SYSTEM EXPENSES.....	58,357,870	62,541,355
<b>System Annual Debt Service (\$)</b>		
27. Series 2006A Bonds.....	4,138,969	4,138,969
28. Series 2006B Bonds.....	<u>248,095</u>	<u>249,200</u>
29. TOTAL ANNUAL DEBT SERVICE.....	4,387,064	4,388,169
30. NET REVENUES APPLIED TO D.S. ....	19,316,732	7,867,320
31. DEBT SERVICE COVERAGE.....	440%	179%



Lee County, Florida  
SUPPLEMENTAL SCHEDULES  
LEE COUNTY SOLID WASTE SYSTEM  
September 30, 2013  
(unaudited)

Notes to Historical Revenues and Expenses (continued):

9. The Resource Recovery Tip Fees for FY13 are based on the following per ton fees: MSW - \$32.00, Commercial Horticulture- \$22.00, Residential Horticulture - \$22.00, Tires - \$50.00, Extra Large Tires - \$110.00, C & D - \$30.00.
10. Landfill Tips Fees based on a \$32.00 per ton MSW tip fee; \$25.00 per ton C & D tip fee.
11. The MSTU Tax Fund Revenue from the City of Cape Coral.
12. Other Revenue is the sum of Grant Awards, Material Recovery Facility Revenues, Contractual Reimbursements, New Construction Assessments and Other Miscellaneous Revenue including advanced disposal fees and delinquent accounts.
13. The Total System Income is the sum of Lines 1 through 12.
14. Non-applied Income consists of income that the County derives from certain sources, which is not within the definition of Revenues and Net Revenues and, therefore, is not applied toward debt service coverage. Non-applied Income is equal to the Material Recovery Facility Revenues (\$2,330,525).
15. Net System Income is equal to the Total System Income (Line 13) less the Non-applied Income (Line 14).
16. Landfill Operating Costs are equal to the total landfill operating costs including the landfill operations agreement with Waste Management, Inc.
17. Landfill Closure operating costs include the Landfill and Deep Injection Well calculated liabilities related to closure. Specific operating costs associated with closure are \$7,259 for FY 2013 and are also included.

Lee County, Florida

SUPPLEMENTAL SCHEDULES  
LEE COUNTY SOLID WASTE SYSTEM  
September 30, 2013  
(unaudited)

Notes to Historical Revenues and Expenses (continued):

24. The Total System Expenses equal the sum of Lines 16 through 23.
25. Non-applied Expenses are equal to the sum of the Landfill Closure Operating Costs (Line 17) and Depreciation (\$14,685,316). These expenses are not Operating Expenses as defined in the Indenture and are, therefore, not applied in determining debt service coverage.
26. Net System Expenses are equal to the Total System Expenses (Line 24) less the Non-applied Expenses (Line 25).
27. The Series 2006A Bonds represent the deposits made into the Principal and Interest accounts for the annual debt service payments for the Series 2006A Revenue Bonds.
28. The Series 2006B Refunding Revenue Bonds represent the deposits made into the Principal and Interest accounts for the annual debt service payments for the refunding of the Series 1995 Revenue Bonds.
29. Total Annual Debt Service equals the sum of the Series 2006A Bonds (Line 27) and the Series 2006B Bonds (Line 28).
30. Net Revenues Applied to D.S. (Debt Service) is equal to the Net System Income (Line 15) less the Net System Expenses (Line 26).
31. The Debt Service Coverage is equal to the Net System Revenues Applied to D.S. (Line 30), divided by the Total Annual Debt Service (Line 29).

Source: Lee County Solid Waste Division

Lee County, Florida  
 SUPPLEMENTAL SCHEDULES  
 LEE COUNTY TRANSPORTATION FACILITIES  
 September 30, 2013  
 (unaudited)

The County has offered, in addition to ETC's valid only on the Cape Coral Bridge, a combination transponder, which is valid on all three facilities. Commuters can also choose to purchase unlimited discount programs that are valid on all three facilities. The costs of combination unlimited discount programs are also subject to proration as described above in the case of ETC's for the Sanibel Causeway. The costs are as follows:

COMBINATION TOLLS  
 (Sanibel Causeway, Cape Coral Bridge and Midpoint Memorial Bridge)

Type of Discount Program	Vehicle	Cost of Discount Program	Additional Toll	
Annual <sup>(1)</sup>	Initial Vehicle	\$ 107.00	\$ 1.00 for Cape Coral or Midpoint; \$ 2.00 for Sanibel	
	Second Vehicle	53.50	\$ 1.00 for Cape Coral or Midpoint; \$2.00 for Sanibel	
	Initial Vehicle	730.00	-0-	
	Second Vehicle	365.00	-0-	
	Semiannual <sup>(2)</sup>	Initial Vehicle	74.00	\$ 1.00 for Cape Coral or Midpoint; \$ 2.00 for Sanibel
		Second Vehicle	37.00	\$ 1.00 for Cape Coral or Midpoint; \$ 2.00 for Sanibel
Initial Vehicle		500.00	-0-	
Second Vehicle		250.00	-0-	

Source: June 2007 Toll Resolution

<sup>(1)</sup> Valid for 12 months commencing November 1 of each year.

<sup>(2)</sup> Valid for 6 months commencing on November 1 or May 1 of each year.

*Toll Rates - Cape Coral Bridge and Midpoint Memorial Bridge*

The schedule below reflects the toll structure:

<u>Vehicle Class</u>	<u>September 30, 2013</u>
Motorcycles	\$ 1.00
2 axles	2.00
3 axles	4.00
4 axles	6.00
5 axles	8.00
6 or more axles, per axle	2.00
Commuter Discounts	(See below)

Lee County, Florida  
 SUPPLEMENTAL SCHEDULES  
 LEE COUNTY TRANSPORTATION FACILITIES  
 September 30, 2013  
 (unaudited)

TRANSPORTATION FACILITIES TRAFFIC, REVENUES AND EXPENSES BY BRIDGE  
 MIDPOINT MEMORIAL BRIDGE TRAFFIC, REVENUE AND EXPENSES

Year	TOLL PAYING TRAFFIC			Percentage Change	Gross Toll Revenues (000's omitted)	Operating and Maintenance Expenses <sup>(2)</sup> (000's omitted)	Net Revenues (000's omitted)
	Passenger Cars	Other Traffic <sup>(1)</sup>	Total				
2004	16,264,245	313,900	16,578,145	4.96%	14,072	2,878	11,194
2005	17,547,324	410,963	17,958,287	8.33%	15,520	3,439	12,081
2006	17,528,811	452,878	17,981,689	0.13%	15,571	4,305	11,266
2007	17,181,104	390,500	17,571,604	-2.28%	15,144	4,772	10,372
2008 <sup>(3)</sup>	8,165,132	182,356	8,347,488	-52.49%	12,956	3,285	9,671
2009	6,944,989	151,143	7,096,132	-14.99%	12,515	3,816	8,699
2010	6,946,530	134,715	7,081,245	-0.21%	12,191	3,755	8,436
2011	6,900,623	122,758	7,023,381	-0.82%	12,127	3,669	8,458
2012	7,216,252	147,754	7,364,006	4.85%	12,865	3,726	9,139
2013	7,282,092	150,448	7,432,540	0.93%	13,203	3,654	9,549

Source: Lee County Department of Transportation

(1) Includes motorcycles and 3+ axle vehicles.

(2) Does not include depreciation.

(3) One-way tolling was implemented; tolls are only collected in the westbound direction and traffic figures include only one-way traffic.

CAPE CORAL BRIDGE TRAFFIC, REVENUE AND EXPENSES

Year	TOLL PAYING TRAFFIC			Percentage Change	Gross Toll Revenues (000's omitted)	Operating and Maintenance Expenses <sup>(2)</sup> (000's omitted)	Net Revenues (000's omitted)
	Passenger Cars	Other Traffic <sup>(1)</sup>	Total				
2004	16,040,912	262,353	16,303,265	5.70%	13,148	3,142	10,006
2005	17,041,302	314,351	17,355,653	6.46%	14,404	3,821	10,583
2006	17,117,630	332,643	17,450,273	0.55%	14,269	4,312	9,957
2007	16,956,173	306,875	17,263,048	-1.07%	14,124	4,799	9,325
2008 <sup>(3)</sup>	8,369,252	175,524	8,544,776	-50.50%	12,675	3,271	9,404
2009	7,363,719	142,032	7,505,751	-12.16%	12,541	3,419	9,122
2010	7,231,368	126,333	7,357,701	-1.97%	12,288	3,411	8,877
2011	7,235,214	121,674	7,356,888	-0.01%	12,163	3,339	8,824
2012	6,979,108	133,168	7,112,276	-3.32%	12,086	3,614	8,472
2013	7,198,104	136,590	7,334,694	3.13%	12,586	3,556	9,031

Source: Lee County Department of Transportation

(1) Includes motorcycles and 3+ axle vehicles.

(2) Does not include depreciation.

(3) One-way tolling was implemented; tolls are only collected in the westbound direction and traffic figures include only one-way traffic.

TRANSPORTATION FACILITIES TRAFFIC, REVENUES AND EXPENSES BY BRIDGE  
 MIDPOINT MEMORIAL BRIDGE TRAFFIC, REVENUE AND EXPENSES

SANIBEL CAUSEWAY TRAFFIC, REVENUE AND EXPENSES

Year	TOLL PAYING TRAFFIC <sup>(1)</sup>			Percentage Change	Gross Toll Revenues (000's omitted)	Operating and Maintenance Expenses <sup>(2)</sup> (000's omitted)	Net Revenues (000's omitted)
	Passenger Cars	Other Traffic <sup>(1)</sup>	Total				
2004	3,133,096	59,499	3,192,595	-1.75%	6,363	1,864	4,499
2005 <sup>(3)</sup>	2,832,771	77,683	2,910,454	-8.84%	14,243	2,187	12,056
2006	2,777,745	57,588	2,835,333	-2.58%	11,776	2,200	9,576
2007	2,839,065	50,718	2,889,783	1.92%	12,270	2,130	10,140
2008	2,852,072	73,279	2,925,351	1.23%	12,461	2,137	10,324
2009	2,832,446	74,297	2,906,743	-0.64%	12,484	2,139	10,345
2010	2,831,860	66,150	2,898,010	-0.30%	12,434	2,088	10,346
2011	2,869,091	62,602	2,931,693	1.16%	12,375	2,038	10,337
2012	2,919,284	71,207	2,990,491	2.01%	12,833	2,458	10,375
2013	2,987,257	75,099	3,062,356	2.40%	13,341	2,433	10,907

Source: Lee County Department of Transportation

(1) Includes motorcycles and 3+ axle vehicles.

(2) Does not include depreciation.

(3) Toll increase effective 11/1/04.

Lee County, Florida  
 SUPPLEMENTAL SCHEDULES  
 LEE COUNTY PORT AUTHORITY  
 September 30, 2013  
 (unaudited)

The following table lists the airlines serving the Airport, including all airlines operating passenger service into the Airport which have entered into an Airline-Airport Use and Lease Agreement with the Authority (the "Signatory Airlines").

Airlines Serving the Airport<sup>1</sup>

Domestic Carriers

AirTran Airways\*  
 American Airlines\*  
 Delta Air Lines \*  
 JetBlue\*  
 Frontier  
 Shuttle America  
 Southwest\*  
 Spirit Airlines\*  
 Sun Country  
 United\*  
 US Airways\*  
 USA 3000\*

Regionals/Commuters

Cape Air  
 Compass Airlines  
 Continental Express  
 Endeavor Air  
 Executive Airlines  
 Republic  
 Silver Airways  
 Skywest

International Air Carriers

AirBerlin  
 Air Canada  
 Westjet

Air Cargo Carriers

Fedex  
 United Parcel Service

(1) As of September, 2013. During the peak winter months, a number of other domestic, and international charter airlines also operate at the Airport.

\* Denotes Signatory Airline as defined in Use Agreements

Source: Lee County Port Authority

Lee County, Florida  
 SUPPLEMENTAL SCHEDULES  
 LEE COUNTY PORT AUTHORITY  
 SOUTHWEST FLORIDA INTERNATIONAL AIRPORT  
 September 30, 2013  
 (unaudited)

HISTORICAL LANDED WEIGHT BY AIRLINE (1000 lbs)

Airline	FY 2012		FY 2013	
	Landed Weight	Share	Landed Weight	Share
Delta	979,329	23.5%	1,001,259	22.6%
AirTran	630,664	15.1%	674,832	15.3%
JetBlue	470,926	11.2%	535,866	12.2%
Southwest	529,501	12.6%	410,222	9.3%
US Airways	377,239	9.0%	397,127	9.0%
United*	273,666	6.5%	357,066	8.1%
American	244,251	5.8%	292,118	6.6%
Spirit Airlines	193,768	4.6%	223,481	5.1%
International Airlines	156,649	3.7%	168,991	3.8%
Cargo	124,879	3.0%	114,342	2.6%
Sun Country	38,983	0.9%	50,802	1.2%
Compass Airlines	-	0.0%	35,213	0.8%
Frontier	27,164	0.6%	33,270	0.8%
Shuttle America	56,924	1.4%	26,491	0.6%
Republic Airline	6,740	0.2%	26,325	0.6%
Silver Airways	2,059	0.05%	15,476	0.4%
Cape Air	12,673	0.3%	11,090	0.3%
Continental Express	8,086	0.2%	8,682	0.2%
Domestic Charters	16,482	0.4%	7,962	0.2%
SkyWest	17,684	0.4%	6,700	0.2%
Endeavor Air	1,652	0.04%	3,680	0.1%
Executive Airlines	11,004	0.3%	611	0.0%
Atlantic Southeast	851	0.02%	47	0.0%
USA 3000	6,257	0.1%	-	0.0%
Comair	4,649	0.1%	-	0.0%
Mesaba	150	0.0%	-	0.0%
<b>Total</b>	<b>4,192,230</b>	<b>100.0%</b>	<b>4,401,653</b>	<b>100.0%</b>

Lee County, Florida  
 SUPPLEMENTAL SCHEDULES  
 LEE COUNTY PORT AUTHORITY  
 SOUTHWEST FLORIDA INTERNATIONAL AIRPORT  
 September 30, 2013  
 (unaudited)

HISTORICAL ENPLANEMENTS BY AIRLINE

Airline	FY 2012		FY 2013	
	Enplanements	Share	Enplanements	Share
Delta	834,516	22.7%	863,598	22.5%
AirTran	581,946	15.8%	624,356	16.2%
JetBlue	425,200	11.6%	464,448	12.0%
Southwest	503,393	13.7%	394,917	10.2%
US Airways	369,310	10.0%	386,641	10.0%
United*	262,229	7.1%	323,166	8.4%
American	220,445	6.0%	254,058	6.6%
Spirit Airlines	187,301	5.1%	219,737	5.7%
International Airlines	121,323	3.3%	132,134	3.4%
Sun Country	33,470	0.9%	41,262	1.1%
Frontier	24,041	0.7%	31,827	0.8%
Compass Airlines	-	0.0%	30,410	0.8%
Shuttle America	46,133	1.3%	23,668	0.6%
Republic Airline	5,753	0.2%	23,638	0.6%
Silver Airways	1,500	0.04%	9,817	0.3%
Continental Express	8,759	0.2%	9,379	0.2%
Cape Air	10,108	0.3%	9,290	0.2%
SkyWest	15,743	0.4%	6,377	0.2%
Domestic Charters	4,959	0.1%	4,597	0.1%
Endeavor Air	1,534	0.04%	3,326	0.1%
Executive Airlines	10,339	0.3%	-	0.0%
Comair	4,227	0.1%	-	0.0%
USA 3000	3,966	0.1%	-	0.0%
Atlantic Southeast	644	0.02%	-	0.0%
Mesaba	114	0.003%	-	0.0%
<b>Total</b>	<b>3,676,953</b>	<b>100.0%</b>	<b>3,856,646</b>	<b>100.0%</b>

Source: Lee County Port Authority

Lee County, Florida  
 SUPPLEMENTAL SCHEDULES  
 LEE COUNTY PORT AUTHORITY  
 SOUTHWEST FLORIDA INTERNATIONAL AIRPORT  
 September 30, 2013  
 (unaudited)

Historical aircraft operations are defined as the arrival or departure of an aircraft. The following table presents historical data on the Airport's aircraft operations by carrier class.

*HISTORICAL AIRCRAFT OPERATIONS*

Fiscal Year	Commercial Air Carriers	Regionals/ Commuters	International Air Carriers	Domestic Charters	General Aviation <sup>1</sup>	All-Cargo	Military	Airport Total
2004	47,128	11,298	944	272	19,081	2,140	1,525	82,388
2005	58,266	12,950	1,104	198	15,025	2,174	1,794	91,511
2006	57,570	13,782	1,198	112	10,973	2,546	1,148	87,329
2007	64,622	10,326	1,476	162	11,866	2,336	401	91,189
2008	61,708	9,834	1,362	116	13,865	2,242	711	89,838
2009	59,780	8,114	1,370	102	12,744	1,608	808	84,526
2010	59,444	7,008	1,448	126	13,287	1,192	748	83,253
2011	60,904	7,582	1,568	100	12,758	1,112	578	84,602
2012	57,012	5,672	1,680	210	12,531	1,100	600	78,805
2013	58,830	6,630	1,888	178	11,533	1,106	682	80,847

Compounded Growth

2004-2013	2.49%	-5.75%	8.01%	-4.60%	-5.44%	-7.07%	-8.55%	-0.21%
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<sup>1</sup> Also includes activity by miscellaneous air taxis.

Source: Lee County Port Authority

**LEE COUNTY PORT AUTHORITY**  
 Southwest Florida International Airport  
**PASSENGER FACILITY CHARGE REVENUE REPORT**  
 (unaudited)

Fiscal Year Ended September 30	Total Enplaned Passengers	Eligible Enplaned Passengers	Net PFC Cash Collections	Interest Income	Total PFC Revenue
2009	3,737,339	3,672,450	14,941,823	120,790	15,062,613
2010	3,721,375	3,654,887	15,156,618	131,438	15,288,056
2011	3,875,313	3,805,978	15,581,888	78,217	15,660,105
2012	3,676,953	3,603,476	14,774,926	96,890	14,871,816
2013	3,856,646	3,781,659	15,197,100	85,799	15,282,899

Southwest Florida International Airport  
**ESTIMATED DEBT SERVICE COVERAGE**  
 PFC Revenue Refunding Note Series 2010  
 For Fiscal Year Ending September 30, 2013  
 (unaudited)

Actual PFC Revenues	Actual 2013 PFC debt service requirements	Actual debt service factor
15,282,899	\$3,364,666	4.54

Source: Lee County Port Authority



Sports Complex Expansion  
Project 202147  
Actual Costs as of 7/29/14

<u>Vendor</u>	<u>Actual Amount Spent</u>
Design	4,138,457.65
Permits	213,236.22
Testing	136,967.23
Construction	19,878,190.01
DMPs	
Phase 1B	1,643,481.55
Phase 2	32,565.00
Furniture and Equipment	248,460.15
Utilities	236,994.58
Miscellaneous	28,797.86
Twins - Funding	<u>593,249.68</u>
 Total Spent as of 7/29/14	 <u><u>27,150,399.93</u></u>

Lee County Sports Complex Renovations  
 Total Estimated Project Budget as of 7/31/14

	<b>July 31, 2014</b>		
	<b>Estimated Amounts</b>		
	<u>Lee County</u>	<u>Twins</u>	<u>Total Cost</u>
<b>Hard Construction</b>			
Site Work and Foundations	9,109,096	0	9,109,096
Minor League Clubhouse, Players Academy and Boardwalk	11,223,038	2,881,141	14,104,179
Stadium Expansion	19,407,730	0	19,407,730
<b>Total Hard Cost</b>	<b>39,739,864</b>	<b>2,881,141</b>	<b>42,621,005</b>
<b>Concessions Equipment</b>			
Total Food Service Equipment	0	2,143,296	2,143,296
<b>Soft Costs</b>			
A/E (includes project study)	4,254,702	328,713	4,583,415
CM Pre Construction	316,523	0	316,523
Permitting	213,236	0	213,236
Testing	180,000	0	180,000
Primary Utilities	237,000	0	237,000
FF&E	390,000	646,850	1,036,850
EADOC Program	33,657	0	33,657
Miscellaneous Costs	41,152	0	41,152
<b>Total Soft Cost</b>	<b>5,666,270</b>	<b>975,563</b>	<b>6,641,833</b>
<b>Total Project Cost</b>	<b>45,406,134</b>	<b>6,000,000</b>	<b>51,406,134</b>
<b>Prior Costs</b>			
Land Acquisition - 14.29 acres, March 2011	4,828,957	0	4,828,957
<b>Total Cost for Stadium Renovations</b>	<b>50,235,091</b>	<b>6,000,000</b>	<b>56,235,091</b>

**STADIUM IMPROVEMENT  
SPRING TRAINING DEVELOPMENT AGREEMENT**

**BETWEEN  
LEE COUNTY  
AND  
MINNESOTA TWINS, LLC**

**DATE: NOVEMBER 6, 2012**

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**STADIUM IMPROVEMENT  
SPRING TRAINING DEVELOPMENT AGREEMENT**

**THIS STADIUM IMPROVEMENT SPRING TRAINING DEVELOPMENT AGREEMENT** (this "**Agreement**") is made and entered into on this 6th day of November, 2012 by and between **LEE COUNTY**, a political subdivision and charter county of the State of Florida (the "**County**") and the **MINNESOTA TWINS, LLC**, a Delaware limited liability company (f/k/a Minnesota Twins and Minnesota Twins Baseball Club) (the "**Club**") (collectively, the County and the Club are referred to herein as the "**Parties**" and individually, each a "**Party**").

**PREAMBLE RECITALS**

**WHEREAS**, the Club and the County entered into that certain Stadium Lease Agreement dated May 25, 1989, for the lease of the Premises, including, without limitation, the Lee County Sports Complex, a Major League Baseball Spring Training (defined below) and Minor League baseball facility in Lee County, Florida (the "**Original Agreement**"), for a period of twenty (20) years commencing with the calendar year 1991, inclusive; and

**WHEREAS**, the Club and the County amended and restated the Original Agreement pursuant to that certain Amended and Restated Stadium Lease Agreement dated August 3, 2004, for the purposes of, among other things, (i) reflecting the Parties' then current course of business dealings, and (ii) to establish an ongoing relationship between the Club and the County for an extended lease term that terminated (subject to renewals) upon the completion of the Club's 2020 Spring Training season (the "**Amended Agreement**"); and

**WHEREAS**, the Amended Agreement provides that the County and Club will meet on a periodic basis to review the design, specifications, quality and other attributes of the Premises (as defined below) in comparison to all Major League Baseball Spring Training stadiums recently constructed or renovated; and

**WHEREAS**, the County and the Club have conducted meetings to discuss the improvements and/or expansion necessary for the Premises to be brought to current Major League Baseball Spring Training standards and the County has engaged a consultant for such purpose, which consultant issued its report on June 4, 2012; and

**WHEREAS**, the County and the Club entered into that certain Conditional Lease Agreement dated June 19, 2012 (the "**Conditional Lease**") pursuant to which, among other things, the County and the Club conditionally agreed upon an extended lease of the Premises, subject to termination under certain conditions, including, without limitation, the failure to execute and deliver an Amended and Restated Lease (as defined below) and this Agreement on or before February 1, 2013; and

**WHEREAS**, the County has applied for and has been certified by the State of Florida to receive certain State Development Funds pursuant to Section 288.11621, Florida Statutes, for the County Capital Improvements (defined below) that are described and referred to in this Agreement; and

WHEREAS, the County has acquired a specific parcel of land (the "Supplemental Parcel") which are set forth in Exhibit A for the improvement of the Premises, and as an integral component of the Project.

WHEREAS, in compliance with the Parties' pledge to satisfy the conditions of the Conditional Agreement, the Parties are entering into this Agreement to create, among other things, a valid, legal and binding commitment to complete the expansion of and improvements to the Premises as described herein (the "County Capital Improvements"); and

WHEREAS, the Club and the County are concurrently entering into that certain Amended and Restated Stadium Lease Agreement (the "Amended and Restated Lease"), which Amended and Restated Lease must be executed, delivered by, and legally binding upon, each of the Parties hereto for this Agreement to be valid, enforceable and legally binding; and

WHEREAS, the totality of the County Capital Improvements, including, without limitation, the development, design, construction, commissioning and certificate of occupancy issued by the County arising from, incident to or in connection therewith, including, without limitation, financing activities, shall be referred to herein as the "Project," as further defined and described in Section 1.C.

### AGREEMENT

NOW, THEREFORE, in consideration of the foregoing Preamble Recitals, each of which is incorporated by reference herein as an essential term hereof, the mutual covenants and promises herein contained, and other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, **IT IS AGREED AS FOLLOWS:**

1. PURPOSES OF AGREEMENT AND DESCRIPTION OF PROJECT.

A. Purposes of Agreement. The purposes of this Agreement are to set forth the understandings and agreements of the Parties with respect to (i) the collaborative and cooperative efforts required of the County and the Club to advance and complete the Project, (ii) organization of a stadium design and construction working group, and to establish the duties of such group to manage the design, development, construction and commissioning of the Project, (iii) setting forth the basis upon which the Architect, contractor and other Project Consultants, and the subcontractors and suppliers to the Project, will be retained to perform services for the Project, (iv) adoption of the Project Program, (v) establish (A) the Project Work Schedule, and (B) a Project Budget, (vi) establishing the development and execution of the Project Financing Plan, including the offering and issuance of Project Bonds and (vii) facilitating the Parties' cooperation with all Governmental Authorities for Completion of the Project.

B. Collaborative Effort. Pursuant to the terms of this Agreement, the design and construction planning of the Project shall be a collaborative effort between the County and the Club.



C. Description of the Project. The Parties hereby agree, subject to the conditions, covenants and other obligations of this Agreement, that the Project shall consist of certain improvements to the Premises that are set forth in the report prepared by Populous, Inc. dated June 4, 2012 entitled "*Lee County Sports Complex Improvements*" (the "**Populous Report**"). The Populous Report shall be considered and is defined as the "**Preliminary Program**" which will form the basis of the Project Program described herein. The Preliminary Program includes, without limitation, the following:

- (1) Ballpark Improvements. The ballpark improvements anticipate site requirement improvements (public parking, pedestrian walkways and sidewalks, new entry sequence and certain renovation branding opportunities) and other improvements for: spectator facilities, food service and retail facilities, press facilities, club house facilities, service and operations facilities, administrative facilities, and circulation enhancements.
- (2) Spring Training Improvements. The Spring Training improvements anticipate improvements for (i) training (Major League Baseball practice field, batting tunnel, agility field and pitching mounds), (ii) player facilities improvements for the Minor League facilities (hydrotherapy, coaches rooms, grooming areas, training rooms and offices, and locker facilities), and (iii) administration (offices, reception, break room, circulation and restrooms).
- (3) Player Academy. The player academy improvements anticipate improvements for (i) housing, (ii) group spaces, (iii) dining facilities (dining room, kitchen and storage), (iv) administrative facilities (offices, study rooms and restrooms), and (v) ancillary space for enhanced circulation, storage, stairs and elevators.

The Populous Report is incorporated by reference herein, and as the Preliminary Program shall be the minimum standard required for the improvements to the Premises, which shall be further defined and informed pursuant to the Project Program developed under this Agreement. The Project Program shall include the Preliminary Program unless a change to the Preliminary Program is approved in writing by the Club (the "**County Capital Improvements**"). The County Capital Improvements, inclusive of all work to be performed in connection with the design, construction and commissioning thereto, including additions to the Premises site, is referred to in this Agreement as the "**Project**."

D. County Capital Improvements Specifications. The County Capital Improvements shall be designed to conform to high quality MLB facility standards that (i) meet MLB Rules and Regulations and (ii) comply with Applicable Laws. The County Capital Improvements shall be designed, constructed and equipped with quality materials throughout, including, without limitation, fixtures, flooring, wall coverings, ceilings, lighting, all necessary mechanical, plumbing, air-handling and conditioning, electrical and

other systems and finishes, in each case substantially similar to the quality of materials presently used in the Premises.

E. Ownership of Project. Club acknowledges and agrees that the County owns the Premises and shall own all of the County Capital Improvements, together with all fixtures, equipment, furniture and related improvements being constructed on the Premises, with the exception of the concessions equipment and the other equipment and furniture furnished by the Club as more fully described in the Amended and Restated Lease and the Preliminary Program.

F. Construction of the Project and Club's Beneficial Rights. Construction of the Project is to be performed (i) utilizing funds received from the County and the Club pursuant to the County Payment Obligation and the Club Payment Obligation, and (ii) pursuant to the Project Budget, as the same may be revised from time to time in accordance with the terms of this Agreement and approval of the County's Board of County Commissioners. Notwithstanding the legal ownership of the Premises and the leasehold interest therein created by the Amended and Restated Lease, and subject to the terms of the Amended and Restated Lease upon commencement of the "Term" (as defined in the Amended and Restated Lease) thereunder, it is acknowledged that (a) Club or its Affiliates may pay for and construct or provide (or cause to be constructed or provided) certain installations, additions, partitions, hardware, light fixtures, non-trade fixtures and improvements to be placed in or upon the County Capital Improvements, whether temporary or permanent (which may include funding of cost overruns); (b) Club or its Affiliates shall retain the sole beneficial and depreciable interest for tax purposes (to the extent of their respective investment and any funds arranged by them) in such items; and (c) for all income tax purposes neither County nor any other third party shall have the right to take depreciation deductions with respect to such items, or claim any other right to tax benefits arising from such items, such rights being exclusively reserved to Club and its Affiliates unless assigned by Club or any such Affiliate, in whole or in part, to one or more third parties.

## 2. STADIUM IMPROVEMENT.

A. Cooperation of the Parties. The Parties shall cooperate in the design and construction of the Project.

- (1) Club Representatives. The Club has designated authorized representatives of the Club as its agents and representatives authorized to act on the Club's behalf with respect to the Project. It is the responsibility of the Club Representatives to obtain timely, appropriate and adequate authority to act on the Club's behalf, including obtaining authority from the Club's governing body on issues described in this Agreement. All communications and submittals from the Club to the County shall be issued or made through the Club Representatives, unless the Club or the Club Representatives shall otherwise direct in writing. Only the signature on any document of the Club

Representative pursuant to this Agreement may be relied upon as having been authorized by all necessary action of the Club.

- (2) County Representatives. County staff constitutes the County's representatives authorized to act on the County's behalf with respect to the Project. It is the responsibility of the County representatives to obtain timely and sufficient authority to act on the County's behalf including obtaining authority from the County's Board of County Commissioners as described in of this Agreement or as otherwise required by law. All communications and submittals from the County to the Club shall be issued or made through the County representatives, unless the County or the County representatives shall otherwise direct in writing. Only the signature on any document of the County representative that is designated pursuant to this Agreement may be relied upon as having been authorized by all necessary action of the County.
- (3) Responsibilities of County Representatives and Twins Representatives. The Parties will manage the design and construction of the Project by performing the following responsibilities and finalizing the applicable documents pursuant to this Agreement, including, without limitation: (i) Project Program development; (ii) approval of commitments and expenditures under the Project Budget, as amended; (iii) the Project Work Schedule as set forth in **Exhibit B**; (iv) development of the design delivery schedule under the Architect Agreement; (v) Project Budget development and approval of commitments and expenditures under the Project Budget; (vi) management and direction of the Architect in its preparation of the Conceptual Design Documents, Schematic Design Documents and Design Development Documents and delivery of other services pursuant to the Architect Agreement; (vii) solicitation and recommendation for selection of the construction manager(s) and negotiation of the Construction Services Agreement(s) for construction services; (viii) undertaking such other aspects of the Project design and construction agreed to by the County and the Club; (ix) management and direction of the construction manager(s) in its delivery of construction services pursuant to the Construction Services Agreement; (x) development of the Project Program; and (xi) review and management of any claims under the Architect Agreement and the Construction Services Agreement for construction services.
- (4) Right to Attend Meetings. The Parties shall receive notice of and have the right to attend all Project related meetings with their respective consultants. Such persons shall have the right to

attend in person, by telephone or video conference call, or by other means which permit each Party to be verified and to hear and be heard by the others. The Parties shall receive all Project documents provided to the County or the Club under all Project related agreements at the same time they are provided to the other Party. All Project related meetings shall be held in Lee County, Florida unless otherwise agreed by the Parties and shall be scheduled at a regular time that generally allows the Parties and their respective staffs and consultants to attend.

- (5) Right to Receive Communications. The Parties shall receive copies of all communications that are received by the County or the Club from the Architect and all Project Consultants, in all matters arising from, in connection with or incident to the Project.

3. PROJECT MINIMUM REQUIREMENTS: DESIGN AND COMPLETION.

A. Minimum Design. The County agrees to cooperatively with the Club plan, design, construct and commission the Project for the Club's full and beneficial use of the Premises, including, without limitation, all of the various elements and detailed requirements described and set forth in the Preliminary Program and the Project Program to be attached to this Agreement when completed as Exhibit C.

B. Completion. The Completion of the Project shall occur on or before February 1, 2015 (the "**Target Date**"), but in no event later than February 1, 2016 (the "**Outside Date**")

C. Design Documents.

(1) Design Meetings.

(i) Members of the Parties' designated representatives, consultants or others as the Parties may attend meetings with the design team or portions thereof for the purpose of the design team developing the design and creating the design documents referenced in the Architect Agreement ("**Design Meetings**"). Each authorized representative and each Party shall receive notice of all such meetings.

(ii) If the Parties are unable to reach a design decision they will work diligently to resolve the dispute; **provided, however**, that the resolution cannot affect the Project Budget approved by the County's Board of County Commissioners unless such Board of County Commissioners approves said increase.

(iii) After timely notices of the dispute have been sent by each of the Parties' voting authorized representatives with respect to the disputed Critical Design Decision issue(s), the voting authorized representatives shall promptly attempt to achieve resolution of the disputed Critical Design Decision issue(s) by no later than the next Design Meeting.

(iv) All design decisions that are made in the Design Meetings shall be memorialized in minutes of the meeting prepared by the Architect and distributed to the Parties within no more than five (5) Business Days after the Design Meeting for review and approval by the authorized representatives at the next Design Meeting.

(2) Conceptual Design. The Parties shall review the Conceptual Design Documents prepared and delivered by the Architect, provide timely review and input and approve the completed Conceptual Design Documents in accordance with the design delivery schedule.

(3) Schematic Design. The Parties shall review the Schematic Design Documents prepared and delivered by the Architect, provide timely review and input and approve such Schematic Design Documents in accordance with the design delivery schedule. Upon the Parties approval of the completed Schematic Design Documents, the Authority shall direct the Architect to begin the "Design Development Phase" as defined and set forth in the Architect Agreement.

(4) Design Development Documents. The Parties shall direct the Architect to prepare Design Development Documents and the Parties shall review and approve the Design Development Documents. During the development of the Design Development Documents, the Parties shall reach agreement upon and approve Critical Design Decisions for the Design Development Documents within the timeframe set forth in the Task List and design delivery schedule and the approved Project Budget (as approved by the County's Board of County Commissioners).

D. Timing of Critical Design Decisions. Pursuant to the Architect Agreement, the Parties will work with the Architect to develop a design delivery schedule. The Architect shall regularly update a task list (the "Task List") which identifies critical design decisions necessary to maintain the design delivery schedule, including decisions with respect to the Project Program and other material aspects of design of the County Capital Improvements ("Critical Design Decisions") necessary for the design of the Project to stay current with the design delivery schedule. The Parties acknowledge and agree that maintaining the design delivery schedule is essential for achieving the timely

completion of the design, commencement of construction, and the Completion of the Project within the Project Budget. The purpose of the Task List is to provide the timing and deadlines for the Parties to make Critical Design Decisions so that the Parties and Architect can adhere to the design delivery schedule and the Project Work Schedule.

4. **DESIGN.** It is further agreed by and between the Parties, that the final design plans, when mutually approved by the Parties in writing, shall be attached hereto as **Exhibit C** and shall thereafter become a part hereof for all intents and purposes, and shall specifically include a full and reasonably complete description of the physical facilities (real or personal) covered hereunder. The Parties agree that neither Party shall unreasonably withhold or delay approval of the final design plans. The County and the Club will have the right to approve the interim and final design plans for the Project, including, without limitation, the overall layout, space allocation, graphics, materials used, signage, and color scheme of the County Capital Improvements for the Premises. Such design shall be incorporated in a master design, development and construction plan (the "**Project Program**"), all elements of such Project Program for property owned by the County that is associated with or is part of the Project shall be subject to the written prior approval of the Club, which shall not be unreasonably withheld, delayed or conditioned.

5. **PROJECT BUDGET, FINANCE AND FUNDING.**

A. **Project Budget.** The project budget for the County Capital Improvements is set forth in **Exhibit D** (the "**Project Budget**"). The Project Budget sets forth the total amount of costs and expenses to be incurred for Completion of the Project. The costs and expenses set forth in the Project Budget include allocations for the design, development, construction, commissioning and delivery of the Premises for the beneficial use of the County Capital Improvements by and occupancy of the Club. The Project Budget contains all of the elements set forth in the Preliminary Plan, including, without limitation, permitting, design, engineering, construction, financing, build-out, furniture, equipment, fixtures, and all customary and traditional soft costs pertaining to a project of this nature; excluding land acquisition costs. The Project Budget may not be reduced without the written consent of both the County and the Club. The final Project Budget is subject to the written approval of the Club, which approval shall not be unreasonably withheld, delayed or conditioned. The Project Budget shall not include any costs and expenses arising from or relating to (i) the issuance of Project Bonds (defined below) by the County, including, without limitation, the costs and expenses of underwriters, investment bankers, attorneys, accountants and other professionals, underwriting discounts, and other costs of issuance of the Project Bonds, and (ii) any costs and expenses of the Club for retention of financial advisors, attorneys, accountants and other professionals, and similar costs.

B. **County Funding and Payment Obligation**

(i) **County Payment Obligation.** The Project Budget sets forth the general descriptions and approximate cost of the County Capital Improvements that will be the responsibility of and paid by the County; except for cost overruns related directly to the County

Capital Improvements for which the Club has the Club Payment Obligation set forth in Section 5.C below, the County shall be responsible for and remit any and all cost overruns arising from, in connection with or relating to the Project upon approval of the County's Board of County Commissioners (the "**County Payment Obligation**"). The County represents and warrants the proceeds from (i) the Project Bonds issued by the County pursuant to Section 5.B.(2), and (ii) the Sinking Fund Deposits deposited pursuant to Section 5.B.(3), shall be sufficient to fund the County Payment Obligation in its entirety; provided, however, if such funds are not sufficient to timely fund the County Payment Obligation, the Club covenants to advance up to one third or \$600,000 of its future contributions to the "Capital Improvements Fund" under, and as defined in, the Amended Agreement or the Amended and Restated Lease, as applicable, to supplement the sinking fund deficiency. The County agrees that such Club advances shall be credited against future payments set forth in Exhibit F of the Amended Agreement or the Amended and Restated Lease, as applicable. All funds derived from the net proceeds of the Project Bonds and the Sinking Fund Deposits will be deposited to a sub-account dedicated to the Project of the County's "Stadium Attractions Trust Fund" (the "**Trust Fund**"). These amounts deposited to the Trust Fund shall be used solely for the benefit of the Project.

- (2) Project Bonds. On or before on or before April 1, 2013, but no later than January 1, 2014, the County will issue certain capital revenue bonds or such other financial instruments or funds that the County may reasonably select at its option to finance and fund substantially all of its County Payment Obligation related to the Project (the "**Project Bonds**"). If appropriate and prior to receiving bond proceeds the County may use other sources to fund Project costs which will be reimbursed from the bond proceeds at the appropriate time. In connection with the issuance of the Project Bonds, the County shall engage the services of an underwriter/investment banker to achieve the lowest cost of financing and maximum proceeds from the Project Bonds. The County's underwriter/investment banker shall assist the County in preparation of a detailed financing plan (the "**Project Financing Plan**") to achieve the Project Bond proceeds. The basis of the Project Financing Plan shall be the financing plan assumptions, calculations and presentation set forth on Exhibit E. The Project Bonds shall be secured by a pledge of the County's "Tourist Development Tax Revenues." The Project Financing Plan will also incorporate a reasonable assumption as to an average annual growth rate concerning the

annual amount of such "Tourist Development Tax Revenues," based on historical experience, which the County is projected to receive during the term of the Project Bonds, and will also incorporate a structured principal amortization schedule on the Project Bonds to minimize any potential revenue shortfalls. The County shall maximize State Development Funds in compliance with Section 7.C. The Project Financing Plan shall be subject to the written approval of the Club, which shall not be unreasonably withheld, delayed or conditioned.

- (3) Sinking Fund Deposits. The County shall authorize and approve in accordance with Applicable Laws a three (3) year annual sinking fund allocation for the Project in the amount of \$2.2 million to complete the funding of the County Payment Obligation, the \$2.2 million deposits for which shall be made to the Trust Fund on (i) the day following execution and delivery of this Agreement, (ii) October 1, 2014, and (iii) October 1, 2015, or as funds are required by the Project (collectively, the "**Sinking Fund Deposit(s)**", and individually each a "**Sinking Fund Deposit**"). The County's authorization for the sinking fund and the remittance of the annual Sinking Fund Deposits shall mandate the allocation and disbursement of County monies to the Trust Fund through the Sinking Fund Deposits. The funding of the Sinking Fund Deposits shall have priority over all other County debt obligations other than senior lien debt service for the County's Series 2004 and Series 2010 debt obligations.

C. Club Funding and Payment Obligation. The Project Budget sets forth a description of the County Capital Improvements that will be the responsibility of and paid by the Club as construction is performed on such improvements ("**Club Payment Obligation**"). The Club Payment Obligation arises in connection with the addition of the player academy dormitory/sleeping rooms. The approximate cost of the player academy dormitory/sleeping rooms is \$3.9 million. The County and the Club shall establish procedures by which the Club shall remit funds for the Club Payment Obligation on a requisition-approval-payment basis pursuant to which all costs associated with such Club Payment Obligation are timely made. The Club also intends to update certain concession equipment for the Premises, with an estimated approximate value of \$2.1 million, which is not included in the Project Budget.

D. Modifications. The Parties recognize that a large portion of the Project will be financed with proceeds from the Project Bonds. Accordingly, the Parties agree to make best efforts to cooperate with one another in the County's qualification of the Project Bonds for tax exempt status under federal tax laws, and to provide all reasonable documents and/or modifications hereto necessary to accomplish the issuance of the Project Bonds; provided, however, that the Club shall not be obligated to incur out-of-pocket costs and expenses in connection with such cooperation.



6. CONSTRUCTION ADMINISTRATION.

A. County's Responsibilities. The County shall be responsible for managing, directing, supervising and coordinating the planning, design and construction of the Project in accordance with the Preliminary Program, the Project Program, and the Project Work Schedule and the Project Budget. The County shall be responsible for the continuous, orderly and uninterrupted performance of all aspects of the County Capital Improvements work required in connection with the construction of the County Capital Improvements in accordance with the contract documents and this Agreement, including, without limitation, those matters set forth above, and:

- (1) Retaining the services of specialty consultants.
- (2) Preparing, or causing to be prepared, the Project Budget.
- (3) Updating the Project Work Schedule on a monthly basis and delivering a copy of same to the Club.
- (4) Obtaining or causing to be obtained all Permits, and to the extent required by this Agreement, all Required Environmental Permits.
- (5) Retaining and supervising the personnel reasonably required in order to properly perform the County Capital Improvements on the Premises.
- (6) Maintaining complete and accurate books and records, consistent with industry standards, regarding the design and construction of the County Capital Improvements including, without limitation, records relating to the contract documents, design documents, change orders, as built drawings, applications for payment, Permits, insurance policies, correspondence, bills, vouchers, receipts and lien waivers.
- (7) Taking all action reasonably required to comply with all Applicable Laws and taking all reasonable action required to cause the Architect and the construction manager and all other agents and contractors engaged by, or acting on behalf of, the County to design and construct the County Capital Improvements in accordance with Applicable Laws.
- (8) Furnishing promptly to the Club Representatives, all documents and information required to be provided pursuant to this Agreement and all other information that the Club Representative may reasonably request. The County shall promptly provide to the Club Representative copies of any and all legal notices received by the County affecting in any manner the Project.

- (9) Notifying promptly the Club Representative, of any claim, suit, proceeding or action that is initiated or threatened in connection with the Project.
- (10) Providing the Club, upon completion of construction, with an original print and one (1) sepia print or disk of as-built construction drawings depicting the Project.
- (11) Supervising punch list and warranty work after completion of construction of the County Capital Improvements work. A post-completion warranty inspection shall occur under the supervision of the County and the Club prior to the first anniversary of the Completion Date.
- (12) Establishing and updating, as necessary, the schedule of dates for delivery of various design documents for review and approval of the Club.
- (13) Scheduling Project meetings to which the Club Representative is invited not less than weekly, and preparing minutes for all Project meetings and providing a copy of same to the Club Representative.
- (14) Providing the Club with copies of all contracts and subcontracts and all amendments thereto.
- (15) Causing the Completion of the Project in accordance with the Project Work Schedule and the contract documents.
- (16) Providing the Club with monthly progress reports containing such financial information as the Club may reasonably request relating to Project costs, including, without limitation, all expenditures by the County during the preceding month and a proposed monthly budget for the upcoming month.
- (17) Supervising and coordinating, or causing the construction manager to supervise and coordinate, the construction of the County Capital Improvements so that the County Capital Improvements is constructed, equipped, furnished and completed in a good and workmanlike manner in accordance with the contract documents, lien free as provided in this Agreement, by the Target Date in accordance with all Applicable Laws and employing such consultants as may be reasonably required to insure that quality control appraisals of the County Capital Improvements are conducted throughout the construction period in a manner consistent with industry standards.

B. Changes of Agreements with Architect and the Construction Manager and the Design Documents. The Club shall have the right to approve any Material Change to the Architect Agreement or the Construction Manager Agreement and the Preliminary Program. For purposes of this Agreement a material change ("**Material Change**") shall mean a change, modification or amendment which (i) involves a revision in the sum payable by County to the Architect in an amount in excess of \$50,000, or to the construction manager where the cost of work is in excess of \$50,000, or (ii) will result in a required revision of the Preliminary Program or the Project Program which materially affects the appearance or functionality of the Premises, including, without limitation, County Capital Improvements or which will materially modify public access to the County Capital Improvements or materially reduces the number of restrooms, or materially changes the number or configuration of seats, or which materially alters the LEED Certification Plan, if any, of the County Capital Improvements, or adds or eliminates significant elements from the County Capital Improvements described in the previously approved Preliminary Program or the Project Program, and any other change that materially affects the future public use of the County Capital Improvements.

C. Project Work Schedule. The Parties have prepared the Project Work Schedule setting forth the date that construction will start, and time parameters required so that Completion of the Project will occur on or before the Target Date, subject to extensions as a result of Force Majeure Event. Modifications of the Project Work Schedule which will require an extension of the Target Date to the Outside Date, or which are otherwise material, must be approved by the Club Representative, which approval will not be unreasonably withheld, delayed or conditioned. All County Capital Improvements work shall be performed by the construction manager in a good and workmanlike manner in conformity with the Project Program so that on the Completion Date the County Capital Improvements are in good working order and condition, in compliance with all Applicable Laws, suitable for occupancy, and ready for full and immediate use.

D. Labor and Employment Issues. The County shall cause the construction manager to administer any project labor agreement covering construction of the Project.

E. Insurance. The County will procure and maintain (from the funds allocated for the Project in the Trust Fund) the comprehensive "owner controlled" insurance program, a summary of which shall be prepared by the County, which shall set identify all insurance required to be maintained by or on behalf of the County and any trade contractor with respect to the Project at all times until final Completion of the Project, and for a period of three (3) years after the Completion Date. The Club and its Affiliates, officers, directors, members, employees, representatives and agents shall be named as additional insureds with respect to all such policies of insurance, with the exception of workers compensation, employer liability and professional services coverages.

7. ADDITIONAL OBLIGATIONS OF THE COUNTY. The County agrees to undertake the following obligations for the benefit of the Club and the development of the Premises:

A. Reasonable and Necessary Actions for Issuance of Project Bonds. The County further agrees to promptly take all reasonable and necessary actions as required by Applicable Laws, including, without limitation, amending relevant ordinances, to authorize, plan, implement and consummate the issuance of the Project Bonds.

B. Dedication of the Supplemental Parcel to the Premises. The County covenants that the Supplemental Parcel shall be used solely for the benefit of the Project and shall become part of the Premises.

C. State of Florida Development Funds. The stadium facility improvements grant made by the State of Florida to the County following the entering into the Agreement required by Florida Statute § 288.11621 and upon award and disbursement of said funds (the "**State Development Funds**") shall be used by the County solely for the funding of the Project, and shall not be used for any other purpose. By way of clarification, the State Development Funds shall not be used in any way for the improvement, development or construction of any other professional sports franchise facility located in Lee County, Florida. The County covenants that it shall make best efforts to maximize the receipt of the State Development Funds, including revision of County ordinances and other Applicable Laws which would facilitate funding of the County Payment Obligation in one (1) bond offering. The foregoing shall be incorporated to the County's Project Financing Plan.

D. Completion of County Capital Improvements. The County and the Club covenant that each will work in good faith to complete the design, construction, commissioning and delivery of the Premises to the Club for its beneficial use and occupancy. The County agrees to use all reasonable efforts to complete the Project on or before the Target Date, but no later than the Outside Date.

8. REPRESENTATIONS AND WARRANTIES OF THE COUNTY. The County hereby represents and warrants to the Club that:

A. Authorization, Validity and Enforceability. The County has all requisite power and authority to enter into this Agreement and to carry out the actions contemplated hereby. The execution, delivery, and performance by the County of this Agreement have been duly authorized and approved by all necessary County actions, all of which have been obtained and remain in effect. The County individual duly authorized to execute this Agreement on behalf of the County has so executed this Agreement. This Agreement constitutes, when executed, the valid and legally binding obligations of the County, enforceable against it in accordance with their respective terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws and subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

B. No Conflicts. The execution, delivery and performance of this Agreement will not result in a violation of, in any material respect, of any provision of any other agreements, instruments, contracts, judgments or decrees to which the County is a party, or by which the County or its assets may be bound or affected, including, without

limitation, the County's organizational documents and any written rule, regulation or policy of the County.

C. No Violation Of Laws. Except as otherwise previously disclosed in writing to the Club, the County has complied in all material respects with all Applicable Laws with respect to the Premises and the County Capital Improvements or the transactions contemplated in and by this Agreement; and the County is not in default with respect to any judgment, Order, injunction or decree of any court, administrative agency, or other Governmental Authority which is in any respect material to the transactions contemplated in and by this Agreement. Neither the execution, delivery nor, performance of this Agreement by the County violates the articles of incorporation, by-laws, or any or resolution of the County, or any other agreement or instrument to which the County is subject or by which the County is bound.

D. Litigation. There is no action, suit, proceeding or investigation at law or in equity or by or before any Governmental Authority now pending or, to the actual knowledge of the County, threatened against the County seeking to restrain or prohibit, or seeking damages or other relief in connection with, the execution of this Agreement and the performance of the transactions contemplated herein or which might materially and adversely affect the use and operation of the Premises or the County Capital Improvements as contemplated in and by this Agreement or the performance of the County hereunder.

E. Site Possession And Title. The County holds good and marketable title to the Premises, and all land and land rights thereto, free and clear of all liens and encumbrances. No person other than the County has any right to possession of all or any portion of the Premises. To the best of the County's knowledge, no structure or improvement located on an adjacent parcel encroaches on the Premises. The County shall take all reasonable actions, at its sole cost and expense, to promptly eliminate any title defects. Except as expressly permitted under this Agreement, the County shall not create any lien, encumbrance, easement, license, right-of-way, covenant, condition or restriction which would encumber the Premises and materially diminish, impair or disturb the rights of the Club under this Agreement, the Amended Lease and/or the Amended and Restated Lease.

F. Environmental Matters. No activity of the County at the Premises has been or will be conducted in violation of any environmental law.

G. Notices Of Violations. To the knowledge of the County, the Premises and the use and operation thereof are in material compliance with all Applicable Laws. The County has not received any written notice from any Governmental Authority with respect to the Premises or any portion thereof or any buildings or improvements thereon that (i) relates to violations of any Applicable Laws, (ii) claims any defect or deficiency with respect to any of the Premises or any buildings or improvements thereon or (iii) requests the performance of any repairs, alterations or other work to or in any portion of the Premises or in the streets bounding the same.

H. Zoning. The Premises has a zoning classification of CF-2 (**Community Facilities**) and CPD (**Commercial Planned Development**) and the use of the applicable portions of the Premises for the County Capital Improvements is in compliance therewith. The Premises consists of one or more lawfully separately subdivided parcels of property.

9. REPRESENTATIONS AND WARRANTIES OF THE CLUB. The Club hereby represents and warrants to the County that:

A. Organization, Authority And Location. The Club is duly organized, validly existing and in good standing under the laws of Delaware. The Club has all requisite partnership power and authority to enter into this Agreement. The principal place of business and the principal assets of the Club and of each of its Affiliates are located in Hennepin County, Minnesota.

B. Authorization, Validity And Enforceability. All appropriate action on behalf of the Club necessary for the authorization, execution, delivery and performance of all obligations of the Club under this Agreement has been taken. All consents and approvals of any third person required in connection with the execution of this Agreement have been obtained. This Agreement, when executed, shall constitute the valid and legally binding obligation of the Club enforceable against it in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws and subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

C. No Conflicts. The execution, delivery and performance of this Agreement will not result in a violation of, in any material respect, any provision of any other agreements, instruments, contracts, judgments or decrees to which the Club is a party or by which the Club or its assets may be bound or affected, including, without limitation, the Club's organizational documents, nor will the execution, delivery and performance of this Agreement result in the breach of or constitute a default under any loan or credit agreement, or other agreement or instrument to which the Club is a party or by which the Club or its assets may be bound or affected.

D. No Violation Of Laws. Except as otherwise disclosed in writing by the Club to the County, the Club has received no written notice as of the date of execution of this Agreement asserting any noncompliance in any material respect by the Club with Applicable Laws; and the Club is not in default with respect to any judgment, Order, injunction or decree of any court, administrative agency, or other Governmental Authority which is in any respect material to the transactions contemplated in and by this Agreement.

E. Litigation. There is no action, suit, proceeding or investigation at law or in equity or by or before any Governmental Authority now pending or, to the actual knowledge of the Club, threatened against or which affects the Club which has been served upon or of which the Club has knowledge, which could have a material adverse affect upon the Club's performance under this Agreement or the financial condition or business of the Club. There are no outstanding judgments against the Club.

10. **HOLD HARMLESS AND INSURANCE.** To the extent permitted under Florida Statute §768.28 the County agrees to indemnify, defend, save and hold the Club, and its respective Affiliates (including parent, brother-sister and other entities under common control with the Club), and their respective members, partners, owners, managers, officers, employees, agents, representatives and other persons or entities acting on behalf of the Club, harmless from any and all damages, liabilities, claims, demands, expenses and costs of every kind and nature, including reasonable costs of investigation, reasonable attorney's fees at trial or appellate level, and all court costs arising out of injury to or death of persons and damage to any and all property, including loss of use thereof, resulting from or in any manner arising out of, or in connection with, the design and construction of the Project, including claims brought by any person relating to compliance with federal or state disability laws or requirements. In the event such indemnification is limited by any law (including, without limitation, Florida Statute § 768.28), the Party so limited shall furnish a general liability insurance policy with a company and in an amount reasonably satisfactory to the Party to be indemnified. The County shall provide that the Club is an additional insured under all policies of insurance relating to the Project, including, without limitation, insurance required of all contractors, consultants, subcontractors and others contracting in connection with the Project.

11. **TAXES.** It is the intent and understanding of the Parties that the leasehold interest held by the Club pursuant to this Agreement shall be exempt from ad valorem taxation pursuant to Chapter 196.199, Florida Statutes for so long as such statutory exemption remains in effect.

12. **COUNTY DEFAULT/REMEDIES.** It is understood that the County has agreed to undertake certain obligations set forth in this Agreement in order to induce the Club not to elect an early termination of the Conditional Lease and further to induce the Club to enter into a new thirty (30) year lease for the Premises pursuant to the Amended and Restated Lease. It is further agreed that the Club will sustain substantial economic damages if the County would fail to fulfill one or more of the obligations set forth herein. Accordingly, the Parties agree that the Club shall be entitled to receive the following remedies in the event that one or more of the following defaults shall occur:

A. **County Defaults.** The County shall have defaulted on its obligations set forth herein (individually and collectively referred to as "County Default") if any of the following occurs:

- (i) The County fails to select the Architect(s), engineer(s) and construction firm(s), which are approved by the Club on or before March 6, 2013; or
- (ii) The County fails to establish and deposit sufficient monies (together with interest earnings) to pay one hundred percent (100%) of the Project Budget allocated to the County Payment Obligation for the County Capital Improvements (this amount excludes the Club Payment Obligation) in accordance with the Project Financing Plan as provided in **Section 5.B.(2)**

- (iii) The County does not complete the Project and commission the Premises for full use and enjoyment by the Club on or prior to February 1, 2016.

B. County Default Remedies. Upon the occurrence of a County Default, the following remedies shall be available to the Club:

- (i) The Club may elect, by written notice delivered to the County within sixty (60) days from the date on which a County Default shall have occurred, to terminate this Agreement, and all obligations of the Club under this Agreement, and/or terminate the Amended and Restated Lease, and all obligations of the Club under the Amended and Restated Lease, and upon such terminations the applicable agreement shall be voided and of no further effect; and

C. Completion Default. In the event the County fulfills the obligations set forth in Section 12.A above, but the Completion of the Project by the County fails to occur by either (i) the Target Date, or (ii) the Outside Date, the County shall have defaulted in its obligation to the Club ("**Completion Default**").

D. Completion Default Remedies: Target Date. Upon the occurrence of a Completion Default by failing to achieve Completion of the Project on or before the Target Date, the following remedies shall be available to the Club:

- (i) the Club shall be relieved of the obligation to make lease payments until Completion of the Project under both or either of the Amended Agreement and the Amended and Restated Lease.

E. Completion Default Remedies - Outside Date. Upon the occurrence of a Completion Default by the Outside Date, the following remedies shall be available to the Club:

- (i) The Club shall be released of its obligation to make lease payments under the Amended Agreement, and any other agreement arising in connection with the Premises, from and after the Outside Date; and
- (ii) The County shall pay the Club a sum of money to compensate the Club for the loss of revenue the Club would have received but for the Completion Default related to the Target Date ("**Lost Revenue**"). Lost Revenue shall be calculated for each calendar year (maximum of three (3) years) after the Target Date and shall be paid to the Club on or before February 1 of each calendar year in which any Completion Default has not been cured by the County. The amount of Lost Revenue to be paid to the Club shall be calculated (for each year in which the Completion Default has not been cured by February 1 thereof) by adding together the following four (4) revenue elements:



- (1) Lost Ticket Revenue: since the attendance capacity of the new Major League Stadium component of the Project would allow the Club to sell a minimum of 1,000 additional attendee tickets, the Parties agree that the amount of incremental lost ticket revenue will be calculated as follows: the average ticket priced charged per attendee for a Club Spring Training game for the Spring Training season played in the Premises (as defined in the Amended Agreement) multiplied by the number 1,000; plus
  - (2) Lost Sponsorship Revenue: the incremental amount of lost sponsorship revenue derived from the Project including, without limitation, the sale of advertising and naming rights that the Club would have received by playing in the new Major League Stadium; plus
  - (3) Suite Revenue: the amount of incremental Lost Revenue the Club would have received from the rental of suites that are included in the design plan for the new Major League Stadium; and plus
  - (4) Parking Revenue: the amount of incremental net parking revenue the Club would have received from playing in the new Major League Stadium.
- (iii) The Club shall have the right to terminate this Agreement, the Amended Agreement and/or the Amended and Restated Lease if the County has not cured the Completion Default within one (1) calendar year of the Target Date.

### 13. GENERAL PROVISIONS

A. Governing Law. This Agreement shall be governed by, construed and enforced in accordance with the laws of the State of Florida.

B. Further Assurances. The Parties agree to execute and deliver any instruments in writing, necessary to carry out any agreement, term, condition or assurance in this Agreement, whenever the occasion shall arise and request for such instrument shall be made.

C. Remedies Cumulative. The specified remedies to which the Parties may resort under the terms of this Agreement are cumulative and not intended to be exclusive of any other remedies or means of redress to which the Parties may be lawfully entitled in case of any breach or threatened breach by either Party of any provision or provisions of this Agreement.

D. Entire Agreement and Amendment. This Agreement, in addition to the Amended Agreement and the Amended and Restated Lease, contains the entire agreement and understanding between the Parties. There are no oral understandings, terms or conditions and neither Party has relied on any representation, express or implied, not

contained in this Agreement or the simultaneous or prior writings heretofore. All prior understandings, terms or conditions are deemed to merge in this Agreement, and this Agreement cannot be changed or supplemented orally, but only by an agreement in writing and signed by the Party against whom enforcement of any waiver, change, modification or discharge is sought.

E. Severalty. If any provisions of this Agreement shall be declared invalid or unenforceable by a court of competent jurisdiction, the remainder of this Agreement shall continue in full force and effect.

F. Force Majeure. A "**Force Majeure Event**" is any event that (a) restricts or prevents performance by either Party under this Agreement, (b) is not within the reasonable control of the Party affected or caused by the default or negligence of the affected Party and (c) cannot be overcome or avoided by the exercise of due care. Force Majeure Events include, but not limited to, failure of a Party to perform due to drought, flood, earthquake, storm, fire, lightning, epidemic, war, terrorism, acts of other Governmental Authorities (except with respect to the grant and remittance of State Development Funds), civil disturbances, sabotage, work stoppages (i.e. strikes), accident or curtailment of supply, unavailability of construction materials or replacement equipment beyond the affected Party's control, inability to obtain and maintain Permits from any Governmental Authority for the Project (except Permits issued by the County or as to which the County has oversight or control), restraint by court Order, and changes in Applicable Laws (excluding laws or ordinances enacted by the County) that affect performance under this Agreement. Except for the obligation of each Party to make payments of amounts owed to the other Party, each Party is excused from performance and will not be considered to be in default with respect to any obligation if performance cannot occur due to a Force Majeure Event; provided, however, such performance shall be excused only for the period to include declaration of emergency and clean-up of the Force Majeure Event, and the Party assisting the Force Majeure Event shall promptly and in good faith recommence performance of its obligations hereunder. Neither Party shall be relieved of its obligations under this Agreement solely because of increased costs or other adverse economic consequences that may be incurred through the performance of such obligations. If a Party's ability to perform its obligation under this Agreement is affected by a Force Majeure Event, the Party claiming such inability shall (i) promptly notify the other Party of the Force Majeure Event and its cause and confirm the same in writing within five (5) Business Days of its discovery, (ii) promptly supply such available information about the Force Majeure Event and its cause as reasonably may be requested by the other Party and (iii) initiate reasonable efforts to remove the cause of the Force Majeure Event or to lessen its effect. The suspension of performance arising from a Force Majeure Event shall be of no greater scope and no longer duration than reasonably necessary. The excused Party shall use its reasonable efforts to remedy its inability to perform. A single Force Majeure Event in Lee County, Florida shall not excuse the failure of the County to meet the Outside Date with respect to Completion of the Project, and shall not limit or otherwise affect the rights of the Club with respect thereto.

G. Notices. Any notice required to be given hereunder shall be in writing, and mailed by U.S. Certified Mail, Return Receipt Requested, addressed to the Parties as follows unless a different addressee is later designated by either Party under this notice provision:

**For notices to the Club:**

Dave St. Peter  
President  
Minnesota Twins, LLC  
Target Field  
1 Twins Way  
Minneapolis, MN 55403

**With a copy to:**

Michael J. Grimes  
Briggs and Morgan, P.A.  
2200 IDS Center  
80 South Eighth Street  
Minneapolis, MN 55402-2157

**For notices to the County:**

Lee County Manager  
P.O. Box 398  
Fort Myers, FL 33902-0398

Director of Lee County Parks and Recreation  
P.O. Box 398  
Fort Myers, FL 33902-0398

**With a copy to:**

Lee County Attorney  
P.O. Box 398  
Fort Myers, FL 33902-0398

H. Prohibition Against Assignment. The County shall not assign or transfer this Agreement or any of the County's rights or obligations hereunder, without the Club's prior written consent, and subject to such conditions as the Club may reasonably require.

I. Waiver. No action taken pursuant to or related to this Agreement, including, without limitation, any investigation by or on behalf of a Party, shall be deemed to constitute a waiver by the Party taking such action of compliance with any representation, warranty, condition or agreement in this Agreement. A Party's exercise of or failure to exercise any such right or remedy shall not prevent the concurrent or

subsequent exercise of any other right or remedy. A Party's delay or failure to exercise or enforce any rights or remedies shall not constitute a waiver of any such rights, remedies or obligations. No Party shall be deemed to have waived any default unless such waiver is expressly set forth in an instrument signed by such Party. If a Party waives in writing any default, then such waiver shall not be construed as a waiver of any covenant or condition set forth in this Agreement, except as to the specific circumstances described in such written waiver. Neither payment of a lesser amount than the sum due hereunder nor endorsement or statement on any check or letter accompanying such payment shall be deemed an accord and satisfaction, and the other Party may accept the same without prejudice to the right to recover the balance of such sum or to pursue any other remedy.

J. Headings. The headings contained in this Agreement are for convenience of reference only, and shall not limit, extend or otherwise affect the meaning hereof.

K. No Presumption Against Drafter. This Agreement has been negotiated at arm's length and between entities sophisticated and knowledgeable in the matters dealt with herein. In addition, each Party had been represented by experienced and knowledgeable legal counsel. Accordingly, this Agreement shall be interpreted to achieve the intents and purposes of the Parties, without any presumption against the Party responsible for drafting any part of this Agreement.

L. No Third Party Beneficiaries. Nothing in this Agreement, express or implied, is intended to (a) confer upon any third person other than the Parties and their permitted successors and assigns any rights or remedies under or by reason of this Agreement as a third party beneficiary or otherwise except as specifically provided in this Agreement; or (b) authorize anyone not a Party to this Agreement to maintain an action pursuant to or based upon this Agreement.

M. Execution in Counterparts and Delivery of Electronic Signatures. This Agreement may be executed in any number of counterparts. All such counterparts will be deemed to be originals and will together constitute but one and the same instrument. The executed counterparts of this Agreement may be delivered by electronic means, such as email and/or facsimile, and the receiving Party may rely on the receipt of such executed counterpart as if the original had been received.

N. Relationship of Parties. It is agreed that nothing contained in this Agreement shall be deemed or construed as creating a partnership or joint venture among the Parties.

O. Major League Baseball. Notwithstanding any other provision of this Agreement, this Agreement and any rights or exclusivities granted by the Club hereunder shall in all respects be subordinate to the MLB Rules and Regulations. The issuance, entering into, amendment or implementation of any of the MLB Rules and Regulations shall be at no cost or liability to any MLB Entity or to any individual or entity related thereto. The territory within which the County is granted rights is limited to, and nothing herein shall be construed as conferring on the County rights in areas outside of, the Spring Training territory of the Club as established and amended from time to time. No rights,

exclusivities or obligations involving the Internet or any interactive or on-line media (as defined by the applicable MLB Entities) are conferred by this Agreement, except as are specifically approved in writing by the applicable MLB Entities.

14. **DISPUTE RESOLUTION**. The Parties agree to attempt to settle by mediation any dispute or controversy that may arise between the Club and the County regarding operation, maintenance and the rights or duties hereunder of either Party, as hereafter provided, and the mediator will determine the controversy in accordance with the laws of the State of Florida as applied to the facts as found. Notwithstanding the foregoing, any controversy arising between the Parties with respect to a Party's exercise of termination rights, any monetary sums due and owing including, without limitation, lease payments and other monetary liabilities arising under any agreement between the Parties (including, without limitation, the Amended Agreement and the Amended and Restated Lease) shall not be mediated and each Party shall have available to it all other remedies available at law or in equity.

A. **Mediation**. In any case hereunder in which it shall become necessary to resort to mediation, such mediation by the Parties shall be conducted as provided for in this **Section 14**.

- (1) **Notice of Mediation**. The Party desiring mediation shall give written notice thereof to the other Party, specifying in such notice, the specific question or questions to be mediated.
- (2) **Selection of Mediator**. Within fifteen (15) days after service of such notice each Party shall provide the other with the names of at least three (3) persons to act as a mediator in the matter. The mediator will be selected by the Parties within fifteen (15) days following the exchange of names by mutual agreement.
- (3) **Meeting with the Mediator**. The mediator shall meet with the Parties at all participants' convenience and mediate the matter. If unsuccessful, the Parties may then utilize all lawfully available means to resolve the issue.

15. **DEFINITIONS**.

"**Affiliates**" means any entity or association (including governmental entities) that, directly or indirectly, through one or more intermediaries, controls, is controlled by or under common control of any individual or entity, including subsidiaries and brother-sister entities.

"**Agreement**" shall have the meaning set forth in the preamble.

"**Amended Agreement**" shall have the meaning set forth in the Preamble Recitals.

"**Amended and Restated Lease**" shall have the meaning set forth in the Preamble Recitals.

"**Applicable Laws**" means any and all present and future laws (including, without limitation, all statutory enactments and common law), ordinances, constitutions, regulations, treaties, rules, codes, standards, Governmental Approvals, requirements and Orders that have been adopted, enacted, implemented, promulgated, Ordered, issued, entered or deemed applicable by or under the authority of Governmental Authority having jurisdiction over a specified person or entity (or the properties of such person or entity), including, without limitation, environmental laws applicable to the County, the Club and other applicable persons or entities in connection with the design, development, construction, equipping, use, occupancy, possession, operation, maintenance and management of the Project.

"**Architect**" shall mean the individual or entity engaged to provide design and architectural services, among other things, for the Project pursuant to the Architect Agreement. The Architect shall be solicited and engaged in accordance with Applicable Laws, including all local and state procurement procedures and regulations.

"**Architect Agreement**" shall mean the written architect agreement entered into between the Authority and the Architect for the Project.

"**BOC**" shall mean the Office of the Commissioner of Baseball, an unincorporated association comprised of the Major League Clubs who are party to the Major League Constitution, and any successor organization thereto.

"**Business Day**" shall mean any day other than a Saturday, Sunday or other day on which banks are required or authorized to close in Minneapolis, Minnesota, or Fort Myers, Florida.

"**Club**" shall have the meaning set forth in the preamble.

"**Club Payment Obligation**" shall have the meaning set forth in Section 5.C.

"**Club Representatives**" shall mean Dave St. Peter, Kip Elliot, Matt Hoy, Bill Smith, Dan Starkey and Brian Maloney, or any successor to the foregoing persons designated by the Club by notice to the County.

"**Commissioner**" shall mean the Commissioner of Baseball as elected under the Major League Constitution or, in the absence of a Commissioner, any person succeeding to the powers and duties of the Commissioner pursuant to the Major League Constitution.

**"Completion Date"** shall mean the date on which the Completion of the Project occurs, which shall not be later than the Target Date and, if one Target Date is not met, the Outside Date, unless the Parties otherwise agree in writing.

**"Completion Default"** shall have the meaning set forth in Section 12.C.

**"Completion of the Project"** means the County's completion of the Project in accordance with the terms hereof, including, without limitation, the commissioning of the Premises and delivery to the Club of a final certificate of occupancy issued by the County entitling the Club to occupy and enjoy the full beneficial use of the Premises for its intended purpose.

**"Conceptual Design Documents"** shall mean the Preliminary Program, the Project Work Schedule, any programming reports, any pre-design documents, concept sketches and renderings illustrating the scale and relationship of the Project components.

**"Conditional Lease"** shall have the meaning set forth in the Preamble Recitals.

**"Construction Services Agreement(s)"** shall mean a construction services agreement(s) to be entered into by and between the County and the construction manager(s) for construction services.

**"County"** shall have the meaning set forth in the preamble.

**"County Capital Improvements"** shall have the meaning set forth in the Preamble Recitals and as set forth in Section 1.C.

**"County Default"** shall have the meaning set forth in Section 12.A.

**"County Payment Obligation"** shall have the meaning set forth in Section 5.B.(1).

**"Critical Design Decisions"** shall have the meaning set forth in Section 3.D.

**"Design Development Documents"** shall mean the drawings, specifications and other documents prepared by the Architect that establish and describe the size and character of the Project as to architectural, civil, structural, landscape, mechanical and electrical systems, graphics and signage, and other elements, and which include typical construction details, equipment layouts and specifications that identify major materials and systems and as more specifically described in the Architect Agreement.

**"Design Meetings"** shall have the meaning set forth in Section 3.C.(1).

**"Force Majeure Event"** shall have the meaning set forth in Section 13.F.

**"Governmental Authority"** means any national, state, county, city, town, village, municipal or other local governmental department, commission, board, bureau, agency, authority or instrumentality, or any political subdivision thereof, and any person exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to any of the foregoing entities, having jurisdiction over the persons or entities, or matters in question.

**"Lost Revenue"** shall have the meaning set forth in Section 12.E.(ii).

**"Major League Baseball"** or **"MLB"** shall mean, depending on the context, any or all of (a) the BOC, each other MLB Entity and/or all boards and committees thereof, including without limitation, Executive Council and the Ownership Committee, and/or (b) the Major League Baseball Clubs acting collectively.

**"Major League Baseball Club(s)"** or **"Major League Club(s)"** shall mean any professional baseball club that is entitled to the benefits, and bound by the terms, of the Major League Constitution.

**"Major League Constitution"** shall mean the Major League Constitution adopted by the Major League Clubs (which amended and superseded the Major League Agreement dated January 1, 1975, the Agreement in re Major League Central Fund dated as of December 8, 1983, as amended, and the respective constitutions of the former American and National Leagues of Professional Baseball Clubs) as the same may be amended, supplemented or otherwise modified from time to time in the manner provided therein and all replacement or successor agreements that may in the future be entered into by the Major League Clubs.

**"Major League Stadium"** shall have the meaning set forth in Section 2(A) of the Amended and Restated Lease.

**"Master Project Budget"** shall mean the master project budget as developed by the Parties and updated, modified, supplemented, or amended from time to time in accordance with this Agreement.

**"Material Change"** shall have the meaning set forth in Section 6.B.

**"Minor League(s)"** shall mean the professional baseball leagues which are members of the National Association of Professional Baseball Leagues, Inc. Each league is known individually as a Minor League.

**"MLB Approval"** shall mean, with respect to the Major League Baseball Clubs, the Commissioner, the BOC or any other MLB Entity, any approval, consent or no-objection letter required to be obtained from such person(s) pursuant to the MLB Rules and Regulations (as exercised in the sole and absolute discretion of such person(s)).



"**MLB Entity**" shall mean each of the BOC, Major League Baseball Enterprises, Inc., Major League Baseball Properties, Inc., The MLB Network, LLC, MLB Advanced Media, L.P., and/or any of their respective present or future Affiliates, assigns or successors.

"**MLB Governing Documents**" shall mean the following documents as in effect from time to time and any amendments, supplements or other modifications thereto and all replacement or successor documents thereto that may in the future be entered into: (a) the Major League Constitution, (b) the Basic Agreement between the Major League Baseball Clubs and the Major League Baseball Players Association, (c) the Professional Baseball Agreement between the BOC, on behalf of itself and the Major League Baseball Clubs, and the National Association of Professional Baseball Leagues, (d) the Major League Rules (and all attachments thereto), (e) the Interactive Media Rights Agreement, effective as of January 20, 2000, by and among the BOC, the various Major League Baseball Clubs, MLB Advanced Media, L.P. and various other MLB Entities and (f) each agency agreement and operating guidelines among the Major League Baseball Clubs and any MLB Entity, including, without limitation, the Amended and Restated Agency Agreement, effective as of November 1, 2006, by and among Major League Baseball Properties, Inc., the various Major League Baseball Clubs and the BOC (and the Operating Guidelines related thereto).

"**MLB Rules and Regulations**" shall mean (a) the MLB Governing Documents, (b) any present or future agreements or arrangements entered into by, or on behalf of, the BOC, any other MLB Entity or the Major League Baseball Clubs acting collectively, including, without limitation, agreements or arrangements entered into pursuant to the MLB Governing Documents, and (c) the present and future mandates, rules, regulations, policies, practices, bulletins, by-laws, directives or guidelines issued or adopted by, or behalf of, the Commissioner, the BOC or any other MLB Entity as in effect from time to time.

"**Order**" means any judgment, award, decision, directive, consent decree, injunction (whether temporary, preliminary or permanent), ruling, writ ordered adopted, enacted, implemented, promulgated, issued, entered or deemed applicable by or under the authority of any Government Authority or arbitrator (but as to an arbitrator, with respect to injunctive and equitable relief, only to the extent permitted by this Agreement) that is binding on any person or entity, or its property under Applicable Laws.

"**Original Agreement**" shall have the meaning set forth in the Preamble Recitals.

"**Outside Date**" shall have the meaning set forth in Section 3.B.

"**Parties**" or "**Party**" shall have the meaning set forth in the preamble.

"**Permits**" means all right, title and interest in and to any permits, licenses, filings, authorizations, approvals, or other indicia of authority (and any pending

applications for approval or renewal of a Permit), to own, construct, operate, sell, inventory, disburse or maintain any asset or conduct any business as issued by any Governmental Authority, including all certificates, immunities, privileges, permits, license rights, consents, grants, ordinances, leaseholds and rights to construct, maintain and operate the Premises, and all renewals, extensions, additions or modifications of any of the foregoing, together with all rights granted thereunder.

**"Populous Report"** shall have the meaning set forth in Section 1.C.

**"Preliminary Program"** shall have the meaning set forth in Section 1.C.

**"Premises"** as used herein shall mean the "Leased Premises" or "Premises" as defined in the Amended Agreement, and as modified for the County Capital Improvements after the Completion of the Project, and the land upon which the Premises is situated is set forth in Exhibit A to this Agreement (which includes the Supplemental Parcel).

**"Project"** shall have the meaning set forth in the Preamble Recitals and Section 1.C.

**"Project Bonds"** shall have the meaning set forth in Section 5.B.(2).

**"Project Budget"** shall have the meaning set forth in Section 5.A.

**"Project Consultants"** shall mean those persons and entities that are engaged through the solicitation and selection process required as set forth in this Agreement, including, without limitation, (i) the construction manager(s) and (ii) any other consultants, subconsultants, suppliers and trade contractors relating to the Project. The Project Consultants shall be solicited and engaged in accordance with Applicable Laws, including all local and state procurement procedures and regulations.

**"Project Financing Plan"** shall have the meaning set forth in Section 5.B.(2).

**"Project Program"** shall have the meaning set forth in Section 4.

**"Project Work Schedule"** is the schedule set forth on Exhibit B.

**"Required Environmental Permits"** shall mean all Permits, licenses, bonds, consents, programs, approvals or authorizations required under environmental Applicable Laws to conduct operations at or maintain the Premises or to construct, maintain, operate or occupy the Project or any alterations or improvements thereon, regardless of whether such Permits, licenses, bonds, consents, approvals or authorizations have been obtained by or on behalf of the County.

**"Schematic Design Documents"** means drawings prepared by the Architect that illustrate the scale and relationship of the various Project components and which also contain square footage and volume calculations for the Premises, including, without limitation, building interior spaces, building exterior spaces, and major architectural and interior finishes.

**"Sinking Fund Deposits"** or **"Sinking Fund Deposit"** shall have the meaning set forth in Section 5.B.(3).

**"Spring Training"** means the training period during winter and early spring of any year during which the Club prepares for the next following Major League Baseball season, and shall be deemed to include time reasonably required for (i) the preparation of the Premises, (ii) planning for the start of Spring Training, (iii) additional Minor League player training between the end of Major League Baseball Spring Training and the commencement of the Minor League season, and (iv) a reasonable period for the "winding down" of Spring Training activities by the Club. It is anticipated by the Parties that the foregoing time frame will be from approximately January 15 to approximately April 15 of each calendar year.

**"State Development Funds"** shall have the meaning set forth in Section 7.C.

**"Supplemental Parcel"** shall have the meaning set forth in the Preamble Recitals.

**"Target Date"** shall have the meaning set forth in Section 3.B.

**"Task List"** shall have the meaning set forth in Section 3.D.

**"Trust Fund"** shall have the meaning set forth in Section 5.B.(1).

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on November 6, 2012.

ATTEST:

BOARD OF COUNTY COMMISSIONERS  
OF LEE COUNTY, FLORIDA

CHARLIE GREEN,  
CLERK OF COURT

By: Marcia Wilson  
Deputy Clerk

By: J. Manning  
Chairman

APPROVED AS TO FORM:

By: Andrea K. Fawcett  
County Attorney



WITNESSES:

MINNESOTA TWINS, LLC  
Target Field  
1 Twins Way  
Minneapolis, Minnesota

By: Dev Elliott

By: Paul [Signature]  
President

Danielle Berg

[SIGNATURE PAGE TO STADIUM IMPROVEMENT SPRING TRAINING  
DEVELOPMENT AGREEMENT]

EXHIBIT A

STADIUM LAND AREA

Original Stadium Property

PROPERTY "A"

A tract or parcel lying in the northeast quarter (NE 1/4) of Section 30, Township 45 South, Range 25 East, Lee County, Florida which tract or parcel is described as follows:

From the southwest corner of the northeast quarter (NE 1/4) of said Section 30 run North 01° 10' 06" West along the west line of said northeast quarter (NE 1/4) for 621.20 feet to the point of beginning.  
From said Point of Beginning continue North 01° 10' 06" West along said west line for 4821.55 feet; thence run North 88° 45' 49" East parallel with the south line of said fraction for 2184.47 feet to an intersection with the curved northwesterly line of Six Mile Cypress Parkway as described in D.R. Book 1119 at page 635; thence run southwesterly along said northwesterly line along the arc of a curve to the right of radius 5604.58 feet (chord bearing South 23° 42' 17" West) (chord 2116.37 feet) (delta 2: 45° 59") for 2129.15 feet; thence run South 88° 55' 40" West for 1294.31 feet to the point of beginning.

Bearings hereinabove mentioned are Plane Coordinates for the Florida West Zone derived from the Florida Department of Transportation centerline survey for Six Mile Cypress Parkway.

002096 P01 1/01

CHARLIE GREEN IEC CI / TL  
03 SEP 18 AM 11:56

## SUPPLEMENTAL PARCEL

### EXHIBIT "A"

A tract or parcel of land lying in the Northeast Quarter (NE 1/4) of Section 30, Township 45 South, Range 25 East, Lee County, Florida, which tract or parcel is described as follows:

Beginning at the Southwest corner of the Northeast Quarter (NE 1/4) of said Section 30, run North 01 Degrees 10' 06" West along the West line of said Northeast quarter (NE 1/4) for 621.70 feet; thence run North 88 Degrees 55' 40" East parallel with the South line of said fraction for 1294.31 feet to an intersection with the curved Northwestern line of Six Mile Cypress Parkway as described in O.R. Book 1119, page 835 of the Public Records of Lee County, Florida, thence run Southwesterly along said Northwestern line along the arc of a curve to the right of radius 5694.58 feet (chord bearing South 36 Degrees 25' 35" West chord 359.62 feet (delta 63 Degrees 40' 37") for 359.68 feet to a point of tangency; thence run South 54 Degrees 15' 54" West for 434.29 feet to an intersection with the South line of said Northeast Quarter (NE 1/4); thence run South 88 Degrees 55' 40" West for 799.06 feet to the Point of Beginning.

LESS AND EXCEPT for West 50 feet thereof.

Bearings hereinabove mentioned are Plane Coordinates for the Florida West Zone derived from Florida Department of Transportation centerline survey for Six Mile Cypress Parkway.

Parcel Identification Number: 30-45-25-00-00004.0000

**EXHIBIT B**

**PROJECT WORK SCHEDULE**

Description	Orig Dur	Start	Finish	2012			2013			2014			2015		
<b>Stadium Project</b>															
Vote to Release RFP for A/E and CMAR Services	0	30NOV12*													
A/E Selection and Award	91	30NOV12	28FEB13												
CMAR Selection and Award	91	30NOV12	28FEB13												
Schematic Design (2 months)	81	01MAR13	30APR13												
Design Development (2.5 months)	78	01MAY13	15JUL13												
Construction Documents (5 months)	153	16JUL13	15DEC13												
FQD & PUD Application Preparation	92	30NOV12*	01MAR13												
FQD Permitting (9 months)	273	02MAR13**	29NOV13												
PUD Permitting (11 months)	334	02MAR13	29JAN14												
GMP Permit & Bidding	75	16DEC13	28FEB14												
Overall Construction Duration	300*	07APR14	31JAN15												
Award Precast	10	01MAR14	10MAR14												
Precast Design & Fabrication	90	11MAR14	08JUN14												
Fort Myers Miracles Vacate Facility	5	31MAR14*	04APR14												
Construction Commences	0	07APR14*	31JAN15												
Demolition	45	07APR14*	21MAY14												
Stadium Construction	255	22MAY14	31JAN15												
Minor League Clubhouse Construction	180	05APR14	01OCT14												
Academy Construction	240	05APR14	30NOV14												

**Hammond Sports Complex  
Minnesota Twins STF Improvements  
SCENARIO # 2 (PUD Required)**

- Early bar
- Progress bar
- Critical bar
- Summary bar
- Start milestone point
- Finish milestone point

EXHIBIT C

PROJECT PROGRAM

The Project Program description attached to this Exhibit C is provided for example purposes only with respect to the scope of the Project, and is part of the Populous Report.

As set forth in this Agreement, the Populous Report is incorporated in its entirety by reference herein and serves as the Preliminary Program.



EXHIBIT C

PROJECT PROGRAM

A. BALLPARK IMPROVEMENTS

I. SITE REQUIREMENTS AND IMPROVEMENTS

A. Public parking for 2,975 cars shall be provided consisting of 2,536 existing spaces and 439 new 10' wide spaces. This parking capacity meets planning guidelines for expansion of fixed seating to accommodate 8,900 spectators. The stadium is planned for additional 400 Standing Room Only (SRO) tickets to be sold, but these will only be sold as alternative parking or transportation options are developed to support this capacity. Secured parking for approximately 11 Twins (Team) designated cars shall be provided adjacent to the Minor League Clubhouse and an additional 46 spaces adjacent to the Academy. New parking areas will utilize a combination of asphalt and grass surfaces. Accessible parking will be provided as required per applicable codes and ordinances. Parking for the softball (quad) fields will be approximately 2,285 spaces. Provide new vehicular deceleration lane to south entrance to the site.

B. New pedestrian walkways and sidewalks shall be located to direct pedestrians to and from the Ballpark entrance. These walkways shall provide safe and direct access, to and from the parking areas. The design and location of plantings, fences, parking striping, parking access lanes, and crosswalks shall allow for safe and efficient movement of pedestrians. Landscaping, at a minimum, will be provided as required by local codes and ordinances. The Twins have requested additional Palm trees throughout the site. A new asphalt bike path will also be included.

C. A new entry sequence (Core) will be provided from the parking areas into the stadium. At the existing promenade south of the stadium, plaques and statues will be relocated and incorporated to create a series of experiences leading to the stadium entry and fountain. The Core will be extended into the existing quad fields to create a connection between the existing parking areas and new grass parking area south of the quad fields. The Core will emphasize indigenous landscape material including palm trees, manicured lawns, special paving, benches, banners, and lighting.

D. Included as part of this renovation are team and county branding opportunities on the site. They are as follows:

1. Player Statues. 2 hall of fame statues – 8' high; More provided as fund raising allows
2. Hammond Stadium marquee. New video marquee at Six Mile Cypress Blvd.

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LEE COUNTY SPORTS COMPLEX IMPROVEMENTS

II. SPECTATOR FACILITIES IMPROVEMENTS

A. Exterior Seating

The ballpark currently provides the following seating:

Dugout Box	123
Box Seats	3,214
Reserved Seats	4,354
Drink Rails	52
Lawn Seating	200
Suites	70

1. New Outfield Boardwalk 19,032 s.f.

Provide an elevated concourse to extend around the outfield fence and connect to the existing concourse at 16'+/- above fin floor. Provide group sales locations at enlarged areas along the boardwalk. Provide drink rails and exist stairs where indicated. Material to be determined, but will likely be concrete structure with polymer wood decking and aluminum rails. Provide lighting where boardwalk is above the bull pen area adjacent to third base. Maintain vehicular travel path below boardwalk with 14' min clear. No storage or sprinkler system is anticipated below the boardwalk.

2. New Tiered Seating Areas 6,740 s.f.

Provide tiered areas for spectator seating adjacent to the new boardwalk. Provide steps to access the different levels. Provide railings to match existing construction.

3. Seating Bowl Modification 3,810 seats

Convert section 201-217 from bench seating to stadium seating. New stadium seating color and design to match existing seats. Salvage bench seating

4. New Bowl Seating 809 s.f.

Provide new bowl seating to match existing adjacent construction. Modify the existing field wall where required and provide new railing to match existing rails. Also, provide seating infill at the upper level to match adjacent construction. Provide new 19" chairs.

5. New Drink Rail Locations 1,896 l.f.

6. Relocate Standing Room Area (215 spaces) 1,343 s.f.  
Move from the current location at the cross aisle to the back of the upper bowl and new boardwalk. Provide striping identifying the extent of the standing room area.

7. New Grass Berm 4,597 s.f.  
Provide new sloped grass berm in left field. Grass species to match playing field species. Provide retaining wall around berm as required. Provide independent irrigation system or tie into existing system.

B. Ballpark Suites

1. Suite Improvements 2,635 s.f.  
Renovate and enlarge five existing suites (including Owner's suite) into four standard size and two party size suites. Standard size suites will have 12 exterior seats and 4 drink rail seats, and one party size suite will have 32 exterior seats and 12 drink rail seats and the other will have 24 exterior seats and 10 drink rail seats. Provide new finishes, cabinetry, fixtures, and lighting. Provide new structure and concrete tub for new exterior seating and rails. Replace existing exterior wall with full height impact resistant glazing and door.

C. Public Toilets

1. New Public Toilet Rooms 1,201 s.f.  
Toilet rooms shall be provided for men and women per the increased seating capacity. The ratio of fixtures to spectators shall be based on 50% male and 50% female attendance and will be in compliance with codes and ordinances. Approximately 9,300 total capacity including 400 Standing Room Only tickets will be planned. Fixtures and accessories, including light fixtures and exhaust, shall be vandal-resistant type. The number of fixtures shall be determined using PBA minimum required ratios and applicable codes and ordinances. Individual dual flush urinals shall be provided in men's restrooms. Tempered water shall be provided at lavatories to meet Health Department requirements. Stainless steel framed mirrors, soap dispensers, built-in paper towel dispensers/waste receptacles, hand dryers, diaper changing station and toilet partitions shall be provided in all toilets. Janitor closets with a service sink and storage shelf shall be provided as required. "Green" options for plumbing and lighting fixtures will be investigated and integrated into the design as appropriate. Accessible toilet facilities, including grab bars, etc. shall be provided in all public toilet rooms as required by the State Accessibility Guidelines.

	Women's WC	Men's WC	Urinals	Women's Lav	Men's Lav
2006 IBC	1:40 1:1500 1:60 1500+	1:75 1:1500 1:120 1500+	2/3 of WC	1:150	1:200
Existing	50	14	46		
New +/-	41 +/-	1 +/-	0		

2. New Suite Level Toilet Rooms 506 s.f.  
Men's and women's toilet rooms shall be provided, one on each side of the suite level concourse and conveniently located to the suites and party decks. These toilet rooms shall feature upgraded finishes. A diaper changing station shall be provided in each.

3. New Press Level Toilet Rooms 170 s.f.  
Men's and women's toilet rooms shall be provided adjacent to the Party Deck. Toilet rooms shall feature upgraded finishes. A diaper changing station shall be provided.

4. New Family Toilet(s) 374 s.f.  
Family toilet rooms shall be provided in areas with increased spectators and located convenient to disabled seating areas for use by families with small children and disabled spectators requiring assistance. Each family toilet room is a unisex facility with one water closet, one lavatory, and a changing table. Door shall be lockable from inside.

D. New Group Sales Facilities  
Provide new group sales areas including party decks. Party Deck design will be a combination of loose tables and chairs, and drink rails. Standing room only tickets will be sold for this area. Group sales facilities shall include the following:

1. Suite Level Party Deck(s) 9,945 s.f.  
Two new outdoor, shaded/sun protected areas shall be provided on the suite level with views to the playing field. This area could be used for receptions, parties, and other pregame and multi-purpose functions. Lighting will be provided. Portable concessions will be located adjacent to this area. Provide new structure and concrete floor for seating area. Provide low and high drink rails at front of deck.

2. Press Level Party Deck 1,859 s.f.  
A new outdoor, shaded/sun protected area shall be provided on the press level with views to the playing field. This area could be used for receptions, parties, and other pregame and multi-purpose functions. Lighting will be provided. Portables will be located adjacent to this area. Provide new structure and concrete floor for seating area.

E. New Shade Structures

1. Seating Bowl Shade Canopy Extension

A new +/-16'-0" fabric shade sun shade with steel structure shall be added to the existing seating bowl canopy and at the suite/press building roof. This will be an additive alternate to the base program.

2. Trellis Shade Structures

Provide new wood trellis shade structure over new and existing concourse and specified areas on the new outfield boardwalk.

III. FOOD SERVICE & RETAIL FACILITIES IMPROVEMENTS

A. Concessions

The ratio for concession points of sale to spectator seating is 1:100. There are 24 existing fixed concession points of sale and 4 new fixed concession points of sale for a total of 38 fixed concession points of sale. In addition, 55 portable concession stands will be provided for a total of 93 concession points of sale for the ballpark to meet the required ratio for approximately 9,300 total capacity including 400 Standing Room Only tickets.

1. New Outfield Outdoor Bar / Specialty Concession Areas

11,088 s.f.

Two new open-air bars will be provided on the boardwalk (43 at each bar) in left field and right field. Specialty food items will be offered but not prepared in this area. Seating will consist of drink rails and loose tables and chairs. Bars will have solid roof above with an open steel frame trellis design above a portion of the exterior seating area.

2. New Right Field Group Sales Area

5,724 s.f.

Open air group area on the boardwalk. Provide portable concession carts and loose tables and chairs.

3. Remodel Existing Concession Stands

2,960 s.f.

Remodel existing concession stands located on the concourse. Improvements include new flooring, wall finishes, concession front, lowered counter tops, and ceilings. Repair/replace defective or inoperable devices including outlets, switches, etc. Provide ability to cook in all stands.

4. Expand Existing Concession Stands

278 s.f.

Reconfigure existing concession stands for additional space. Provide new finishes to match remodeled stands. Provide new counters and equipment to match existing concession stands.

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LEE COUNTY SPORTS COMPLEX IMPROVEMENTS

5. New Concession Stand

726 s.f.

Provide new concession stands including finishes, equipment, front counter, and exhaust system.

6. Portable Concession Carts

Provide services for new portable carts. Provide electrical and data connections. Utility services will be provided based on the portable counts given above.

B. Commissary

1. New Commissary Addition

3,497 s.f.

Provide roll up door to accommodate deliveries. Finishes are minimal, sealed concrete, painted walls, no ceiling. Walk-in cooler/freezer shall be provided, sized as required. Within the space, provide two 130 s.f. offices for commissary/food service personnel with windows to view the delivery area. Portable cart washing area shall be provided if necessary.

2. New Commissary Kitchen

494 s.f.

Provide a fully functioning commercial kitchen. Provide durable, washable surfaces appropriate for kitchen applications.

C. Food Pantry

1. New Press Level Pantry

185 s.f.

Space for the storage of food to be served on the press level party deck shall be provided. The space will primarily be used for the storage of hot boxes, not dry or packaged goods. The space is not intended to be used for cooking or preparation of food. Finishes will be minimal with sealed concrete floors, painted walls, and lay in ceiling. Provide appropriate electrical service for hot boxes.

2. New Suite Level Pantry

76 s.f.

Space for the storage of food to be served on the suite level shall be provided. The space will primarily be used for the storage of hot boxes, not dry or packaged goods. The space is not intended to be used for cooking or preparation of food. Finishes will be minimal with sealed concrete floors, painted walls, and lay in ceiling. Provide appropriate electrical service for hot boxes.

D. Novelties

1. New Main Retail Store and Storage 413 s.f. ground flr + 2,011 main con= 2,424 s.f.

A retail store for year round sales of merchandise and novelties, with adjacent area, approximately 460 s.f. for storage and supplies, shall be provided near the main entrance. The store will have two levels with the upper level serving the main concourse and lower level serving the ground level. The store and storage room will be provided with a finished floor, ceiling, HVAC systems, general illumination, and slat wall on all wall surfaces. Shelving, racks, additional millwork, and equipment shall be provided by others.

2. New Satellite Retail Stand 316 s.f. @ LF + 273 s.f. @ RF= 589 s.f.

Satellite service counter type stands shall be provided to supplement the retail store. These stands shall be distributed near entries and high visibility areas. The stands and storage rooms will be provided with a finished floor and ceiling, general illumination, slat wall on all wall surfaces, overhead shutter and service counter. Shelving, racks, additional millwork, and equipment shall be provided by others.

IV. PRESS FACILITIES IMPROVEMENTS

A. Press Dining

1. New Press Dining Room 1,700 s.f.

A press dining room accommodating 50 people shall be provided for lunch/dinner service prior to games for press, team executives/ownership, VIP's, etc. In addition, a 250 s.f. storage room will be provided for dining supplies. The room will be conveniently located along the route to the press box. Men's and women's toilet facilities will be provided in close proximity (120 s.f. each). The room may also be used for community meetings/events and functions when not occupied by the press.

2. New Press Dining Room Kitchen/Pantry 242 s.f.

The press dining room kitchen will be located adjacent to the press dining room. Millwork including base and upper cabinets, sink, refrigerator, combination microwave/stove/oven, and dishwasher shall be provided. An overhead ceiling shutter will be provided over a serving counter. Space will be provided to store food items.

B. Press Box

Provide new finishes at the existing press box area including floor and ceiling treatments. In addition, provide the following new/enlarged spaces:

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LEE COUNTY SPORTS COMPLEX IMPROVEMENTS

1. Press Toilet Rooms 340 s.f.

Existing Men's and Women's toilet rooms shall be enlarged. These toilet rooms shall feature upgraded finishes. A diaper changing station shall be provided in each.

2. New Video Production Room 320 s.f.

Provide office grade finishes, and built in counter space to accommodate multiple computer work stations. Provide diffused lighting.

3. New Storage Room 300 s.f.

Provide minimal finishes.

#### V. CLUBHOUSE FACILITIES IMPROVEMENTS

##### A. Major League Clubhouse

Existing facilities will be completely removed (gutted) and prepared for new spaces to include the following:

1. New Training Room 1,123 s.f.

The Training Room shall contain space for four treatment tables and a storage closet. Provide work counter islands with upper and lower cabinets and sink.

2. New Trainers Office 222 s.f.

Provide an office adjacent to the training room with views to the hydrotherapy room. Provide space for four trainers workstations.

3. New Trainer Storage 332 s.f.

Provide medications vault and four 15" wide adjustable shelves on two walls.

4. New Hydrotherapy Room 501 s.f.

A separate, totally enclosed hydrotherapy room will be provided to accommodate 1 hot and 1 cold recessed plunge pools and one recessed exercise pool. Provide 1 extremity tank. Acrylic flooring will be installed in the hydrotherapy room with floor drains located as required. A new sub grade service pit will be created with ladder access to both levels. Provide a 500 lb. water cooled pellet ice machine, and refrigerator/freezer. Provide approximately 8' of base and upper cabinets with appropriate material to withstand the corrosive environment. Provide a one fixture toilet and shower.



5. **New Weights and Physical Conditioning Room** 2,398 s.f.  
 New space shall accommodate equipment such as isokinetic and exocyclic devices, cable columns, stability platform, ply metric equipment, spine table and exercise balls. Free space shall be allowed for stretching and floor work. Minimum 12' ceiling height shall be provided. Provide natural light, athletic flooring and mirrors shall be installed. An adjacent storage room (size tbd) shall be provided. Provide a ball wall. Provide wireless Internet throughout. Include a sound system and locations for multiple televisions. Provide 8' base cabinets. Provide garage doors on the exterior wall to allow for open air training.
6. **New Weight Room Office** 60 s.f.  
 Provide an office adjacent to the weight room.
7. **New Player Lounge** 1,183 s.f.  
 A new player lounge will be provided with spike proof carpeting, tables, and chairs. Provide painted walls and a lay in ceiling. Provide outlets for multiple TV's.
8. **New Player Kitchen** 225 s.f.  
 The Player Kitchen will be located adjacent to the Player Lounge. Millwork including base and upper cabinets, sink, refrigerator, combination microwave/stove/oven, and dishwasher shall be provided. Provide 8 built in chaffing trays. An overhead colling shutter will be provided over a serving counter.
9. **New Player Kitchen Pantry** 207 s.f.  
 Provide new space for storage of food items. Provide finishes matching the player kitchen.
10. **New Reception Alcove (Area included in circulation)**  
 An alcove area will be provided adjacent to the player facilities to monitor and check in personnel entering the player areas.
11. **New Laundry** 397 s.f.  
 Provide new laundry with minimal finishes and no ceiling. Provide concrete bases roughly 12" above the finished floor to mount equipment. Provide drain channel at rear of concrete bases for washing machines. Provide new gas hookups for dryers and venting system.
12. **New Equipment Storage (Fort Knox)** 750 s.f.  
 This space shall serve as the principal delivery area for clubhouse. A large overhead door will be provided. Provide 10' x 10' cage storage areas for extra baseballs and bats. Provide shelving, storage cabinets and counter space with shutter for distribution of equipment to players.

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LEE COUNTY SPORTS COMPLEX IMPROVEMENTS

13. New Equipment Manager Office 128 s.f.  
 Locate adjacent to equip storage to allow access to uniformed personnel, as well as staff members, vendors, etc.  
 Provide floor safe and built-in counter and lockable cabinets. Provide window to equipment storage area.
14. New Player Locker Room 3,200 s.f.  
 Approximately 70 - 36" x 30" x 7'-0" high lockers will be provided. All lockers shall surround a central open area, without corners. The individual lockers will follow standard Major League Baseball designs except that a power receptacle shall be installed in the back of each locker. Spike-proof carpet shall be provided.
15. New Player Grooming Area 1,169 s.f.  
 Shower room shall have approximately 14 showerheads. All showerheads will be surface mounted in stainless steel housing. Plastic laminate countertops with recessed bowl sinks, mirrors, 7 water closets and 7 urinals will be provided. Shelves for holding grooming products will be provided. Acrylic flooring shall be installed throughout, sloped to drains. A hose bib for the cleanup of wet areas will be provided. In the drying areas outside of the shower room, stainless steel wire shelving for towel storage will be provided. No benches will be provided in the drying areas.
16. New Coach's Locker Room and Grooming 1,052 s.f.  
 The Coaches' Locker Room shall contain 8 lockers at 36" wide x 36" deep x 7'-0" high each. Locate adjacent to Manager's Office. Provide private shower/toilet facilities.
17. New Manager's Office and Grooming 221 s.f.  
 The Manager's Office shall be sized to accommodate a desk and guest chairs for 2 to 3 people. The manager's private toilet room with shower and locker will be located in an enclosed space within the office, but separated from the office area.
18. New Manager and Coach's Conference Room 408 s.f.  
 Locate between the coaches' room and manager's office with doors directly into each space. Space shall be provided to seat 20 people. Counter shall be provided along one wall with space for magnetized and dry erase boards.
19. New Video Coaching Room 232 s.f.  
 Provide millwork for video equipment and space for 10 occupants. Provide special sound insulating treatment and dedicated cooling system. Provide ability for room to be divisible.
20. New Coach's Work Room 277 s.f.  
 Provide typical office finishes.

21.	New Doctor's Office	162 s.f.
	Provide base and upper cabinets, sink, and exam table.	
22.	New Clubhouse Staff Lockers	282 s.f.
	The staff locker room shall contain 10 lockers 18" wide x 24" deep x 7'-0" high. Provide spike proof carpeting.	
23.	New Auxiliary Locker Room	685 s.f.
	Provide spike proof carpet and basic finishes. No lockers are required. Provide 1 fixture toilet room.	
24.	New Auxiliary Locker Room Wet Area	513 s.f.
B.	Existing Visiting Team Clubhouse Improvements	2,470 gross s.f.
	Existing facilities will be remodeled. Improvements include new floor, wall, and ceiling finishes, and new lighting. Provide 45 new 30" x 30" x 7'-0" high wood lockers. Relocate mechanical room.	
C.	New Visiting Team Clubhouse Improvements	
1.	Storage Room	71 s.f.
2.	Manager Locker Room	187 s.f.
3.	Training Room	269 s.f.
4.	Coaches Locker Room	235 s.f.
5.	Manager and Coaches Shower	288 s.f.
D.	New Umpires' Locker Facilities	352 s.f.
	Locker room shall provide with 4 - 3'-6" x 3'-0" x 7'-0" high open faced wood lockers. Spike proof carpeting, painted walls, and lay in ceiling will be provided. An adjacent private shower and toilet room shall be constructed.	
VI.	SERVICE AND OPERATIONS FACILITIES IMPROVEMENTS	
A.	Ballpark - Playing Field Maintenance Office	90 s.f.
	Provide new office space to house weather computer.	

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LEE COUNTY SPORTS COMPLEX IMPROVEMENTS

B. Renovate Existing Dugout Toilets 100 s.f.  
Provide new finishes and fixtures. Provide new sump pump and backflow devices to prevent flooding that currently occurs.

C. Storage Areas

1. Tenant and General Storage 4,221 s.f.  
Unfinished space below the seating bowl will be modified for general and promotional storage. Provide new concrete slab, enclosure walls and HVAC system. Extend fire protection system per Code requirements. Provide new sub roof system.

2. New Concourse Level Storage 543 s.f.  
Provide room with minimal finishes.

D. Building Systems

Existing systems will be evaluated depending on how they affect the proposed work. Systems deemed to be in a poor state of repair or technically obsolete shall be replaced. Existing systems with satisfactory operation will remain unchanged.

1. Telecommunications Systems  
Provide new phone, data, and voice wiring and in-wall devices to conform to current and anticipated technology requirements.

2. Security Systems  
Provide new access control devices on doors as indicated on the plans. Provide a comprehensive security program for all areas of the Project and associated functions. Areas include administration, locker room and all public areas. Security for both event and non-event hours. System to include Security Management Systems; Access Control Systems; Closed-Circuit Television Systems; Alarm Monitoring Systems; and Intrusion Detection Systems.

3. Wi-Fi  
Provide wireless Internet capabilities throughout the ballpark and minor league clubhouse facility. Also include at the Promenade (palm court) for vendors.

4. Broadcast Interfacing.

Provide conduit and path between broadcast booths and broadcast trucks accommodating cabling. Cabling will be included as a project expense. Provide pedestals with electrical power to the broadcast trucks.

5. Sound System

Provide a new sound system to include: speakers, wiring, amplifiers, and control system. Provide capability for new system to integrate with new video board.

6. Video board

Provide new video board approximately 26'-3" wide by 19'-8" high. Provide new structural support and control system for video board. Provide upgraded electrical services as required.

7. Fire Protection and Alarm system

Provide updated fire protection and alarm system to meet current codes.

8. Sub Roof

Provide new metal sub roof throughout the underside of the existing seating bowl. Tie into drain system.

9. Scoreboard

Existing scoreboard will be relocated. Provide new foundations and extend services.

10. IPTV system

Provide internet protocol television system throughout. Raceway and cabling is provided for 75 locations. Headend, monitors and mounts are by the Owner.

11. New Playing Field

Infill existing ballpark playing field with new materials to conform to new layout mirroring Target Field. Extend drainage system and irrigation system. Provide new root zone, turf, warning track, and infield area as required.

12. New Backstop

Provide new replacement backstop and cabling system to match the existing design.

13. New Camera Pits

Provide new camera pits at the end of each dugout for broadcast and still camera photography. Provide broadcast connection.

235 s.f.

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LEE COUNTY SPORTS COMPLEX IMPROVEMENTS

VII. ADMINISTRATIVE FACILITIES IMPROVEMENTS

A. Ballpark Operations/Technology Improvements

1. New Main Communications Room 869 s.f.  
Provide room with minimal finishes and dedicated cooling system.

2. New Communications Closets (3@ 100 +/- s.f. each) 317 s.f.  
Provide throughout main concourse. Provide independent cooling for each closet and minimal finishes.

3. New Field Level Broadcast Room 143 s.f.  
Provide area with secured storage.

B. New Major League Administration Offices (Suite Level) 1,989 s.f. Ten offices @ 120 s.f.  
Meeting/Conference room @ 195 s.f.  
Work Area @ 594 s.f.  
Provide coffee bar with sink and refrig

C. New Minor League (Miracle) Administration Offices (Press Level) 1,905 s.f. Six offices @ 120 s.f.  
Open office @ 1,185 s.f.

D. New Ballpark Ticketing 2,418 s.f.  
Reception area @ 970 s.f.  
One office @ 111 s.f.  
A general office area for six workstations @ 1,346 s.f.  
Storage room @ 182 s.f.  
Ticket Windows 8 @ 348 s.f. (Provide microphone, speaker system, and canopy over windows)  
Circulation  
Toilet @ 80 s.f.  
Vault Room @ 57 s.f.  
Work Room @ 166 s.f.  
Work Stations 2@ 64 s.f.  
Coffee Bar @ 67 s.f.  
Storage @ 53 s.f.

VIII. CIRCULATION IMPROVEMENTS

A. New Main Concourse 12,648 s.f.  
Widen the existing concourse per the plans (min 24' to max of 40'). Areas with more space will be used for portables.  
Provide traffic topping where concourse is over finished areas.

B. New Suite Level Concourses Outdoor 1,673 s.f.  
The existing suite level concourse will receive new finishes to include flooring, wall treatment, ceilings, lighting, and controls.

C. New Press Level Balcony Outdoor 1,350 s.f.  
Provide a new exterior balcony with protective railings at the press level.

D. Vertical Circulation

1. New Elevators/Elevator Equipment Rooms/Stairs 7,256 s.f.  
Provide depending on the final design. Number, capacity and speed of the elevators will be determined based on the final design. 1 New Hydraulic Passenger in the existing shaft, 1 New Passenger in a new shaft, & 1 New Freight (as Alternate) in a new shaft. The existing elevator/stair tower and new passenger elevator/stair towers will be open air. A Limited Use Limited Access Lift (LULA) is planned for the main retail store.

2. New Dugout ADA or Stair Lifts.  
Provide depending on the final design one at both home and visitor dugouts.

E. New Elevator Lobbies 1,409 s.f.  
Provide painted walls, lay in ceiling, and sheet flooring.

F. Graphics  
Provide allowance for improvements to the existing signage. Separate graphics will be provided for the Academy.

G. Advertising Signage  
Increase locations for branding/sponsorship opportunities where available. Provide new steel frame structure with aluminum panel graphics at left field boardwalk.

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LEE COUNTY SPORTS COMPLEX IMPROVEMENTS

**B. SPRING TRAINING REQUIREMENTS**

**I. TRAINING IMPROVEMENTS**

**A. New Major League Practice Field**

The Major League practice field will have the following elements: 12" root zone, 15'-0" crushed brick warning track, the field dimensions will be configured to match Target Field with approximately 100,000 s.f. of turf, an under field drainage system will daylight to a retention area or dry well (if possible), high performance playing turf, 8'-0" outfield fence, 6'-0" fence down foul lines, backstop and 60'-0" wide x 40'-0" high batter's eye. The batter's eye will be constructed of a steel structure with sheet metal facing.

**B. Existing Covered Batting Tunnel**

The drainage system currently back up during extended periods of rain. Cap existing drain lines and provide new drainage to dedicated detention area.

**C. New Agility Field and Warm Up Area**

Provide new agility field and warm up area for the players. Agility field to have natural turf surface with no under drain system. Provide 45' x 180' incline area. Provide 30' x 12' high painted cmu block wall. Provide 75' x 30' 36" deep sand pit and sprint lanes at the warm up area.

**D. New Major League Pitching Mounds**

Provide 6 mounds with catching areas. Provide flat turfed areas between mounds and catching areas. Provide 8' high chain link fence behind catchers. Provide one 1 1/2 inch quick coupler centrally located for dressing the mounds.

**II. PLAYER FACILITIES IMPROVEMENTS**

**A. Minor League Facilities**

Existing facilities will be remodeled. Remove existing construction as required for new work. At remaining spaces provide new finishes, doors, hardware, lighting and switches. At existing locker room provide new wood lockers in addition to the improvements noted above. Total of 180 lockers.

**1. New Hydrotherapy Room**

1,078 s.f.

A separate, totally enclosed hydrotherapy room will be provided to accommodate 1 hot and 1 cold plunge pools and one exercise pool, 4 extremity tanks and a 500 pound water cooled pellet ice machine, (refrigerator/freezer, and a sanitary sink) will also be provided. Acrylic flooring will be installed in the hydrotherapy room with floor drains located

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LEE COUNTY SPORTS COMPLEX IMPROVEMENTS



as required. A new sub grade service pit will be created with ladder access to both levels.

2. New Coaches' Locker Rooms (2 @ 450 sf ea) 900 s.f.

Provide two rooms with approximately 14 - 30" x 30" coach's lockers around open space in center of room. Provide working counter or space for desk. Locate adjacent to Conference Room.

3. New Coach's Conference Room 367 s.f.

Locate adjacent to the coaches' room with doors directly into each space. Space shall be provided to seat 35 people. Counter shall be provided along one wall with space for magnetized and dry erase boards.

4. New Coaches' Grooming Area 473 s.f.

Shower room shall have approximately 8 showerheads. All showerheads will be surface mounted in stainless steel housing. Plastic laminate countertops with recessed bowl sinks, mirrors, water closets and urinals will be provided and shelves for holding grooming products will be provided. Acrylic flooring shall be installed throughout, sloped to drains. A hose bib for the cleanup of wet areas will be provided. In the drying areas outside of the shower room, stainless steel wire shelving for towel storage will be provided. No benches will be provided in the drying areas.

5. New Training Room 1,766 s.f.

The Training Room shall contain space for seven treatment tables and a storage closet. Provide work counter islands with upper and lower cabinets and sink.

6. New Trainers Office 267 s.f.

Provide office adjacent to the training room with views to the hydrotherapy room. Provide space for a desk with wired communications.

7. New Trainer's Locker Room 471 s.f.

Provide 10 wood lockers with lockable storage. Provide spike-proof carpeting. Provide power receptacle in the back of each locker.

8. New Umpires' Locker Facilities 567 s.f.

Locker room shall be provided with 6 - 3'-6" x 3'-0" open faced wood lockers. Spike proof carpeting, painted walls, and lay in ceiling will be provided. An adjacent private shower and toilet room shall be constructed.

- |     |  |          |
|-----|--|----------|
| 9.  | New Strength and Conditioning Offices<br>Provide 2 offices with counters along one wall.   | 253 s.f. |
| 10. | New General Storage<br>Provide minimal finishes and no ceiling. Include wood shelving  | 160 s.f. |
| 11. | New Video Coaching Rooms (2 Rooms)<br>Provide millwork for video equipment and space for 5 occupants. Provide special sound insulating treatment and dedicated cooling system if required. Provide ability for room to be divisible. Provide special lighting and electrical systems to accommodate the use. | 455 s.f. |
| 12. | New Flex Locker Room<br>Provide 4- 30"x 30" lockers. Will serve female trainers and umpires.   | 175 s.f. |
| 13. | New Server Room<br>Provide minimal finishes and dedicated cooling system.  | 339 s.f. |

III. ADMINISTRATION IMPROVEMENTS 2,388 s.f.

Provide the following new spaces:  
 Individual Offices 6 @ 120 s.f. ea= 720 s.f.  
 Large Offices 3 @ 175 s.f.= 525 s.f.  
 Reception @ 465 s.f.  
 Break Room @ 184 s.f.  
 Circulation @ 444 s.f.  
 Renovate existing toilets

Note: Provide acoustical separation between weight room and adjacent spaces.

C. **PLAYER ACADEMY REQUIREMENTS**

I. **HOUSING (WIFI THROUGHOUT)**

A. Guest Rooms (54 @ 360 s.f.) 19,440 s.f.

Guest rooms will be provided each housing 2 occupants. The level of construction and finish will be comparable to a college dormitory with an emphasis on durable materials. Each room will have a private shower and toilet area.

B. Suite Units (4 @ 498 s.f.) 1,992 s.f.

Each Suite unit will house one occupant and have a private shower and toilet area and small food prep area with refrigerator, oven/stove, cabinets and microwave. 3% of the living units to be accessible.

C. Lounge (2 @ 370 s.f.) 740 s.f.

Provide open space with areas for watching TV and playing video games. Provide one lounge at each floor with housing.

D. Housekeeping / Storage (1 per residential floor @ 130 s.f.) 260 s.f.

Provide basic finishes and shelving. Mop sink.

II. **GROUP SPACES (WIFI THROUGHOUT)**

A. Theater 4,350 s.f.

Provide a tiered upholstered lecture seating with tablet arms, theater accommodating 200 people. Provide fixed lecture type seating with swing up work surfaces, acoustic wall treatments, and full audio/visual capabilities. Provide extra wide seats and increased tread depth. Provide individual power at each desk/seat. In addition, provide the following support spaces:

1. Staff Room @ 385 s.f.
2. Audio Visual Room @ 204 s.f.
3. Storage @ 306 s.f.

B. Classroom 1,288 s.f.

Provide movable walls to divide the space. Provide acoustic wall treatments. Provide AV capabilities for presentations.

C. Large Multipurpose 1,701 s.f.

Provide AV capabilities for presentations.

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LEE COUNTY SPORTS COMPLEX IMPROVEMENTS

- D. Small Multipurpose / Game 923 s.f.  
Provide AV capabilities for presentations. Coordinate electrical services for games.
- E. Conference Room 555 s.f.  
Provide AV capabilities for video conferencing.
- F. Laundry Facility 1,200 s.f.  
Provide area for washers and dryers. Provide soak sinks and office (approximately 180 s.f.) for laundry personnel and supervision. Provide lockable linen closet @ 100 s.f. Include 3 commercial washers and dryers.

### III. DINING REQUIREMENTS

- A. Dining Room 3,180 s.f.  
Dining room shall accommodate 200 people. Space shall have an abundance of natural light. Provide painted walls, lay in ceiling, and durable flooring. Also, provide a complete audio/visual system to allow for large meetings and presentations. In particular, provide a retractable screen and projection system along with sound distribution system. Provide salad bar and drink/condiment serving area.
- B. Dining Room Kitchen 1,960 s.f.  
Provide a fully functioning commercial kitchen capable of serving the adjacent dining room. Provide durable, washable surfaces appropriate for kitchen applications. Provide one office approximately 115 s.f. for the management staff.
- C. Dining Room Storage 505 s.f.  
Provide a storage room for housing tables, chairs and other equipment used in the dining room. Provide minimal finishes.

### IV. ADMINISTRATIVE FACILITIES

- A. Four Offices (208 s.f., 292 s.f., 292 s.f., 345 s.f.) 1,138 s.f.
- B. Study Rooms (3 @ 145 s.f.) 435 s.f.
- C. Toilets 425 s.f.  
Provide separate toilet facilities serving the lobby space.

D.	Copy/Supply	258 s.f.
	Provide dedicated electrical service for copier. Provide 8' long base and upper cabinets for storage of office supplies.	
E.	Centralized Facility Mail Room	212 s.f.
	Provide shelving/millwork to accommodate mail functions. Design to be similar to current mail slots which mirror post office boxes.	
F.	Large Storage	546 s.f.
	Provide basic finishes and shelving.	
G.	Small Storage	140 s.f.
	Provide basic finishes and shelving	
H.	Janitor Closet – First Floor	86 s.f.
	Provide basic finishes and shelving	
I.	Reception Area	1,684 s.f.
	Provide check in counter and desk wired for communications. Includes 235 s.f. store for convenience items for players.	
J.	Gazebo	500 s.f.
	Wood framed with concrete floor, provide lighting and ceiling fans. Locate adjacent to the lake.	
V.	ANCILLARY SPACE	
A.	Circulation	5,335 s.f.
B.	MEP	400 s.f.
G.	Vertical Circulation Stairs and Elevators	1,575 s.f.
	1. Passenger / Freight elevator	
	2. 2 exit stairs	

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LEE COUNTY SPORTS COMPLEX IMPROVEMENTS

EXHIBIT D

PROJECT BUDGET

	<u>Lee County</u>	<u>Twins</u>	<u>Total</u>
<b><u>Hammond Improvements</u></b>			
Site requirements & improvements	\$ 5,700,000		\$ 5,700,000
Spectator facilities improvements	6,500,000		6,500,000
Food service and retail facilities improvements	2,800,000		2,800,000
Press facilities improvements	700,000		700,000
Clubhouse facilities improvements	2,800,000		2,800,000
Service and operations facilities improvements	3,800,000		3,800,000
Administrative facilities improvements	1,100,000		1,100,000
Circulation improvements	<u>3,000,000</u>		<u>3,000,000</u>
<b>Subtotal:</b>	<b><u>\$26,400,000</u></b>		<b><u>\$ 26,400,000</u></b>
<b><u>Spring Training Requirements</u></b>			
Training improvements	\$1,100,000		\$1,100,000
Player facilities improvements	<u>2,500,000</u>		<u>2,500,000</u>
<b>Subtotal:</b>	<b><u>\$ 3,600,000</u></b>		<b><u>\$ 3,600,000</u></b>
<b><u>Player Academy Requirements</u></b>			
Player Academy (without Sleeping Rooms)	\$ 3,350,000		\$ 3,350,000
Sleeping Rooms		<u>\$ 3,850,000</u>	<u>3,850,000</u>
<b>Subtotal:</b>	<b><u>\$ 3,350,000</u></b>	<b><u>\$ 3,850,000</u></b>	<b><u>\$ 7,200,000</u></b>
<b><u>Program Budget Contingency</u></b>			
	<u>\$ 1,900,000</u>		<u>\$ 1,900,000</u>
<b><u>Project Soft Costs</u></b>			
Permit and related fees	\$ 7,250,000		\$ 7,250,000
Design consultants			
Testing and inspections			
Furniture, fixtures and equipment			
Other consultants			
Owner contingency			
Insurance			
<b>Subtotal:</b>	<b><u>\$ 7,250,000</u></b>		<b><u>\$ 7,250,000</u></b>
<b><u>TOTAL PROJECT BUDGET:</u></b>	<b><u>\$42,500,000</u></b>	<b><u>\$ 3,850,000</u></b>	<b><u>\$46,350,000</u></b>

**EXHIBIT E**

**BASIS FOR PROJECT FINANCING PLAN**

Project Financing Plan Exhibit  
 Phase I (maximum avail. funding), Phase II (sinking fund through FY13)

Par Amount	39,250,000				
Premium	3,592,897				
<b>Total</b>	<b>42,842,897</b>				
Project Fund (Phase I)		Phase II Funding		Phase I Funding	
Capitalized Interest Through 10/1/2014	2,937,900	FY12-13	36,628,497	FY13-14	5,871,503
Debt Service Reserve Fund (DSRF)	2,590,250	Project Fund	1,957,168	1,957,168	1,957,168
Cost of Issuance	250,000		38,585,665	40,542,892	42,500,000
<b>Underwriter's Discount</b>	<b>196,250</b>				
<b>Total</b>	<b>42,842,897</b>				

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Stadium / Attractions Trust Fund - Sources and Uses of Funds			
Project Financing Plan Exhibit			
Phase I (maximum available funding) Phase II (linking bond through FY15)			
	FY15	FY16	FY17
	9/30/15	9/30/16	9/30/17
<b>Sources of Funds:</b>			
Beginning Fund Balance	2,875,627	2,878,101	2,879,602
TOT Protected Revenues:			
1/5th TDT Revenues (Ord. No. 09-01, 20% Allocation)	26,923,050	27,461,511	28,010,741
Investment Interest (0.70%)	5,384,610	5,492,302	5,602,148
RedSox Lease Receipts	37,500	38,372	39,140
County Match to RedSox Lease Receipts	37,500	62,500	62,500
Twins Capital Contribution Payments Receipts	60,000	60,000	60,000
County Match Twins Capital Contribution Payment	60,000	60,000	60,000
RedSox Rental Receipts	500,000	515,000	515,000
Twins Rental Receipts	500,000	500,000	500,000
JetBlue Receipts	150,000	150,000	150,000
State \$212.20 Sales Tax Rebate Grant Receipts	500,000	500,000	500,000
<b>Subtotal</b>	<b>7,267,230</b>	<b>7,440,674</b>	<b>7,552,288</b>
<b>Sources of Funds - Subtotal</b>	<b>10,142,857</b>	<b>10,318,776</b>	<b>10,430,890</b>
<b>Total Sources of Funds (INCLUDING FUND BALANCE)</b>	<b>17,410,107</b>	<b>17,669,450</b>	<b>17,882,178</b>
<b>Uses of Funds (Senior Lien):</b>			
Senior Lien Debt Service:			
Series 2004 (Twins)	806,081	810,738	-
Series 2010 (RedSox)	3,167,433	3,237,533	4,134,806
Proposed Series 2012 (Twins) - Net of Capd (through 10/31/14)	2,012,500	2,108,900	2,126,600
Senior Lien Debt Service - Subtotal	5,985,964	6,156,571	6,261,406
<b>Total Senior Lien Debt Service</b>	<b>5,985,964</b>	<b>6,156,571</b>	<b>6,261,406</b>
<b>Subordinate Expenses:</b>			
Major Maintenance Expenses (re-structured & deferred to FY19)	-	-	910,000
Major Maintenance Associated with Jet Blue Contribution	150,000	150,000	150,000
Supplemental Internal Loan Repayment (RedSox Contract)	722,857	720,000	717,143
Supplemental Internal Loan Repayment (Twins Land Purchase)	288,935	297,603	306,581
Stadium Insurance	-	-	-
Three Parks Positions	-	-	-
Stadium R & R	115,000	115,000	115,000
<b>Subordinate Expenses - Subtotal</b>	<b>1,276,792</b>	<b>1,282,603</b>	<b>1,288,674</b>
<b>Total Expenditures</b>	<b>7,262,756</b>	<b>7,439,174</b>	<b>7,550,080</b>
<b>Phase II Funding (priority sinking fund)</b>			
Cumulative Phase II Funding (sinking fund)			
<b>Ending Fund Balance</b>	<b>2,878,101</b>	<b>2,879,602</b>	<b>2,880,811</b>
			<b>2,882,582</b>
			<b>2,884,363</b>

Stadium / Attractions Trust Fund - Sources and Uses of Funds:			
Project Financing Plan Exhibit			
Phase I (maximum avail. funding)	Phase II (linking fund through FY15)	FY16	FY17
YOY% Growth	YOY% Growth	YOY% Growth	YOY% Growth
<b>Sources of Funds:</b>			
Beginning Fund Balance	2,882,536	2,885,837	2,887,866
TOT Projected Revenues:	29,775,723	30,319,777	30,926,121
1/5th TDI Revenues (Ord. No. 09-01 20% Allocation)	5,945,045	6,063,945	6,185,224
Investment Interest (0.70%)	41,535	42,366	43,213
RedBox Lease Receipts	62,500	175,000	175,000
County Match to RedBox Lease Receipts	62,500	175,000	175,000
Twins Capital Contribution Payment Receipts	60,000	60,000	60,000
County Match Twins Capital Contribution Payment	60,000	60,000	60,000
RedBox Rental Receipts	515,000	530,450	530,450
Twins Rental Receipts	515,000	515,000	515,000
JetBlue Receipts	500,000	500,000	500,000
State \$7.20 Sales Tax Rebate Grant Receipts	7,761,580	8,121,761	8,249,888
<b>Sources of Funds - Subtotal</b>	<b>10,644,336</b>	<b>11,007,598</b>	<b>11,131,754</b>
<b>Total Sources of Funds (TOTAL(FUND)BALANCE)</b>	<b>11,628,872</b>	<b>11,915,456</b>	<b>12,019,610</b>
<b>Uses of Funds (Senior Lien):</b>			
Senior Lien Debt Service:			
Series 2004 (Twins)	4,346,404	4,432,733	4,585,997
Series 2010 (RedBox)	1,996,875	2,752,000	2,181,975
Proposed Series 2012 (Twins) - Net of Capl (through 10/1/14)	6,343,279	6,684,733	6,767,872
Senior Lien Debt Service - Subtotal	12,686,558	13,869,466	13,535,844
Total Senior Lien Debt Service	12,686,558	13,869,466	13,535,844
<b>Subordinate Expenses:</b>			
Major Maintenance Expenses (re-structured & deferred to FY19)	1,090,000	1,110,000	1,150,000
Major Maintenance Associated with Jet Blue Contribution	-	-	-
Supplemental Internal Loan Repayment (RedBox Contract)	-	-	-
Supplemental Internal Loan Repayment (Twins Land Purchase)	325,000	325,000	325,000
Stadium Insurance	-	-	-
Three Parts Positions	-	-	-
Stadium R & R	-	-	-
Subordinate Expenses - Subtotal	1,415,000	1,435,000	1,475,000
Total Expenditures	14,101,558	15,304,466	15,010,844
Phase II Funding (Priority Linking fund)	7,758,279	8,119,739	8,242,872
Cumulative Phase II Funding (Linking fund)	2,885,837	2,887,866	2,888,882
<b>Ending Fund Balance</b>	<b>2,885,837</b>	<b>2,887,866</b>	<b>2,888,882</b>

Stadium / Attractions Trust Fund - Sources and Uses of Funds			
Project Financing Plan Exhibit			
Phase I (maximum available funding) Phase II (sinking fund through FY15)			
	9/1/07	9/1/08	9/1/09
<b>Sources of Funds:</b>			
Beginning Fund Balance	2,891,769	2,894,232	2,897,699
TOT Projected Revenues:			
1/5th TDT Revenues (Ord. No. 09-01 20% Allocation)	32,819,048	33,144,937	34,827,896
Investment Interest (0.70%)	6,563,810	6,695,086	6,828,987
RedSox Lease Receipts	45,858	46,776	48,665
County Match to RedSox Lease Receipts	175,000	175,000	175,000
Twins Capital Contribution Payment: Receipts	175,000	175,000	175,000
County Match Twins Capital Contribution Payment	60,000	60,000	60,000
RedSox Rental Receipts	60,000	60,000	60,000
Twins Rental Receipts	530,450	546,364	546,364
JetBlue Receipts	530,450	530,450	530,450
State \$212.20 Sales Tax Rebate Grant Receipts	500,000	500,000	500,000
<b>Sources of Funds - Subtotal</b>	<b>8,640,568</b>	<b>8,788,675</b>	<b>9,161,046</b>
<b>Uses of Funds (Senior Lien):</b>			
Senior Lien Debt Service:			
Series 2004 (Twins)			
Series 2010 (RedSox)			
Proposed Series 2012 (Twins) - Net of Cap (through 10/1/14)	4,823,289	4,916,241	4,997,796
Senior Lien Debt Service - Subtotal	2,279,875	2,307,375	2,374,125
Total Senior Lien Debt Service	7,103,164	7,223,616	7,355,758
Subordinate Expenses:	7,109,164	7,228,616	7,355,758
Major Maintenance Expenses (re-structured & deferred to FY15)			
Major Maintenance Associated with Jet Blue Contribution	1,210,000	1,240,000	1,280,000
Supplemental Internal Loan Repayment (RedSox Contract)			
Supplemental Internal Loan Repayment (Twins Land Purchase)			
Stadium Insurance	325,000	325,000	325,000
Three Parks Positions			
Stadium R & R			
Subordinate Expenses - Subtotal	1,535,000	1,565,000	1,605,000
Total Expenditures	8,638,164	8,788,616	9,060,758
Phase II Funding (priority sinking fund)			
Cumulative Phase II Funding (sinking fund)			
Ending Fund Balance	2,894,174	2,894,232	2,897,699

Stadium / Attractions Trust Fund - Sources and Uses of Funds:									
Project Financing Plan Exhibit									
Phase I (maximum avail. funding), Phase II (sinking fund through FY15)									
2015 Goals									
	7/1/11	9/30/11	12/31/11	3/31/12	6/30/12	9/30/12	12/31/12	3/31/13	6/30/13
<b>Sources of Funds:</b>									
Beginning Fund Balance	2,900,500	2,904,390	2,907,735	2,911,948	2,916,734	2,921,800	2,927,100	2,932,600	2,938,200
TOT Projected Revenues:	36,234,880	36,959,578	37,698,770	38,452,745	39,221,800	39,999,360	40,787,400	41,585,900	42,394,800
1/5th TD Revenues (Ord. No. 09-01 20% Allocation)	7,246,976	7,391,916	7,539,754	7,690,549	7,844,360	7,999,872	8,157,480	8,317,180	8,478,960
Investment Interest (0.70%)	50,631	51,644	52,677	53,730	54,805	55,890	56,995	58,120	59,265
RedSox Lease Receipts	175,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
County March to RedSox Lease Receipts	175,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Twins Capital Contribution Payment Receipts	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000
County March Twins Capital Contribution Payment	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000
RedSox Rental Receipts	546,364	562,755	562,755	562,755	562,755	562,755	562,755	562,755	562,755
Twins Rental Receipts	546,364	546,364	546,364	546,364	546,364	546,364	546,364	546,364	546,364
JetBlue Receipts	-	-	-	-	-	-	-	-	-
State \$212.20 Sales Tax Rebate Grant Receipts	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Sources of Funds - Subtotal	9,360,335	9,372,678	9,521,549	9,673,398	9,828,676	9,988,672	10,153,612	10,323,612	10,498,612
<b>Total Sources of Funds (INCLUDING FUND BALANCE)</b>	<b>12,260,665</b>	<b>12,277,068</b>	<b>12,429,284</b>	<b>12,585,346</b>	<b>12,746,408</b>	<b>12,912,472</b>	<b>13,083,612</b>	<b>13,260,180</b>	<b>13,443,072</b>
<b>Uses of Funds (Senior Lien):</b>									
Senior Lien Debt Service:									
Series 2004 (Twins)	-	-	-	-	-	-	-	-	-
Series 2010 (Redsox)	-	-	-	-	-	-	-	-	-
Proposed Series 2012 (Twins) - Net of Capl (through 10/1/14)	5,254,571	5,357,583	5,462,086	5,568,362	5,676,408	5,786,250	5,897,882	6,011,300	6,127,618
Senior Lien Debt Service - Subtotal	5,254,571	5,357,583	5,462,086	5,568,362	5,676,408	5,786,250	5,897,882	6,011,300	6,127,618
Total Senior Lien Debt Service	7,711,446	7,694,333	7,832,336	7,963,612	8,116,333	8,283,612	8,463,612	8,657,612	8,857,612
Subordinate Expenses:									
Major Maintenance Expenses (re-structured & deleted to FY19)	1,320,000	1,350,000	1,360,000	1,360,000	1,360,000	1,360,000	1,360,000	1,360,000	1,400,000
Major Maintenance Associated with Jet Blue Contribution	-	-	-	-	-	-	-	-	-
Supplemental Internal Loan Repayment (RedSox Contract)	-	-	-	-	-	-	-	-	-
Supplemental Internal Loan Repayment (Twins Land Purchase)	-	-	-	-	-	-	-	-	-
Stadium Insurance	325,000	325,000	325,000	325,000	325,000	325,000	325,000	325,000	325,000
Three Parks Positions	-	-	-	-	-	-	-	-	-
Stadium R & R	-	-	-	-	-	-	-	-	-
Subordinate Expenses - Subtotal	1,645,000	1,675,000	1,685,000	1,685,000	1,705,000	1,705,000	1,705,000	1,725,000	1,725,000
Total Expenditures	9,356,446	9,369,333	9,517,336	9,648,612	9,821,408	9,991,612	10,168,612	10,353,612	10,542,612
Phase II Funding (priority sinking fund)	-	-	-	-	-	-	-	-	-
Cumulative Phase II Funding (sinking fund)	-	-	-	-	-	-	-	-	-
<b>Ending Fund Balance</b>	<b>2,904,390</b>	<b>2,907,735</b>	<b>2,911,948</b>	<b>2,916,734</b>	<b>2,921,800</b>	<b>2,927,100</b>	<b>2,932,600</b>	<b>2,938,200</b>	<b>2,943,800</b>

Stadium / Attractions Trust Fund - Sources and Uses of Funds:									
Project Financing Plan Exhibit									
Phase II Funding (including Fund through FY14)									
	2010	2011	2012	2013	2014	2015	2016	2017	2018
	000	000	000	000	000	000	000	000	000
<b>Sources of Funds:</b>									
Beginning Fund Balance	2,924,082	2,924,082	2,927,586	2,927,586	2,927,586	2,927,586	2,927,586	2,927,586	2,927,586
<b>TOT Projected Revenues:</b>									
1/3rd TD Revenues (Ord. No. 09-01 20% Allocation)	40,006,236	40,806,361	41,622,488	42,454,957	43,304,036	44,168,165	45,047,448	45,941,985	46,852,878
Investment Interest (0.70%)	55,901	57,019	58,160	59,323	60,509	61,717	62,947	64,191	65,450
RedSox Lease Receipts	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
County Match to RedSox Lease Receipts	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Twins Capital Contribution Payment Receipts	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000
County Match Twins Capital Contribution Payment	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000
RedSox Rental Receipts	562,754	579,638	579,638	579,638	579,638	579,638	579,638	579,638	579,638
Twins Rental Receipts	562,754	562,754	562,754	562,754	562,754	562,754	562,754	562,754	562,754
JetBlue Receipts									
State \$212.20 Sales Tax Rebate Grant Receipts	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
<b>Source of Funds - Subtotal</b>	<b>10,002,659</b>	<b>10,180,643</b>	<b>10,245,950</b>	<b>10,312,703</b>	<b>10,381,000</b>	<b>10,449,757</b>	<b>10,519,024</b>	<b>10,588,791</b>	<b>10,659,060</b>
<b>Total Sources of Funds (INCLUDING FUND BALANCE)</b>	<b>12,926,741</b>	<b>13,101,286</b>	<b>13,191,930</b>	<b>13,285,406</b>	<b>13,382,000</b>	<b>13,480,514</b>	<b>13,580,808</b>	<b>13,682,077</b>	<b>13,784,318</b>
<b>Uses of Funds (Senior Lien)</b>									
<b>Senior Lien Debt Service:</b>									
Series 2004 (Twins)									
Series 2010 (RedSox)	5,678,277	5,787,679	5,897,484	5,998,122	6,064,247	6,130,922	6,200,000	6,271,522	6,345,500
Proposed Series 2012 (Twins) - Net of Cap (through 10/1/14)	2,565,375	2,614,500	2,546,250	2,624,750	2,686,500	2,750,750	2,817,500	2,886,750	2,958,500
Senior Lien Debt Service - Subtotal	8,243,652	8,402,179	8,443,734	8,622,872	8,750,747	8,881,672	9,017,500	9,158,272	9,304,000
<b>Total Senior Lien Debt Service</b>	<b>8,243,652</b>	<b>8,402,179</b>	<b>8,443,734</b>	<b>8,622,872</b>	<b>8,750,747</b>	<b>8,881,672</b>	<b>9,017,500</b>	<b>9,158,272</b>	<b>9,304,000</b>
<b>Subordinate Expenses:</b>									
Major Maintenance Expenses (re-structured & deferred to FY15)	1,480,000	1,450,000	1,480,000	1,500,000	1,520,000	1,540,000	1,560,000	1,580,000	1,600,000
Major Maintenance Associated with Jet Blue Contribution									
Supplemental Internal Loan Repayment (RedSox Contract)									
Supplemental Internal Loan Repayment (Twins Land Purchase)									
Stadium Insurance	525,000	525,000	525,000	525,000	525,000	525,000	525,000	525,000	525,000
Three Parks Positions									
Stadium R & R									
<b>Subordinate Expenses - Subtotal</b>	<b>1,755,000</b>	<b>1,775,000</b>	<b>1,805,000</b>	<b>1,825,000</b>	<b>1,845,000</b>	<b>1,865,000</b>	<b>1,885,000</b>	<b>1,905,000</b>	<b>1,925,000</b>
<b>Total Expenditures</b>	<b>9,998,652</b>	<b>10,177,179</b>	<b>10,248,734</b>	<b>10,447,872</b>	<b>10,595,747</b>	<b>10,746,672</b>	<b>10,902,500</b>	<b>11,063,272</b>	<b>11,229,000</b>
<b>Phase II Funding (priority sinking fund)</b>									
<b>Cumulative Phase II Funding (sinking fund)</b>	<b>2,924,082</b>	<b>2,927,586</b>	<b>2,928,902</b>	<b>2,933,793</b>	<b>2,938,577</b>	<b>2,943,361</b>	<b>2,948,145</b>	<b>2,952,929</b>	<b>2,957,713</b>
<b>Ending Fund Balance</b>	<b>2,924,082</b>	<b>2,927,586</b>	<b>2,928,902</b>	<b>2,933,793</b>	<b>2,938,577</b>	<b>2,943,361</b>	<b>2,948,145</b>	<b>2,952,929</b>	<b>2,957,713</b>

Stadium / Attractions Trust Fund - Sources and Uses of Funds									
Project Financing Plan Exhibit									
Phase I (Maximum available funding) Phase II (Linking fund through FY15)									
	1/30/14	9/10/12	9/10/12	9/10/12	9/10/12	9/10/12	9/10/12	9/10/12	9/10/12
<b>Sources of Funds:</b>									
Beginning Fund Balance									
TDT Projected Revenues:	2,938,577	2,941,112	2,945,422	2,947,821					
1/5th TDT Revenues (Ord. No. 09-01.20% Allocation)	44,170,117	45,053,519	45,954,590	46,873,681					
Investment Interest (0.70%)	8,834,073	9,010,704	9,190,918	9,374,736					
RedSox Lease Receipts	61,719	61,719	61,719	61,719					
County Match to RedSox Lease Receipts									
Twins Capital Contribution Payment Receipts	60,000	60,000	60,000	60,000					
County Match Twins Capital Contribution Payment	60,000	60,000	60,000	60,000					
RedSox Rental Receipts	579,638								
Twins Rental Receipts	579,637	579,637	579,637	579,637					
JetBlue Receipts									
State \$212.20 Sales Tax Rebate Grant Receipts	500,000	500,000							
<b>Sources of Funds - Subtotal</b>	<b>10,675,018</b>	<b>10,272,060</b>	<b>9,952,274</b>	<b>10,136,093</b>					
<b>Total Sources of Funds (Including Fund Balance)</b>	<b>13,613,595</b>	<b>13,213,172</b>	<b>12,897,596</b>	<b>13,083,914</b>					
<b>Uses of Funds (Senior Lien):</b>									
Senior Lien Debt Service:									
Series 2004 (Twins)									
Series 2010 (RedSox)	6,167,858								
Proposed Series 2012 (Twins) - Net of Capl (through 10/1/14)	2,629,625	8,392,750	8,074,875	8,256,375					
Senior Lien Debt Service - Subtotal	8,797,483	8,392,750	8,074,875	8,256,375					
<b>Total Senior Lien Debt Service</b>	<b>8,797,483</b>	<b>8,392,750</b>	<b>8,074,875</b>	<b>8,256,375</b>					
<b>Subordinate Expenses:</b>									
Major Maintenance Expenses (re-structured & deferred to FY19)	1,550,000	1,550,000	1,550,000	1,550,000					
Major Maintenance Associated with Jet Blue Contribution									
Supplemental Internal Loan Repayment (RedSox Contract)									
Supplemental Internal Loan Repayment (Twins Land Purchase)									
Stadium Insurance									
Three Parks Positions	325,000	325,000	325,000	325,000					
Stadium R & R									
<b>Subordinate Expenses - Subtotal</b>	<b>1,875,000</b>	<b>1,875,000</b>	<b>1,875,000</b>	<b>1,875,000</b>					
<b>Total Expenditures</b>	<b>10,672,483</b>	<b>10,267,750</b>	<b>9,949,875</b>	<b>10,131,375</b>					
Phase II Funding (Priority sinking fund)									
Cumulative Phase II Funding (sinking fund)									
<b>Ending Fund Balance:</b>	<b>2,941,112</b>	<b>2,945,422</b>	<b>2,947,821</b>	<b>2,952,539</b>					

**AMENDED AND RESTATED  
2012 STADIUM LEASE AGREEMENT  
BETWEEN  
LEE COUNTY  
AND  
MINNESOTA TWINS, LLC**

**DATE: NOVEMBER 6, 2012**

**(Original Date: June 18, 2012)**

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## **AMENDED AND RESTATED 2012 STADIUM LEASE AGREEMENT**

**THIS AMENDED AND RESTATED 2012 STADIUM LEASE AGREEMENT** (this "Lease"), is made and entered into on this 6th day of November, 2012 (the "Signature Date") by and between **LEE COUNTY**, a political subdivision and charter county of the State of Florida, (the "County"), and **MINNESOTA TWINS, LLC**, a Delaware limited liability company (f/k/a Minnesota Twins, a Minnesota general partnership) (the "Club") (collectively, the County and the Club are referred to herein as the "Parties" and individually, each a "Party").

### **PREAMBLE RECITALS**

**WHEREAS**, the Club and the County entered into that certain Stadium Lease Agreement dated May 25, 1989 (the "Original Agreement Date"), for the lease of the Leased Premises, including, without limitation, the Lee County Sports Complex, a Major League Baseball Spring Training (defined below) and Minor League baseball facility in Lee County, Florida (the "Original Agreement"), for a period of twenty (20) years commencing with the calendar year 1991, inclusive; and

**WHEREAS**, the Club and the County amended and restated the Original Agreement pursuant to that certain Amended and Restated Stadium Lease Agreement dated August 3, 2004 (the "Amendment Date"), for the purposes of, among other things, (i) reflecting the Parties' then current course of business dealings, and (ii) to establish an ongoing relationship between the Club and the County for an extended lease term that terminates (subject to renewals) upon the completion of the Club's 2020 Spring Training season (the "Amended Agreement"); and

**WHEREAS**, the Amended Agreement provides that the County and Club will meet on a periodic basis to review the design, specifications, quality and other attributes of the Stadium Complex (as defined below) in comparison to all Major League Baseball Spring Training stadiums recently constructed or renovated; and

**WHEREAS**, the County and the Club met to discuss the improvements and/or expansion necessary for the Stadium Complex to be brought to current Major League Baseball Spring Training standards and the County has engaged a consultant for such purpose, which consultant issued its report on June 4, 2012; and

**WHEREAS**, the County and the Club entered into that certain Conditional Lease Agreement dated June 19, 2012 (the "Conditional Agreement") pursuant to which, among other things, the County and the Club conditionally agreed upon an extended lease of the Leased Premises, subject to termination under certain conditions, including, without limitation, the failure to execute and deliver a Spring Training Development Agreement (as defined below) and this Lease on or before February 1, 2013; and

**WHEREAS**, this Lease amends and restates the Conditional Agreement in its entirety and is named "Amended and Restated 2012 Stadium Lease Agreement"; and

**WHEREAS**, the County and the Club shall concurrently execute and deliver the Spring Training Development Agreement with this Lease for implementation of agreed upon improvements and expansion of the Leased Premises based upon the findings and recommendations by the consultant, and as set forth in the Spring Training Development Agreement, which Spring Training Development Agreement must be executed, delivered by, and legally binding upon, each of the Parties hereto for this Lease to be valid, enforceable and legally binding; and

**WHEREAS**, the (i) Original Agreement is in full force and effect as of the Original Agreement Date, and remains effective and enforceable through the Amendment Date, and (ii) the Amended Agreement is in full force and effect as of the Amendment Date, and is and shall be effective and enforceable through the Commencement Date, if such date occurs; and

**WHEREAS**, if the Commencement Date does not occur, the terms of the Amended Agreement shall govern the Parties through the remainder of the "Term" and any "Renewal Terms," as each of those terms are defined in the Amended Agreement; and this Lease will be deemed void, with no further force or effect; and

**WHEREAS**, if the Commencement Date does occur, the terms of this Lease shall govern all of the rights and obligations of the Parties from and after the Commencement Date and the Amended Agreement shall terminate; and

**WHEREAS**, the Club and the County have continuously performed under the terms of the Original Agreement, the Amended Agreement and the Conditional Agreement, respectively, from the Original Agreement Date to the date hereof; and

**WHEREAS**, the Lee County Sports Complex has served, and will continue to serve, the public purpose of promoting tourism, gainful employment and economic growth within Lee County, Florida and the State of Florida; and

**WHEREAS**, the Club and the County desire to amend and restate the Amended Agreement for the purpose of, among other things, establishing the basis for the on-going relationship between the Club and the County for an extended lease term that terminates upon the completion of the calendar year of the Club's Spring Training season thirty (30) years following the Commencement Date, subject to completion of the requirements of the Spring Training Development Agreement and achievement of the Commencement Date; and

**WHEREAS**, the County (i) had the authority to enter into the Original Agreement and the Amended Agreement, and (ii) has the authority to enter into this amendment and restatement to the Amended Agreement, as provided by the Lee County Charter and relevant provisions of Florida law; and

**WHEREAS**, the County anticipates receipt of the award by the State of Florida certain State Development Funds (as defined below) as contemplated by Florida law for the purpose of the design and construction of the County Capital Improvements described in the Spring Training Development Agreement and Section 12(B)(5) of this Lease.

**NOW, THEREFORE**, in consideration of the Preamble Recitals above, each of which is incorporated by reference herein as an essential term hereof, the covenants and promises herein contained, and other good and valuable consideration, the receipt and sufficiency of which are acknowledged by the Parties, **THE PARTIES HERETO AGREE AS FOLLOWS:**

### AGREEMENT

1. **TERM.** Pursuant to the Original Agreement, the Amended Agreement and the Conditional Agreement, the Club has, beginning with the 1991 Major League Baseball Spring Training season, engaged in Major League Baseball Spring Training exclusively at the Lee County Sports Complex at and in the "Leased Premises," as respectively defined in those agreements. This Lease amends and restates the Conditional Agreement in its entirety. This Lease shall become effective on the Signature Date and the "Term" (as defined below) of this Lease shall commence on the Commencement Date. The "Commencement Date" is defined as the date on which the County delivers to the Club the final official certificate of occupancy (or its equivalent under applicable law or regulation) which is issued by the County (or other applicable governmental or regulatory authority) after construction and/or implementation of the entirety of the requirements set forth in the Spring Training Development Agreement (set forth as Exhibit D) entitling the Club to occupy and enjoy the full beneficial use of the full Leased Premises and all appurtenances thereof for its intended purposes. Between the Signature Date and the Commencement Date, this Lease shall be held in escrow in accordance with the terms of the escrow agreement attached hereto as Exhibit C (the "Escrow Agreement"), and the terms of the Amended Agreement shall remain in full force and effect. From and after the Commencement Date, the Club shall enjoy the full beneficial occupancy of the Leased Premises under the terms of this Lease and this Lease shall amend and restate the Amended Agreement and continue without interruption for a period of thirty (30) continuous years from and after the Commencement Date (the "Term") (except as may be provided for otherwise herein). This Lease may be extended at the option of the Club for two (2) separate, but consecutive, periods of ten (10) years each (each, a "Renewal Term" and, collectively, the "Renewal Terms"). In order to exercise (i) the first ten (10) year Renewal Term, the Club must provide written notice to the County of such option exercise at least one (1) year prior to expiration of the Term, and (ii) the second ten (10) year Renewal Term, the Club (A) must have exercised the first ten (10) year Renewal Term, and (B) must provide written notice to the County of such option at least one (1) year prior to the expiration of the first Renewal Term.

- (A) Right of First Refusal - Minor League. The Club shall also have the right of first refusal to use the Leased Premises for all Minor League play (beyond that contemplated hereby) exercisable upon six (6) months prior written notice to the County. Any Minor League use (outside of the permissible uses by the Club hereunder) between April 15 and December 31 of any calendar year shall be covered by a separate agreement made between the Parties, which agreement shall include substantially the same basic terms and conditions as set forth herein. The Parties shall endeavor in good faith using commercially reasonable efforts to maintain a recognized Minor League franchise for the Leased Premises. In the

event that (i) the Club does not at any time during the Term or any Renewal Term maintain a recognized Minor League franchise for the Leased Premises, and (ii) the County intends to enter into an agreement with any third party for the use of all or any portion of the Leased Premises for such a Minor League franchise, the County shall notify the Club in a writing which specifies in reasonable detail the terms and conditions upon which the County intends to provide the Leased Premises to such third party no later than eighteen (18) months prior to the intended effective date of such agreement, then the Club shall have six (6) months from the date of such notice from the County to elect to bring a Minor League franchise affiliated with the Club to the Leased Premises. No later than the expiration of such six (6) month period, the Club shall notify the County in writing of either (i) its consent to the use of the Leased Premises by such third party, or (ii) its exercise of the right of first refusal pursuant to this Section 1(A) of this Lease. Notwithstanding anything to the contrary contained in this Lease, in no event may the County permit the use of the Leased Premises by a third party Minor League franchise under this Section 1(A) either (a) in any manner that interferes with the exclusive rights granted to the Club under this Lease, or (b) on any term or condition more favorable to such third party than is provided to the Club under this Lease, unless such term or condition is provided by the County to the Club.

(B) Minor League Transactions. Notwithstanding any contrary terms or conditions set forth in this Lease, the County shall not enter into any transaction or agreement, and shall not participate directly or indirectly in any transaction or agreement, or explicitly or implicitly consent with respect to any transaction or agreement, which contemplates as a party or as a direct or indirect beneficiary any Minor League team that is during the Term or any Renewal Term either: (a) a Minor League contractual affiliate of the Club, or (b) a Minor League team with exclusive Minor League territorial rights within Lee County, which includes the Lee County Sports Complex (or any successor name that generally describes the Leased Premises), to play Minor League baseball in any capacity to the exclusion of any other Minor League baseball team that is an affiliate of the Club (or its successor in interest to the Leased Premises), unless either:

- (i) the Club has a replacement Minor League team that is authorized under applicable league rules to play within the Minor League territory that includes Lee County Sports Complex for the Term and any Renewal Term when and after the transaction, agreement or consent is proposed to be entered into or given, respectively, or
- (ii) the Minor League team with whom the County is to contract, or on or for whose behalf a contract will be entered into which allows the Minor League team to play in any Lee County facility, waives (and obtains any consent or waiver required of or by any league or other authority required) any right of exclusivity within the Minor League territory that includes the

Lee County Sports Complex for the remainder of the Term and any Renewal Term.

The provisions above will be interpreted to mean that under no circumstances will a Minor League team with whom the County is, or anticipates to be contracted, be required to provide a waiver of territory for any Person, including, without limitation, any Major League Club, other than the Club.

- (C) More Favorable Provisions. The County agrees that if, at any time during the Term or any Renewal Term, it grants to a third party any terms or conditions more favorable to such third party than the terms or conditions provided to the Club under this Lease for any stadium or complex for major league Spring Training, Major League Baseball operations or Minor League activities ("More Favorable Provisions"), the County shall promptly offer the Club any such More Favorable Provisions as was, is, or will be available to such third party. For purposes of this section and the definition of "More Favorable Provisions," More Favorable Provisions shall pertain only to the comparison of the amount of total consideration paid to the County by the Club compared to the total consideration paid by such third party taking into account the comparability of the respective Spring Training facilities used by the Club and such third party.

2. LEASED PREMISES. In consideration of and pursuant to the covenants, agreements, and conditions set forth herein, the County does hereby (i) lease, let, demise, and rent unto the Club, and the Club does hereby rent and lease from the County, the following (the "Leased Premises" or the "Premises"), and (ii) grant the further rights set forth below:

- (A) Major League Stadium and Minor League Complex. The Major League stadium and the Minor League complex located at the Lee County Sports Complex, respectively 14100 and 14110 Six Mile Cypress Parkway, Ft. Myers, Florida, together with adjacent and dedicated land and all other improvements from time to time located on, adjacent to or used or utilized in connection with the Premises and all appurtenances relating to any of the same, including, without limitation, the land, improvements and appurtenances described and/or set forth in Section 4 and in the Spring Training Development Agreement (respectively, the "Major League Stadium" and the "Minor League Complex" and collectively, the "Stadium Complex"), that are more particularly described and set forth in Exhibit A and Exhibit D attached hereto;
- (B) Exclusive Use During Spring Training by the Club. The right to utilize on an exclusive basis for the purpose of conducting Spring Training and all Major League Baseball activities and operations, all improvements and appurtenances located on the Premises for the period of time each year as described above;
- (C) Exclusive Baseball Activities. Throughout the Term and any Renewal Term, the right to use the Leased Premises for its events and activities, player training and



rehabilitation programs, player development activities or operations, and player and Club personnel dormitory (sleeping) activities, including, without limitation, any instructional league and organizational meetings, events and activities, and all other similar events related to the operations of Club or its affiliates professional baseball activities, (the "Club's Exclusive Baseball Activities");

- (D) Exclusive Use Areas Outside of Spring Training by the Club. The exclusive right to use, on a year-round basis throughout the Term and any Renewal Term, the offices (including, without limitation, the ticket manager's office), clubhouse area, playing fields (excluding the rights to the playing fields as set forth in Section 19, including the non-exclusive use by the County, the Minor League affiliate of the Club and fantasy camps as described in such Section 19), the player development academy and dormitory (sleeping) facilities (to be managed, operated and maintained (excluding capital improvements) by the Club) and other locations (the "Club's Exclusive Use Areas") as depicted and/or described on Exhibit B (Club Exclusive Use Areas) and Exhibit D (Spring Training Development Agreement), each as attached hereto and including, without limitation, any other areas on the Leased Premises that may be constructed or renovated following the date hereof which may be designated by the Club as included in the Club's Exclusive Use Areas, provided, however, with respect to additional Club Exclusive Use Areas that are not set forth in Exhibits B or D, and do not exist as of the Commencement Date, shall be subject to the prior written approval of the County, which approval shall not be unreasonably withheld or delayed. The dormitory (sleeping) facilities, such facilities shall be (a) used only in accordance with applicable law and regulations, including, without limitation, all local, state and federal zoning and permitting standards, and (b) shall not be rental rooms that are used to accommodate the general public, but rather shall be rooms for use solely by the Club personnel, partners and representatives;
- (E) Non-Baseball Events. Throughout the Term, and during the period of Spring Training, the right to use the Leased Premises for the purpose of sponsoring or conducting non-baseball activities, subject to the issuance of any required County permits generally applicable for such activities in or around the Major League Stadium, such as, by way of example only and without limitation, sponsoring or conducting musical concerts, theatrical performances, or any other event intended for general entertainment purposes (each a "Club Non-Baseball Event"). With respect to Club Non-Baseball Events (i) Club should notify County of the intent to use complex for a non-baseball event, (ii) such non-baseball event in no way can be detrimental to the playing surface, (iii) should the playing surface be damaged during such non-baseball event the Club will be responsible for any repairs, and (iv) the County shall require all third party users of the playing fields for any non-baseball event to be liable for any damage to the playing fields and to be responsible for such repairs;
- (F) Professional Baseball Use. During the Term and any Renewal Term, and for so long as same has not been terminated by reason of a Club Default (as defined

below), the Club may conduct professional baseball activities by itself and in conjunction with organizations other than the Club including, without limitation, activities for Spring Training and Minor League operations. The Club shall not be required to share the Leased Premises, for any reason, with any third party unless specifically provided in this Lease or in a separate written amendment to this Lease; and

- (G) Quiet Enjoyment. Uninterrupted access to and egress from the Leased Premises and any other improvements from time to time located on or about the Leased Premises including, without limitation, access to and egress from all areas owned, licensed or otherwise controlled by the County that are reasonably necessary for the Club to exercise its rights and perform its obligations under this Lease, subject only to the right of the County during times declared by the State of Florida and/or the County to be a public emergency, to restrict access, egress and/or use of all or portions of the Leased Premises to serve as temporary staging areas or for such other purposes as the County declares necessary and expedient to protect the public's safety, health and welfare.

3. TICKET SALES. The Club shall set the Spring Training ticket prices, shall operate and manage all ticketing operations, including, without limitation, ticket sales ("Ticket Sales") for Spring Training games and Club Non-Baseball Events, and shall be entitled to receive the "Gross Revenues From Ticket Sales" (as defined below) collected by the Club on an annual basis during the Term or any Renewal Term. All Gross Revenues From Ticket Sales shall be the sole and exclusive property of the Club, unless otherwise specified herein.

- (A) Ticket Sales from Gross Revenues. For purposes of this Lease, "Gross Revenues From Ticket Sales" shall mean the total gross revenues from Ticket Sales less any taxes or charges imposed by any governmental, regulatory or taxing authority generally, included in the gross price of the ticket paid by the purchaser and required to be remitted by the Club to the governmental, regulatory or taxing authority and the portion of such receipts from Spring Training game Ticket Sales payable to the visiting Major League Club.
- (B) County Allocation. In consideration of the benefits provided herein, the Club shall provide the County, at no charge, (i) with an aggregate of forty (40) admission tickets for reserved ticket seating (or such other lower number for any game as are actually requested by the County) for each Spring Training game, and (ii) the use of a suite to accommodate up to forty (40) persons (including, without limitation, reserved seating tickets and complementary parking passes for suite attendees) at the Stadium Complex ("County Suite") for each Major League Baseball Spring Training game, in each case of (i) and (ii) above, to help the County promote tourism, economic development and community goodwill. The Parties agree that, to the extent the County does not use all the tickets in the County Suite for any Spring Training game, such unused tickets may be used by the Club. The County agrees to be responsible for the payment of all Concession

items, including, without limitation, food and beverage items served in the County Suite for guests of the County. The Club shall provide a thirty-five percent (35%) discount for all County Suite food and beverage purchases. Such discount shall be applied against the standard food and beverage price sheets applicable to all suite users.

4. **PARKING.** The Club shall be responsible for collecting all parking fees and related revenues derived from Spring Training activities and all other professional baseball or related events, and shall retain all revenues derived therefrom. The County shall retain the exclusive use of the parking area(s), without charge, before and after Spring Training for County baseball and non-baseball events.
  - (A) **Parking Spaces and Accommodations.** The County agrees to provide, or cause to be provided, parking spaces that are sufficient to meet the parking requirements of the Major League Stadium seating capacity, and such parking spaces shall be located within the Sports Complex. The parking plan reflecting the foregoing shall be set forth in the Spring Training Development Agreement. No change shall be made to the parking plan during the Term and any Renewal Term without the mutual consent of the Parties, which consent shall not be unreasonably withheld, delayed or conditioned. Any such change shall be proposed not later than ninety (90) days prior to the start of Spring Training. The Parties will cooperate to determine an appropriate shuttle service and appropriate allocation of cost.
  - (B) **Club Retained Revenue.** The fees to be charged for all parking derived from Spring Training activities shall be determined by the Club in its sole discretion.
  - (C) **Parking Management.** During the Spring Training period, all parking areas under this Lease shall be managed and operated exclusively by the Club or its designee(s) throughout the Term and any Renewal Term.
  
5. **CONCESSIONS.** The Club or its designee shall control the sale of all food, beverages, merchandise, novelties, and logo items mentioned below and the like (commonly called "Concessions") on the Premises. The Club shall be free to contract with a third party to operate such Concessions on terms and conditions approved by the Club in its sole discretion so long as the Club causes such third party to conduct such Concessions operations in accordance with applicable County ordinances and regulations.
  - (A) **Consultation and Club Concession Revenues.** The Club agrees to consult periodically with the County concerning Concession prices. The Gross Revenues From Concessions shall be the sole and exclusive property of the Club. "Gross Revenues From Concessions" shall mean total Concessions revenues from all operations on the Leased Premises, including, without limitation, but not limited to Spring Training operations, less all taxes and charges imposed by any governmental, regulatory, or taxing authority and subject to Sections 5(D) and 5(E) below.

- (B) Certain Concessions. The Club, or its designee, may, during the Term and any Renewal Term, publish and sell or dispense scorecards, yearbooks, game programs and novelty items carrying the logo or marks of Major League Baseball, the Club or of any other Major League Club on the Premises, all of which shall be deemed to fall within the definition of "Concessions," and the revenues derived from the sale of such publications, logo items, scorecards, yearbooks and game programs, shall be included in the calculation of Gross Revenues From Concessions.
- (C) Costs and Expenses of Concession Operations. The Club, or its designee, shall be responsible for paying all costs and expenses of Concessions operations. As the concessionaire, the Club or its designee shall operate the Concessions in a manner consistent with industry standards, including, without limitation, providing a sufficient number of properly trained Concession personnel to provide the Concessions to those attending all events held at the Leased Premises. In addition, the Club agrees to provide (or cause to be provided) a reasonable selection of quality items for purchase by those attending Spring Training events at the Leased Premises.
- (D) Concessions for Non-Club Events. The County shall notify the Club of any non-Club events for which it desires that the Club provide Concessions operations no less than fifteen (15) business days prior to the date of such event. The Club may provide such operations for any event requested by the County, but shall not be obligated to provide such operations. If the Club provides such operations for any event requested by the County, the Club shall be compensated as if the Club were a third party concessionaire, consistent with its other concession activities as set forth herein. Should the Club elect not to provide such Concessions operations, the County shall be free to contract with a third party to provide such Concessions operations, subject to the final approval of the Club, which approval shall not be unreasonably withheld or delayed (but which may include reasonable terms and conditions for the use of any equipment owned by the Club or its designee). Subject to Section 5(E) below, the County shall be entitled to retain the following amounts in respect of Concessions operations for any non-Club events: (1) all revenues from Concessions operated by an approved third party pursuant to this Section 5(D) (subject to any reasonable terms and conditions, including, without limitation, financial responsibility of the County for any damages incurred, of the Club approval), and (2) the net revenue available to the Club after deduction of any and all costs and expenses associated with such Concessions operations for the applicable event, including, without limitation, any commissions or allowances paid to a third party concessionaire. Subject to the limitations of Florida Statute 768.28, the County shall indemnify the Club for any damage or other costs incurred by the Club in connection with the County's operation of the Concessions.
- (E) County Sale/License of Novelty Items. Notwithstanding the foregoing, the County reserves the right to sell or allow third parties to sell novelty items only at

County sponsored or authorized events at the Leased Premises or at events other than Spring Training or non-professional baseball uses held on the Leased Premises. The County or third parties may not sell novelty items that carry the Club logo or marks or the logo or marks of any other Major League Club or any Minor League club. The County or its designee shall retain all revenues from the sale of novelties in accordance with this Section 5(E).

- (F) Concession Equipment. The Club or its designee shall purchase and maintain all equipment reasonably necessary for the operation and sale of Concessions for Spring Training events held at the Leased Premises during the Term and any Renewal Term. Concession equipment and all other equipment acquired by the Club (or its designee) shall be the property of the Club (or its designee) both during and after the Term and any Renewal Term. The County acknowledges and agrees that all Concessions equipment on the Leased Premises as of the date hereof belongs to the Club or its designee.
- (G) Health and Quality Standards. The Club or its designee shall maintain standards of cleanliness and product quality consistent with high quality industry standards at a Major League Baseball Spring Training facility. The Club shall consult annually with the County as to these issues and as to pricing issues and shall give due consideration to the views of the County regarding these issues.

6. MESSAGE CENTER/BILLBOARD ADVERTISING/SPONSORSHIP/NAMING RIGHTS.

- (A) Club Sales of Rights and Licenses. Except for approved events held by the County, the Club shall be entitled to sell rights with respect to the Leased Premises, subject to applicable laws, regulations and County review as to the propriety of the naming as set out in Section 7 below. The activities set forth herein with respect to which the Club is authorized are not limited to those enumerated herein. All revenues received by the Club from or in connection with this Lease shall be the property of the Club or its designee, including, without limitation, all advertising, promotions or sponsorships, including, without limitation, scoreboard/message center advertising, billboard signage (i.e., outfield fence, concourses and other advertising signage) and advertising rights and the rights with regard to the naming of the Spring Training facility or any part thereof as set forth in Section 7. Naming rights shall not be subject to termination by the County until the expiration of this Lease and any extensions thereof.
- (B) Limitation on Hotel Advertising and Promotion. The Club agrees that it will not permit billboard signage in the Major League Stadium to advertise or promote any specific hotel, inn or any other facilities offering overnight accommodations to transient guests (collectively, "Hotels") which are not located within Lec County or in the State of Minnesota. The foregoing, however, shall not prohibit the Club from selling billboard signage to promote any national business entity which operates or owns a "chain" of Hotels throughout several states.

- (C) County Events Advertising. Subject to compliance with any applicable MLB Rules and Regulations, the County shall have the right to sell message center advertising during County events as permitted herein. All gross revenues derived from the sale of message center advertising in accordance with this Section 6(C) shall be the sole and exclusive property of the County, and the County shall be responsible for all third party expenses incurred in connection with such advertising. In no event may the County sell any message center advertising to an entity if the sale of such advertising would cause the Club to breach any exclusivity granted to a naming rights or presenting sponsor pursuant to Section 7 below, unless the Club has expressly approved in advance such advertising in writing. The County may display alternate product signage during events that occur outside of Spring Training season to promote economic development and tourism.
- (D) Cooperation for Permits and Licensing. The County shall use all reasonable, lawful and permissible efforts to assist the Club in obtaining any and all permits or licenses required under the laws or regulations of any governmental authority and necessary for the scoreboard message center and billboard or fixed signage advertising. The County shall also not act unreasonably to withhold or delay its approval of any such permits or licenses required under its laws or regulations.

## 7. NAMING RIGHTS.

- (A) Grant and Limitation. The County agrees that it is granting to the Club exclusive naming (and presenting sponsorship) rights to all or any portion of (i) the Stadium Complex and (ii) any building located on the Leased Premises; provided, however, the foregoing grant shall not include naming rights to William H. Hammond Stadium, and the Major League Stadium shall continue to be named "William H. Hammond Stadium" throughout the Term and any Renewal Term. Subject to the foregoing sole exception, the Club shall have the right to sell all other naming rights with respect to the Leased Premises, and all revenues therefrom shall be the property of the Club. The Club shall be under no obligation to exercise its right to sell naming rights. The County shall cooperate with the Club and the naming rights holder(s), if any, in all matters arising in connection with the implementation of the naming right holder's benefits under any such naming rights agreement(s), including, without limitation, removal of and addition to external and internal Stadium Complex and other Leased Premises signage.
- (B) Naming Rights Guidelines. With respect to the Club's naming rights described herein for all or any portion of the Stadium Complex and the buildings located on the Leased Premises, provided that (i) the duration of any contract for naming rights of a third party shall expire no later than the expiration of the Term (whether upon expiration of this Lease or by earlier exercise of any termination rights in this Lease), (ii) the Club shall not permit any name to be given to any portion of the Stadium Complex and the buildings located on the Leased Premises

that would be in violation of any law or regulation, (iii) the Club shall not permit any name of any entity that is in an industry that is part of any advertising which (a) is contrary to law or promotes any unlawful activity or purpose, (b) does not meet national network television broadcast standards, or (c) may be offensive to the public, and (iv) the name of the complex constituting the Leased Premises and the name of the main playing field at William H. Hammond Stadium shall be approved by the County, which approval shall not be unreasonably withheld, delayed or conditioned. In approving or disapproving a name, the County may consider the proprietary of the name or product it represents for a public facility. The Club agrees that no geographic term may appear in the name except "Florida," "Lee County," "Fl. Myers," "Minnesota," or "Minneapolis," or such other geographic designation as is part of the name of the entity that purchases the naming rights (for example, Bank of America, US Airways and Air France).

(C) County Use of Names. The County shall exclusively use the name(s) given to all or any parts of the Stadium Complex and the buildings located on the Leased Premises in accordance with the terms of this Section 7 in all correspondence, communications, advertising and promotion it may undertake with respect to the Leased Premises, including, without limitation, in connection with the promotion of County events, subsequent to receipt of written notice from the Club of the determination of such name. In the event that such name(s) or any name given to all or any part of the Leased Premises is changed, the Club shall reimburse the County for any and all costs incurred by it in connection with such name change, including, without limitation, the cost of replacing letterhead, envelopes, mailing labels, business cards, advertising and promotional materials, websites, and telephone listings and advertising.

(D) Intellectual Property Rights.

(1) Intellectual Property Rights of the County. The Club acknowledges and agrees that the name "William H. Hammond Stadium" and all derivatives thereof are and will remain the exclusive property of the County. The County hereby grants to the Club an exclusive (except as to the County with respect to its use in accordance with the provisions of this Lease), royalty free license to use throughout the Term and all Renewal Terms the name and image of the Premises, including William H. Hammond Stadium and all derivatives thereof, including any and all Composite Marks in connection with the marketing, promotion and advertising of the Club's business and operations. The foregoing right includes the right to sublicense such names, images and Composite Marks by the Club in its discretion. Each Composite Mark shall be the sole and exclusive property of the Club, subject to the County's ownership rights in such marks. The Club shall have the right to register, with the assistance of (but not at the expense of) the County, any Composite Marks containing the name and image of the Premises, including William H. Hammond Stadium, and all derivatives thereof. Nothing herein is intended to transfer any ownership

rights or title in the County's intellectual property to the Club. The Club will not at any time do or cause to be done any act or thing contesting or impairing in any way the County intellectual property rights or title, or other proprietary interests. Any and all good will attendant to or arising from the Club's use of the name "William H. Hammond Stadium", derivatives thereof, and any other intellectual property owned by the County shall inure to the exclusive benefit of the County.

- (2) Intellectual Property Rights of the Club. The Club trademarks, logos, design, product identification, decals and artwork and all other similar intellectual property ("Club Intellectual Property") will be and remain the property of Club. Any and all rights under trademarks or copyrights, and similar and/or derivative intellectual property rights that are or become Club Intellectual Property will inure to the benefit of the Club. The County shall not have the right to use Club Intellectual Property except as specifically set forth in this Lease, and any such grant to the County is non-assignable and non-transferrable and will be utilized by the County only for the purposes of and for the specified Term and any Renewal Terms of this Lease. All uses of Club Intellectual Property by the County shall be subject to the written approval of the Club, prior to production, distribution and/or other use. The use authorized herein is limited to the Club Home Television Territory and the Spring Training Territory. Nothing herein is intended to transfer any ownership rights or title in the Club Intellectual Property to the County. The County will not at any time do or cause to be done any act or thing contesting or impairing in any way the Club Intellectual Property rights or title, or other proprietary interests.

- (E) County Option to Release Hammond Naming Rights. The County shall have the option and right to convey naming rights and interests to the Club for the Major League Stadium to replace "William H. Hammond Stadium." The Club may at its discretion accept such rights pursuant to a written notice of acceptance. If the Club accepts such rights from the County, it shall be under no obligation to promote, market or license such rights to a third party; however, if the Club does license such Major League Stadium naming rights to a third party to replace "William H. Hammond Stadium," the Club agrees that it will make reasonable commercial efforts to cause the naming rights sponsor(s) to make a donation to the County on a yearly basis for the term of any naming rights agreement(s). The amount paid, if any, by a naming rights sponsor(s) shall be used exclusively for the Capital Improvements Fund and deposited by the County to the account established for the Capital Improvements Fund described in Section 12(B), and as set forth in Exhibit F. The contribution will not reduce the County's obligation as set forth in Exhibit F, and such funds shall be in addition to the amounts paid by the Parties in accordance with Exhibit F.



8. **LEASE PAYMENTS.** As consideration for this Lease and as rent due to the County for the lease of the Leased Premises to the Club, the Club agrees to pay to the County a guaranteed base annual lease payment for each year during the Term and any Renewal Term the amount of Five Hundred Thousand Dollars (\$500,000.00) (the "Base Annual Rent"). The Base Annual Rent shall be increased every five (5) years by adding a three percent (3%) increase during the Term and any Renewal Term, as set forth on Exhibit E. Such payments shall be made to the County no later than June 1 of each year during the Term and any year during any Renewal Term. The Club shall be responsible for payment of the State of Florida sales tax in accordance with Florida Statute §212.031, as such statute may be amended, revised or renumbered from time to time.
9. **FANTASY CAMPS.**
- (A) **Use of Leased Premises.** In the event the Club or its designee or assignee shall hold or conduct any fantasy camp at the facility at any time during the Term or any Renewal Term, the Club shall pay no additional costs to the County for the use of the Leased Premises for such fantasy camp. All revenues derived from such Club fantasy camps shall be the property of the Club.
- (B) **County Authorized Use and Camps.** The Parties agree that the Club and its designees and assigns shall be entitled to use the Leased Premises for up to three (3) weeks a year for the fantasy camps pursuant to this Section 9. The County reserves the right to also conduct fantasy camps in the Major League Stadium when not occupied by the Club with reasonable prior notice given to the Club, which notice shall not be less than thirty (30) days. The County will not promote (nor permit others to promote) such fantasy camps as being affiliated with or sanctioned by Major League Baseball or any Major League Club, nor shall the County conduct such fantasy camps at any time during which it would interfere with the Club's rights to use the Leased Premises in accordance with this Lease. The Club shall have the right to veto any fantasy camp conducted by the County as contemplated herein if such fantasy camp utilizes Minnesota Twins present or former players. All revenues derived from the County's fantasy camps will be the exclusive property of the County.
10. **BROADCASTING.** The County shall equip the Major League Stadium for broadcast, cablecast and/or televising of any games played by the Club and shall maintain the equipment necessary therefor. The Club shall retain any and all broadcasting and television (cable and over-the-air) rights for any games played by the Club or its Minor League teams at the Stadium Complex. The Club and its affiliates and agents shall not be charged any "hook-up" fees or similar charge for Major League Baseball and/or Minor League baseball events. Subject to the MLB Rules and Regulations, the County shall have the right to charge reasonable hook-up fees and other similar charges to visiting teams for Major League Baseball and/or Minor League baseball events.

11. **GAMES PLAYED.** The Club will play each and every one of its regularly scheduled Spring Training home games exclusively at the Major League Stadium. Such exclusivity shall not include any exhibition games scheduled to be played by the Club during or following the conclusion of the Florida-based Spring Training schedule, and prior to the immediate ensuing Major League Baseball regular season, or any home game approved by the BOC to be played at a location other than the Major League Stadium. The Club shall endeavor in good faith to request that MLB schedule no less than two (2) night games during Spring Training each year during the Term and any Renewal Term.

12. **OPERATING MAINTENANCE AND CAPITAL IMPROVEMENTS.**

(A) **Operating Maintenance.**

- (1) **County Maintenance.** Throughout the Term and any Renewal Term, and except as otherwise expressly provided herein, the County shall, at its sole expense, provide all cleaning, repair and operational maintenance services for the Leased Premises in conformity with high quality industry standards, including, without limitation, the playing and practice fields located thereon at no expense to the Club. For purposes of this Lease, cleaning, repair and operational maintenance services shall mean those ordinary cleaning, maintenance and repair services necessary to keep the Premises in first-class good and working condition and are ordinary and recurring expenses for current repair and maintenance that do not improve an asset or add to its useful life, including, without limitation, painting, waterproofing and any expenditures that would otherwise be treated as capital in accordance with generally acceptable accounting principles but become necessary (a) as a result of the County's failure to conduct appropriate operational maintenance services pursuant to this **Section 12(A)**, or (b) to maintain the Leased Premises in good working order.
- (2) **Maintenance Standards.** The Leased Premises shall be maintained by the County pursuant to the terms of this Lease and in accordance with the highest level of practiced professional baseball standards. The maintenance of the athletic fields located at the Leased Premises shall include, without limitation, recycling, sustainability, fertilization, weed and vegetation control, and pest control and shall be done after normal game and Club practice hours to ensure minimum interruption with Club activities.
- (3) **Club Maintenance Responsibility.** The Club shall be responsible for providing janitorial services for the Club's Exclusive Use Areas. The County shall be responsible for payment of janitorial services only for its direct usage of the Club's Exclusive Use Areas either by the County or third parties that are hosted or otherwise licensed by the County for activities in the Club's Exclusive Use Areas. The Club shall reasonably

charge and invoice the County for its pro-rata percentage of such service cost or the County may elect to perform or provide such janitorial services during or following each such event.

- (4) Purchase of Corporate Sponsor Products/Services. In connection with any operations at the Leased Premises, the Club shall have the right to cause the County to use products and/or services of its corporate sponsors if such products and/or services are reasonably comparable in price and quality to other alternatives available to the County; provided, however, the County shall not be obligated to purchase such products and/or services if it would require the County to be in violation of any pre-existing written agreement with any third party or applicable law, including, without limitation, the County's obligations with respect to competitive bidding.

(B) Capital Improvements.

- (1) Capital Improvements Fund. The County and the Club have established an account for mutually agreed upon capital improvement projects to benefit the Leased Premises during the Term and the Renewal Terms, if any (the "Capital Improvements Fund"). No later than January 1 of each calendar year during the Term and any Renewal Term, the County and the Club shall contribute funds to the Capital Improvement Fund in accordance with the schedule of contributions to the Capital Improvement Fund as set forth in the attached Exhibit E. Notwithstanding the schedule set forth in Exhibit E, the County and the Club have agreed that if the County sinking fund is not sufficient to timely fund the "County Payment Obligation" under, and as defined in, the Spring Training Development Agreement, the Club has covenanted to advance future contributions to the "Capital Improvements Fund" as defined in and under the Amended Agreement or this Lease, as applicable, to supplement the sinking fund deficiency. The County agrees that such Club advances shall be credited against payments set forth in Exhibit F of the Amended Agreement and this Lease, as applicable.
- (2) Capital Improvements. The County shall be financially responsible for and undertake capital improvements to the Leased Premises in accordance with the terms herein and in conformity with highest quality Major League Baseball industry standards. For purposes of this Lease, capital improvements shall mean those improvements that restore an asset or add to its useful life, or relate to assets having a useful life of more than twelve (12) months, in accordance with generally accepted accounting principles but shall expressly exclude capital expenditures to Concession and novelty equipment, portable Concession units, and equipment owned solely by the Club.

- (3) Club List of Capital Improvements. The Club shall provide to the County annually by January 1 a list of those capital improvements reasonably anticipated to be needed in the following fiscal year (October 1 to September 30.) The County shall provide the Club an estimate of the cost of the capital improvements on such list no later than February 15th of the applicable year. The Club shall have thirty (30) days to review the estimates and submit a final list of reasonable capital improvements for the following fiscal year to the County. The County shall complete all items on the final list submitted by the Club to the extent the costs of such items are payable from the Capital Improvements Fund. In the event that the actual cost of capital improvements agreed upon by the Parties for the then current year exceeds the total amount contributed to the Capital Improvements Fund by the Parties, the Parties shall negotiate in good faith to agree upon any additional contributions to the Capital Improvements Fund to be paid by the Club and the County. The County shall annually, by January 1 of each year during the Term and all Renewal Terms, provide to the Club a written accounting and description of any and all capital improvements made to the Leased Premises and allocate the costs and expenses between direct County expenditures and those expenditures of the Capital Improvements Fund. The Capital Improvements Fund shall be reconciled in the same report.
- (4) **[RESERVED]**
- (5) County Capital Improvements - Spring Training Development Agreement. In addition to the County's contributions to the Capital Improvements Fund, and as the primary inducement for the Club to enter into this Lease, the County (i) has executed and delivered to the Club a Spring Training Development Agreement of even date herewith, and (ii) shall complete the entirety of the improvement and expansion project described in the Spring Training Development Agreement set forth as Exhibit D to this Lease (the "County Capital Improvements"). The County Capital Improvements shall be completed in their entirety, in conformity with the Spring Training Development Agreement, on or before February 1, 2015, but in no event later than February 1, 2016. Except, as specifically provided in Section 31 with respect to the State of Florida Economic Development Funds, all costs and expenses related to the County Capital Improvements shall be the sole responsibility of the County and shall not be deducted from nor otherwise credited against the Capital Improvements Fund. The Club has, by way of clarification and without limitation, such rights of participation, inspection and approval with respect to the County Capital Improvements as set forth in the Spring Training Development Agreement, and such rights are incorporated by reference herein.

13. **EQUIPMENT.** Throughout the Term and any Renewal Term, the County shall be solely responsible for providing all equipment necessary to operate the Leased Premises for the purposes contemplated herein, except as expressly provided herein with respect to Concessions and novelty equipment. In addition, the County shall be responsible throughout the Term and any Renewal Term for the cost of replacing any equipment not in good and working order. If the Club supplies Concessions and novelty equipment necessary to operate the Leased Premises, such property shall be the personal property of the Club unless such property is a fixture to the real estate.

14. **TOURIST PROMOTION.** The County and the Club agree to develop an ongoing promotional partnership for the purpose of promoting Spring Training games and Ticket Sales thereof, and promoting other tourism opportunities in the County.

(A) **Yearly Plan.** No later than July 31<sup>st</sup> of each year during the Term and any Renewal Term of this Lease, the Club and the County shall meet and develop a mutually agreeable plan to promote both Spring Training and the Club's regular season and postseason games, including a mutually beneficial promotional campaign to be jointly undertaken to target the Minneapolis/St. Paul market in the next succeeding calendar year consistent with the value, scope and cost incurred in the preceding calendar year. The County shall be solely responsible for any third party costs incurred in connection with the promotional campaign.

(B) **Club Broadcasts.**

(1) **Twins Television:**

(i) **Drop-Ins** – During every Club Spring Training telecast or cablecast that is telecast or cablecast by the Club's local television rightsholder (and not any national MLB television rightsholder), the Club will provide the County with two (2) 15-second announcer-read drop-ins (including graphics) promoting tourism in the County.

(ii) **Guest Appearance** – During every Club Spring Training telecast or cablecast that is telecast or cablecast by the Club's local television rightsholder (and not any national MLB television rightsholder), the Club will provide the County with the opportunity for a County tourism representative to visit the booth for an in-game interview for a period of at least one-half (1/2) inning for the purposes of promoting the County's tourism effort.

(2) **Twins Radio:**

(i) **Drop-Ins** – During every Club Spring Training radio broadcast that is broadcast by the Club's local television rightsholder (and not any national MLB radio rightsholder), the Club will provide two (2)

15-second announcer-read drop-ins promoting tourism in the County.

(ii) Guest Appearance – During at least six (6) Club Spring Training radio broadcasts that are broadcast by the Club's local television rightsholder (and not any national MLB radio rightsholder), the Club will provide the opportunity for a County tourism representative to visit the booth for an in-game interview for a period of at least one-half (1/2) inning for the purposes of promoting the County's tourism effort.

(3) Production of Materials: The County shall be responsible for the production of all drop-in materials (including graphics) which are subject to the prior approval of the Club in advance of any production or usage.

(C) Target Field Advertising. The Club will provide the County with the following Target Field or any successor stadium advertising and promotional opportunities during the Club's regular season play:

(1) Club Publications:

- (i) One (1) full-page, four-color ad in all issues of *Twins Magazine*.
- (ii) One (1) full-page, four-color ad in the *Twins Yearbook*.

(2) Club Scoreboard:

- (i) The opportunity to run one (1) 30-second commercial spot promoting tourism in the County on the main Target Field scoreboard prior to every Club home game.
- (ii) Regular messages promoting County tourism on the main Target Field scoreboard during every Club home game.

(3) Hospitality:

- (i) The County is entitled to one (1) VIP event in conjunction with a Club home game at Target Field, which shall include use of a private suite, game tickets and food and beverage service for up to sixteen (16) guests.

(4) TwinsFest:

- (i) The Club shall offer the County the opportunity to have a promotional location at the Club's annual off-season fan festival/Ticket Sales event (TwinsFest) that is held at a location determined by the Club during the Term and any Renewal Term, but only in the event the Club elects to hold such event.

(5) Direct Mail:

- (i) Participation by the County in regular print and digital mailings to the Club's ticket holders (season, group, single-game, corporate). The mailings will be conducted at no cost to the County; however, the County will provide the appropriate brochures, fliers, digital assets, etc.

(6) Lee County Day:

- (i) One (1) "Lee County Day" promotional day to be held in conjunction with one (1) home game at the Major League Stadium during Club Spring Training. Lee County will be the "featured" partner for that game and receive exposure and pre-game promotion in the local market consistent with "standard" one-day sponsorship packages. The County is responsible for costs of any giveaway items.
- (ii) One (1) "Lee County Day" promotional day to be held in conjunction with one (1) home game at the Target Field or its successor in function during the Club's regular season. Lee County will be the "featured" partner for that game and receive exposure and pre-game promotion in the local market consistent with "standard" one-day sponsorship packages. The County is responsible for costs of any giveaway items.

(D) Spring Training Advertising. The Club shall provide the County with the following Major League Stadium Spring Training-related advertising and promotional opportunities during each year of the Term:

- (1) Youth Clinics. The Club will annually conduct, at no charge to the County or the participants, not fewer than four (4) youth baseball clinics in the County prior to the Spring Training period. The Club will provide the instructors and necessary equipment for the clinics. The clinics will be promoted as jointly presented by the Club and the Lee County Parks and Recreation Department. The Club retains the right to sponsorships for all clinics. The County will provide local fields and use best efforts to provide on-site support staff to assist in the orderly function of each clinic.

(E) County Promotion of Club. The County shall use reasonable efforts to promote the presence of the Club baseball operations by all reasonable methods incidental to regular tourist promotional activities conducted by the County. In addition, the County shall use reasonable efforts to promote Ticket Sales for Club events at the Major League Stadium. The County's promotion of the Club shall be limited to the Club Home Television Territory and Spring Training Territory.

15. SERVICES AND PERSONNEL.

- (A) Club Operating Personnel. The Club or its designee shall hire and be responsible and pay for Concessions, ticketing, advertising and other personnel necessary to service patrons attending: (i) the Major League Baseball Spring Training games, (ii) Club baseball activities, and (iii) Club related events presented at the Stadium Complex. Such personnel shall include, but are not limited to, ushers, ticket takers, Concessions workers, first aid attendants, and other related personnel. The Club personnel shall be responsible for maintaining their respective work areas in a neat and orderly fashion.
- (B) Fire Protection. The Club shall provide adequate fire protection staff for the Leased Premises.
- (C) Security. The Club shall provide security within the Major League Stadium for any Club related activities held therein. The Club may hire off-duty members of the Lee County Sheriff's Department to provide such security services and shall pay such off-duty members the prevailing rate established by said police departments. In addition, at all times during Spring Training, the Club shall be responsible for providing security personnel to staff the Club's Exclusive Use Areas. The hiring of such security staff members shall be at the sole discretion of the Club.
- (D) Traffic Control. The County shall continue to provide a sufficient number of members of the Lee County Sheriff's Department for traffic control and assistance with ingress and egress to and from the Stadium Complex for all Major League Baseball Spring Training games only. The County will be responsible for all costs and expenses for such traffic control services.

16. VIOLATION OF LAWS.

- (A) Club Compliance with Tax Laws. Except as provided in Section 12 below, the Club shall pay all lawful taxes, assessments, licenses and charges on its operations, and on goods, merchandise, fixtures, appliances, equipment and property owned solely by the Club and located on or about the Leased Premises (the "Club Assets"). Should any improvements to the Club Assets made by the Club become subject to taxes, the Club agrees to pay any and all lawful taxes, assessments or charges which at any time may be levied by any federal, state, county, city or any tax or assessment levying body (i) against the Club, (ii) upon the Leased Premises, (iii) upon any interest in this Lease or any possessory right which the Club may have in or to the Leased Premises, or (iv) in the improvements thereon by reason of the Club use or occupancy thereof (but expressly excluding capital improvements made by the County pursuant to Section 12 herein). The County agrees that to the extent permitted by law, it will not support the levy of any new form of tax against Club operations hereunder. Notwithstanding the foregoing provisions, the Club shall have the right, in its own



name or behalf or in the name and behalf of the County, after notifying the County of its intention to do so, to contest in good faith by all appropriate proceedings, the amount, applicability, or validity of any such tax or assessment. This provision shall in no way be construed as restricting the County from contesting the legality of such tax or assessment or assisting the Club therein if it so desires.

- (B) Club Legal Compliance. The Club shall not in any manner, directly or indirectly, violate the laws, ordinances, rules or regulations of any federal, state, county, city or other governmental authority or agency in connection with the use and occupancy of the Leased Premises under the terms of this Lease.

## 17. CLUB ALTERATIONS AND PROPERTY RIGHTS.

- (A) Alterations and Repairs. The Club shall not make any permanent alterations or permanent additions to the physical structure(s) of the Leased Premises without first requesting and obtaining written approval from the County, which approval shall not be unreasonably withheld. The Club will obtain necessary permits for any such alterations in accordance with paragraph 28. The Club shall repair or cause to be repaired, any damage to the structures, water apparatus, electric lights, or any fixtures, appliances, furniture, lockers or other appurtenances of said Premises, which damages result from any gross negligence or willful misconduct of the Club, its assigns, agents or employees, and shall pay, or cause to be paid to the County, the costs of all reasonable and necessary repairs arising from such gross negligence or willful misconduct; provided, however, that, damage by the natural elements or ordinary wear and tear shall in no event constitute alterations by the Club.
- (B) Return of Property. Upon the termination of this Lease, the Club shall return to the County all equipment and personal property of the County in the exclusive possession of the Club, its assigns, agents or employees. All such equipment and property shall be in good condition, subject to ordinary wear and tear damage by the natural elements or damage caused by Persons other than the Club, its agents, assigns or employees.
- (C) Inspection of Leased Premises. Immediately prior to and following Spring Training during each year of the Term and any Renewal Term, the County and the Club shall jointly perform an inspection of the Leased Premises that shall include an inventory of all equipment and personal property of the County and the Club thereon. The Club shall promptly pay to the County any monies owed pursuant to Section 17(A) for damage to the Leased Premises or County property thereon that was discovered as a result of such inspections, but only to the extent such damage was caused by the Club or its assigns, agents or employees. The County shall promptly pay to the Club any monies owed for damage to the Club property on the Leased Premises that was discovered as a result of such inspections. Any damage not caused by the Club shall be promptly repaired by the County.

18. UTILITIES. Except as otherwise provided herein, the County shall be responsible for the cost of all utilities in respect of the Leased Premises, including, without limitation, electricity, water, sewage, trash removal, recycling, local telephone service, data, internet access and electronic communications that become common communication methods. Notwithstanding the foregoing, the Club shall reimburse the County for electrical costs incurred to provide field lighting for any evening games played by the Club at the Major League Stadium during the Term and any Renewal Term, and shall be responsible for electricity charges related to the Club's Exclusive Use Areas. The County will provide separate electrical meters for all such locations. In addition, the Club will pay for long distance service for calls made by the Club.

19. USE.

(A) Standards and Rights of Use. During the Term and any Renewal Term, the Club shall be entitled to peacefully have and enjoy the exclusive use of the Leased Premises during Spring Training without unreasonable interruption or interference by the County, or any Person claiming by, through and under the County, except to the extent that concurrent rights to use the Leased Premises may be exercised or granted to others by the County hereunder in accordance with the provisions of this Section 19. At any time throughout the Term and any Renewal Term, during Spring Training, the Club use shall be exclusive and the County may not use the Leased Premises for any purpose. Outside of Spring Training, the County has the right to use, or permit third parties to use the Leased Premises for any event so long as (a) such use would not interfere with the Club's Exclusive Baseball Activities, and/or (b) such use would not materially impair the condition of a playing field on the Leased Premises such that the field condition would no longer meet professional baseball standards, and/or (c) such use would not interfere with the Club's Exclusive Use Areas. In any case, the County shall notify the Club of any such use and the Club shall have the right to object to any such use if the Club determines that (i) such use would interfere with the Club's Exclusive Baseball Activities, and/or (ii) such use would materially impair the condition of a playing field on the Leased Premises such that the field condition would no longer meet professional baseball standards, and/or (iii) such use would interfere with the Club's Exclusive Use Areas.

(B) Spring Training Schedule. The Club shall advise the County of its intended Spring Training schedule as soon as practicable each year following the confirmation of such schedule to enable the County to schedule events on the Leased Premises but only in accordance with the terms of this Section 19. Subject to having been made available to the Club by Major League Baseball, no later than December 15 of any year during the Term and any Renewal Term, and subject to additional changes required by Major League Baseball, the Club shall furnish the County with its final Spring Training exhibition game schedule and any extended use requirements, if any, for the upcoming year. In the event the Club has an existing Minor League team and/or exercises the right of first refusal for Minor League baseball in accordance with Section 1(B) hereof, the Club shall

provide the County with such Minor League game schedule no later than February 1 of any applicable year during the Term and any Renewal Term.

- (C) County Use of Leased Premises. The County may use any of the facilities in the Leased Premises for the following public purposes subject to and in accordance with the provisions of this Lease: (i) the exhibition, presentation and broadcasting (or other transmission) of other amateur or professional sporting events, (ii) exhibitions and tournaments, (iii) musical performances, (iv) theater performances and other forms of live entertainment, (v) public ceremonies, (vi) fairs, markets, fireworks displays, shows, or other public or private exhibitions and activities related thereto, and (vii) pre-scheduled meetings and other activities in the conference area(s), training center, dormitory and auditorium.

The County shall be solely responsible for all costs and expenses resulting from the use of the Leased Premises for any non-Club related events, including, without limitation, the cost of utilities, staffing, and any costs required to repair any damage occurring during such events. The County shall retain all revenue derived from such non-Club use of the Leased Premises except as provided in Section 5 with respect to Concessions and novelty operations.

- (D) Club Consent to Certain County Uses. The County will not use Club property or equipment without the express written consent of the Club. The County shall promptly repair or replace damaged property or equipment owned by the Club or its concessionaire if damage resulted from the County's use, or any other third party's use, of the Leased Premises to the extent the third party use was authorized or permitted by the County or resulted from the County's negligence.
- (E) County Promotion of Club. The County shall use reasonable efforts to promote the presence of the Club baseball operations by all reasonable methods incidental to regular tourist promotional activities conducted by the County. In addition, the County shall use reasonable efforts to promote Ticket Sales for Club events at the Stadium Complex.

20. OPERATIONS. The Parties hereby agree that the exclusive use of the Leased Premises by the Club during Spring Training includes operational jurisdiction over the various service providers, subcontractors, and other Persons who may be involved or working at the Leased Premises, but shall not include operational jurisdiction over any County employees unless expressly agreed by the Parties. Accordingly, the Club shall manage the agreed upon operations for the Spring Training games, including Ticket Sales and distribution of tickets. The Club shall endeavor in good faith to cooperate with other parties using the Leased Premises, including the County, when managing personnel on the Leased Premises during Spring Training or otherwise in accordance with this Lease.

21. ASSIGNMENT/SUBLEASE. The rights granted to the Club pursuant to this Lease shall not be assigned, except with the prior written consent of the County; provided,

however, that any assignment or transfer pursuant to the sale of all or substantially all of the assets and/or ownership interest of the Club shall not require County's consent hereunder. The Club shall have the right of first refusal to sublease the Leased Premises to a professional baseball Minor League program as previously provided herein, provided such sublessee consents in writing to be bound by the provisions of this Lease. The County shall have the right to approve such sublessee and sublease agreement, provided that such approval shall not be unreasonably withheld.

22. TAXES. The County represents and warrants that (1) as of the date hereof, it has and shall continue to have throughout the Term and any Renewal Term, all ownership interests in the Leased Premises, (2) as such, has the full authority to grant the Club the rights provided hereunder, and (3) this Lease has been entered into for the public purpose of promoting tourism, gainful employment and economic growth in the County and the State of Florida. It is the intent and understanding of the Parties that the leasehold interest held by the Club pursuant to this Lease shall be exempt from ad valorem taxation pursuant to Chapter 196.199, Florida Statutes. If, for any reason during the Term and any Renewal Term, all or any portion of its the leasehold interest or other rights or benefits held by the Club under this Lease becomes subject to ad valorem taxation, such tax shall be paid by the County as provided by law.

23. HOLD HARMLESS/INSURANCE.

(A) Hold Harmless by County. Subject to the limitations as set out in Florida Statutes §768.28 and §252.51, the County shall indemnify, defend, and hold harmless the Club and the members, partners, officers, employees, affiliates, representatives and agents of the Club (the "Club Indemnified Parties"), from and against any and all claims, actions, damages, liability, costs and expenses, including reasonable attorneys' fees and court costs, arising out of the use, maintenance or operation of the Leased Premises by the County or any of its designees, lessees, agents, employees, or contractors, or arising out of the actions, omissions to act, or negligence of the County or any third party using the Leased Premises with permission from or the approval of the County in accordance with its rights hereunder, or the County's breach of any representation, warranty or agreement with the Club including, without limitation, bodily injury, death and/or property damage or any other lawful expense. The County agrees to defend all actions on behalf of the Club Indemnified Parties to which such indemnity applies and to conduct the defense thereof at the County's sole expense and by the County's counsel, which counsel in its selection and appointment shall be satisfactory to and approved in writing by the Club, but such approval shall not be unreasonably withheld or delayed. The County may not settle any suit, action or claim to which an indemnification obligation applies under this Section 23 without the prior written approval of the Club, which approval shall not be unreasonably withheld, delayed or conditioned.

(B) Hold Harmless by Club. The Club shall indemnify, defend, hold harmless the County from and against any and all claims, actions, damages, liability, costs and

expenses, including reasonable attorneys' fees and court costs, arising out of the use of the Leased Premises by the Club or any of its agents, employees, or contractors (the "Club Parties") or arising out of the actions, omissions to act, or negligence of the Club Parties or any third party using the Leased Premises for professional baseball activities or related events with permission from or the approval of the Club in accordance with its rights hereunder, or the Club Parties' breach of any representation, warranty or agreement with the County including, without limitation, bodily injury, death and/or property damage or any other lawful expense. The Club agrees to defend all actions to which such indemnity applies and to conduct the defense thereof at the Club's sole expense and by the Club counsel. The Club may not settle any suit, action or claim to which an indemnification obligation applies under this Section 23 without the prior written approval of the County, which approval shall not be unreasonably withheld, delayed or conditioned.

(C) Insurance. Each Party shall maintain insurance with a company or companies reasonably acceptable to the other, which company or companies shall have at least an A- Best rating. Except as may be limited by applicable law, each Party agrees to maintain insurance policies as follows or may self-insure its obligations as outlined under Florida Statutes:

- (1) Workers' compensation insurance in an amount not less than is required by Florida law; and Employers Liability Insurance in an amount no less than \$1,000,000 bodily injury each accident, \$1,000,000 bodily injury by disease each employee and \$1,000,000 bodily injury by disease policy limit.
- (2) Commercial general liability insurance, providing coverage for bodily injury and including property damage and personal and advertising injury, including contractual liability and products/completed operations coverage with minimum limits of \$2,000,000 per occurrence and \$2,000,000 in the aggregate, or such other amount as the Parties may determine is reasonably prudent based upon any changes in circumstances.
- (3) The Club shall maintain Liquor Liability Coverage for bodily injury and property damage on an occurrence basis in an amount not less than \$5,000,000 per occurrence and \$5,000,000 in the aggregate, provided that the Club's election such insurance may be maintained by any concessionaire serving alcoholic beverages at the Stadium Complex. In the event the Club elects to require any concessionaire serving alcoholic beverages at the Stadium Complex to maintain Liquor Liability Coverage, it shall notify the County in writing prior to commencement of the Spring Training season. The Club shall require such concessionaire's policy to name the County and the Club as additional insureds and to provide coverage as broad as the coverage required to be maintained by the Club.

Such concessionaire's Liquor Liability Coverage is subject to review and prior written approval by the Club and the County.

- (4) Automobile liability for bodily injury and property damage arising from the use of owned, non-owned and hired vehicles, in an amount not less than \$1,000,000 per accident.
  - (5) The Club shall maintain at its expense during the Term of this Lease personal property coverage in an amount not less than the replacement cost of personal property at the Stadium Complex owned by the Club. County shall maintain property insurance for the full replacement value of the Premises (including all improvements and personal property) against loss by "all risk" perils, including but not limited to fire, extended coverage, windstorm, vandalism, malicious mischief, flood and earthquake.
  - (6) Prior to commencement of the Term, each Party shall furnish or cause to be furnished to the other Party a certificate of insurance evidencing all insurance policies required under Section 23. Renewal certificates shall be delivered by each Party to the other Party at least ten (10) days prior to the expiration of any policy of insurance. No such policy shall be cancelled by either Party except after thirty (30) days' prior written notice to the other Party. All liability insurance policies obtained by the Club shall designate the County as additional insureds. All liability insurance policies maintained by County shall be primary and non-contributory with any insurance maintained by the Club in connection with any claims arising out of the County's operations and activities. All liability insurance policies maintained by the Club shall be primary and non-contributory with any insurance maintained by the County for claims arising out of the operations and activities of the Club. All policies required hereunder shall be reviewed at least every three (3) years to ensure that the policy limits and deductibles are in amounts reasonable and customary for facilities of comparable size and use at the Stadium Complex.
- (D) Waiver of Subrogation. The Club and the County, on behalf of themselves and all others claiming under them (including any insurer) waive all claims, demands or rights of indemnity that either of them may have against the other (including all rights of subrogation) on account of damage to the Complex or to any personal property located therein resulting from fire or other casualties, no matter what the cause thereof may be. Such waiver shall be effective only to the extent of insurance proceeds actually received. The Parties waive their respective rights, as set forth herein, because adequate insurance is to be maintained by each of them to protect themselves against all such casualties and they have obtained or agree to obtain from their insurance carriers appropriate "waiver of subrogation" provisions in all such policies of insurance.

24. **DISPUTES.** The Parties agree to attempt to settle by mediation any dispute or controversy that may arise between the Club and the County regarding operation, maintenance and the rights or duties hereunder of either Party, as hereafter provided, and the mediator will determine the controversy in accordance with the laws of the State of Florida as applied to the facts as found. Mediation shall be conducted as follows:

- (i) In any case hereunder in which it shall become necessary to resort to mediation, such mediation by the Parties shall be conducted as provided for in this Section 24.
- (ii) The Party desiring mediation shall give written notice thereof to the other Party, specifying in such notice, the specific question or questions to be mediated.
- (iii) Within fifteen (15) days after service of such notice each Party shall provide the other with the names of at least three (3) individuals to act as a mediator in the matter. The mediator will be selected by the Parties within fifteen (15) days following the exchange of names by mutual agreement. The mediator shall meet with the Parties at all participants' convenience and mediate the matter. If unsuccessful, the Parties may then utilize all lawfully available means to resolve the issue.

Notwithstanding the foregoing, any controversy arising between the Parties with respect to any monetary sums due and owing including, without limitation, Lease payments and other monetary liabilities shall not be mediated and each Party shall have available to it all other remedies available at law or in equity.

25. **SUSPENSION OF PLAY.** If for any reason beyond the control of the Parties, including without limitation, as a result of any act of nature or force majeure, national emergency, state of war, labor strike, lock-out, or other cause of similar nature, the Leased Premises are unavailable for Spring Training in any of the years covered under the terms of this Lease, this Lease shall be regarded as suspended for the period of unavailability without liability to either Party, and the Term or any Renewal Term, shall be extended for one (1) additional calendar year so long as the period of unavailability is no more than one (1) Spring Training period during the Term or any Renewal Term. If the Leased Premises shall be unavailable for more than one (1) Spring Training period during the Term or any Renewal Term, the Club shall have the right to terminate this Lease without any further liability owed by the Club to the County or to the State of Florida.

26. **PROMOTION.** The Parties hereto expressly recognize and agree that the County is undertaking substantial financial responsibility to induce the Club to continue its use of the Leased Premises for Spring Training. Accordingly, the Club agrees to cooperate in good faith with the County in its effort to promote the development and success of Major League Baseball activities in the Lee County area. The Club shall endeavor in good faith to cause personnel and players to participate in a reasonable number of cooperative

activities involving the promotion and development of professional baseball in the County during Spring Training.

27. **NOTICES.** Any notice required to be given hereunder shall be in writing and shall be deemed received (i) upon actual receipt if sent by overnight delivery by a nationally recognized courier or by U.S. Postal Services Express Mail, postage prepaid, (ii) five (5) days after deposit if sent by U.S. certified mail, return receipt requested, or (iii) upon actual confirmed receipt if sent by facsimile copy:

For notices to the Club:

Dave St. Peter  
President  
Minnesota Twins, LLC  
Target Field  
1 Twins Way  
Minneapolis, MN 55403

With a copy to:

Michael J. Grimes  
Briggs and Morgan, P.A.  
2200 IDS Center  
80 South Eighth Street  
Minneapolis, MN 55402-2157

For notices to the County:

Lee County Manager  
Post Office Box 398  
Fort Myers, Florida 33902-0398

Director of Lee County Parks and Recreation  
Post Office Box 398  
Fort Myers, Florida 33902-0398

With a copy to:

Lee County Attorney  
Post Office Box 398  
Fort Myers, Florida 33902-0398

In addition to the formal notices required by this Lease, the Club shall coordinate in good faith its activities hereunder with the County through the County's Director of Parks and Recreation, or such other individual as the County Manager may designate from time to time. Pursuant to the notice provision above, it is hereby agreed that the said Director or other designee is authorized to represent the County with respect to all matters covered



by this Lease. In similar fashion, the Club shall designate one individual who shall be authorized to represent the Club in such matters. In the absence of the Club making a specific designation to the contrary, this individual shall be the individual named above by the Club to receive all notices.

28. **PERMITS.** The Club, at its sole expense, shall comply with all laws, orders and regulations of federal, state and county authorities, and with any directions given by any public officer pursuant to law, which shall impose any duty upon the Club with respect to the Leased Premises. The County shall provide permits or licenses or take necessary corrective action to ensure the acquisition of any permit directly related to the County's repair, renovation or maintenance of the Leased Premises and compliance with building codes. The Club, at its sole expense, shall obtain all licenses or permits which may be required for the conduct of its business within the terms of this Lease and the County, when necessary, will join with the Club in applying for all such permits or licenses. To the extent permitted by law, the County will assist and cooperate with the Club in securing permits for the operation of the Leased Premises. The County shall also not act unreasonably to withhold its approval of any such permits or licenses required under its laws or regulations.

29. **TERMINATION AND REMEDIES.**

(A) **County Termination of Lease.** The County may terminate this Lease: upon thirty (30) days' written notice to the Club of any of the following events (collectively, hereinafter referred to as the "Club Defaults" and individually, as a "Club Default"):

- (i) If the Club deserts or vacates the Leased Premises;
- (ii) If, by order of a competent authority, a receiver, liquidator or trustee of the Club or any of its property shall be appointed and such receiver, liquidator or trustee shall not have been discharged within thirty (30) days of the making of such order, or if by decree of such authority the Club shall be adjudicated or determined to be bankrupt or insolvent, or if the Club shall file a petition in voluntary bankruptcy, shall make an assignment for the benefit of or enter into a composition with its creditors, shall seek to terminate its existence or shall otherwise seek to wind up its affairs;
- (iii) If the Club fails to make any payments to the County pursuant to this Lease within one hundred twenty (120) days following written notice of such payment default; or
- (iv) If the Club breaches any material provision, agreement or obligation hereunder that is not cured within sixty (60) days of notice of such breach; **provided, however,** that if such breach cannot be cured within such sixty (60) day period, but the breach is capable of cure within a reasonable period of time which is acceptable to the County, and the Club diligently

pursues such cure, the Club shall be allowed such agreed upon time period to cure such default.

- (v) If the Club is contracted and is no longer a Major League Club. Notwithstanding the foregoing, the County may not terminate this Lease as a result of any of the foregoing Club Defaults or any other provision of this Lease, until at least the 10th day after the last day of Spring Training occurring in the year of the Term during which the foregoing right to terminate is invoked by the County.

(B) County Remedies Upon Termination. Upon the County's election to terminate this Lease following a Club Default:

- (i) The County shall have the right to reenter or repossess the Leased Premises by force, summary proceedings, surrender or otherwise, and may dispossess and remove the Club, or other occupants thereof, without being liable for any prosecution therefore; provided, however, that the County shall have no right to the Club Assets and the Club shall have the right to remove all Club Assets from the Leased Premises; and/or
- (ii) The County shall have the right to relet the Leased Premises. Notwithstanding anything to the contrary contained herein, the County shall take all reasonable actions to mitigate any losses or damages caused by a Club Default. Should the County incur necessary and reasonable expenses in enforcing its rights hereunder, specifically including reasonable attorneys' fees and court costs, said reasonable expenses shall be borne by the Club.
- (iii) In the event of a termination of this Lease by the County arising from a Club Default, the Parties' rights, duties and obligations with respect to the State Development Funds shall be governed by Section 31 of this Lease.

(C) Club Termination of Lease. The Club may terminate this Lease upon the following event (collectively, hereinafter referred to as the "County Defaults" and individually, as a "County Default"):

Upon thirty (30) days' written notice to the County of any breach by the County of any material provision, agreement or obligation hereunder that is not cured within sixty (60) days of notice of such breach; provided, however, that if such breach cannot be cured within such sixty (60) day period, but the breach is capable of cure within another reasonable period of time which is acceptable to the Club, and the County diligently pursues such cure, the County shall be allowed such agreed upon time period to cure such default. If the County fails to cure such breach upon the agreed upon time period, the Club shall be relieved of all liabilities and obligations accruing after the effective date of termination.

- (D) Limitation on Right to Terminate. Neither the Club nor the County may terminate this Lease due to the prior action of the other Party having exercised its right to terminate this Lease; provided, however, that either Party may dispute any defenses raised as the result of the other Party's putative termination.
- (E) Disposition of Capital Improvement Fund on Termination. No more than thirty (30) days following the effective date of termination or following the expiration of this Lease, the County shall cause to be paid to the Club one-half (1/2) of the amount remaining in the Capital Improvements Fund; provided, however, the County shall have the right to withhold any other amounts disputed in good faith with respect to any other financial matter between the Parties until the settlement of any such dispute.
- (F) Rights Cumulative. Unless otherwise limited by specific provisions of this Lease, upon a Default, the non-defaulting Party to this Lease shall also have rights to: (i) file a lawsuit to collect all monetary obligations from the other Party as they become due, in which event the asserting Party shall have the obligation to use all reasonable efforts to mitigate its damages from such monetary obligations, and (ii) file equitable actions, including, without limitation, actions for injunction and/or specific performance under this Lease, and (iii) utilize any of the above provisions as may be deemed appropriate. The remedies available to a Party shall be cumulative and not exclusive, unless otherwise specifically set forth herein.

### 30. FIRE OR OTHER CASUALTY

- (A) Casualty Insurance and Termination by Club. The County shall insure the Leased Premises against damage or destruction by fire or other casualty under the standard fire insurance policy with approved standard extended coverage applicable to the Leased Premises. The County shall ensure that the Leased Premises are covered for one hundred percent (100%) replacement value. If any part of either of the Leased Premises is damaged or destroyed by fire or other casualty insured under the standard fire insurance policy including approved standard extended coverage endorsement applicable to the Leased Premises, and the Leased Premises are unavailable for more than one (1) Spring Training year ("Substantial Interference"), then the Club may terminate this Lease by written notice to the County within one hundred twenty (120) days after the later date of such damage or destruction or the date the duration of unavailability of the Leased Premises is known by the Club. In the event the Club elects to terminate this Lease, each Party shall be entitled to the proceeds of any insurance it has procured, there shall be an abatement of all monies due hereunder, and the Club shall be entitled to fifty percent (50%) of any Capital Improvements Funds available as of the date of such damage or destruction. Upon payment of any sums then owing by either Party to the other, the Parties shall be released from all future liability hereunder except for liability under the indemnity provisions hereof, which shall survive such termination.

- (B) Restoration of Leased Premises. If the Club does not elect to terminate this Lease as a result of Substantial Interference of either of the Leased Premises, then at its expense, the County shall restore the Leased Premises to as good as condition as existed previously and the Club shall not be released from any obligations hereunder except that there will be an abatement of all monies due hereunder for the period of unavailability.
- (C) Prompt Repair and Rebuilding. If either of the Leased Premises is damaged or destroyed by fire or other casualty and the Leased Premises are unavailable for less than one (1) Spring Training season during the Term and any Renewal Term, the County shall promptly repair and rebuild the Leased Premises. In such event, all Club obligations hereunder shall be suspended during the time period for which the Leased Premises are unavailable.
- (D) Temporary Facilities. If, during any period the Leased Premises are unavailable, the Club must find an alternative location for Spring Training, the County shall make reasonable efforts, if requested by the Club, to make a temporary Spring Training facility available to the Club. Adjustment to the annual lease payment shall be adjusted.
- (E) Effect on Obligations. Except to the extent provided for in this paragraph or elsewhere in this Lease, neither the monies payable by the Club nor any of the Club's other obligations under any provisions of this Lease shall be affected by any damage to or destruction of the Leased Premises by any cause whatsoever.

31. STATE OF FLORIDA ECONOMIC DEVELOPMENT FUNDS. The legislature of the State of Florida has authorized state sales tax distributions to certain units of local government for funding of professional sports franchise facilities located within the State of Florida (the "State Development Funds"). The County submitted an application to the State of Florida on July 6, 2012 to the Florida Department of Economic Development and was granted such funding assistance for the improvements that are described in the Spring Training Development Agreement. In connection with this application and as a condition of any award of funding under Florida Statutes Section 288.11621(2)(e)(2), the Club must agree to reimburse the State of Florida for the funds expended by the County for the costs of the improvements to the Leased Premises that the County received from the State of Florida if the Club relocates before the Term of this Lease expires.

- (A) Reimbursement Covenant. The Club covenants and agrees with the County that it will reimburse the State of Florida for the State Development Funds expended by the County for the improvements to the Leased Premises that the County has received from the State of Florida and expended in connection with the Leased Premises in accordance with the Spring Training Development Agreement, if the Club relocates to another facility before the Term of this Lease expires, or if the County terminates this Lease pursuant to its rights under Section 29(A)(i), subject to the contrary provisions of Section 31(B) below if the State of Florida does not decertify the County with respect to the Leased Premises, herein.

(B) Effect of County Default. The Parties agree that if the Club terminates this Lease and relocates to another facility pursuant to the exercise of its termination rights under this Lease following a County Default pursuant to Section 29(C) herein, the Club will promptly notify the applicable agency of the State of Florida that has been charged with administrative oversight and enforcement of the State Development Funds (the "Agency") of the circumstances for such termination and relocation, and the Club will not be required by the County or the State of Florida to repay, and the Club will not have any obligation to repay either the County or the State of Florida, for any State Development Funds for the improvements to the Leased Premises in connection with such Club termination. The County shall hold the Club harmless from any assertion or claim by the State of Florida that State Development Funds shall be repayable to the State of Florida by the Club if this Lease is terminated pursuant to the circumstances described in this Section 31(B).

(C) County Reporting Obligations Upon Termination. The Parties agree that if the County terminates this Lease pursuant to Sections 29(A)(i) through (v), the County will promptly notify the Agency of the circumstances for such termination and will then follow the statutory provision for decertification by the State as set out in Section 288.11621(5), Florida Statutes. Provided, however, if the Agency makes an affirmative determination not to decertify the County, neither the County nor the State of Florida will have the right or authority to require the Club to repay at any time the then-expended State Development Funds for the improvements to the Leased Premises of the County termination. The County shall hold the Club harmless from any assertion or claim by the State of Florida that State Development Funds shall be repayable to the State of Florida by the Club if no such decertification arises in connection with the termination of this Lease as described in this Section 31(C).

32. GENERAL PROVISIONS. This Lease shall be governed by, construed and enforced in accordance with the laws of the State of Florida.

(A) Assignment. The covenants, terms, conditions, provisions and undertakings in this Lease, or in any renewals thereof, shall extend to and be binding upon the heirs, personal representatives, executors, administrators, successors and assigns of the respective Parties hereto as if they were in every case named and expressed and wherever reference is made to either of the Parties hereto shall be held to include and apply also to the heirs, personal representatives, executors, administrators, successors and assigns of such Party as if in each and every case so expressed.

(B) Deliveries. The Parties agree to execute and deliver any instruments in writing, which are necessary to carry out any agreement, term, condition or assurance in this Lease, whenever the occasion shall arise and request for such instrument shall be made.

- (C) Remedies Cumulative. The specified remedies to which the Parties may resort under the terms of this Lease are cumulative and not intended to be exclusive of any other remedies or means of redress to which the Parties may be lawfully entitled in case of any breach or threatened breach of any provision or provisions of this Lease.
- (D) Entire Agreement. This Lease and any exhibits attached hereto contain the entire agreement and understanding between the Parties from and after the Commencement Date, and is a complete and exclusive statement of the terms thereof; provided, however, that (i) any exhibit to this Lease that is intended or required by the Spring Training Development Agreement to be amended to conform with the Parties mutual agreement as reflected in the Spring Training Development Agreement shall be amended and restated and shall become an integral and essential exhibit, as amended, to this Lease, and (ii) the Original Agreement, the Amended Agreement and the Conditional Agreement shall be valid for the time periods prior to the Commencement Date as specified in this Lease; and with respect to the Amended Agreement, such time period as specified in this Lease upon a termination by the Club as described in Section 29(C). Except with respect to the Original Agreement, the Amended Agreement and the Conditional Agreement, after the Commencement Date this Lease shall supersede all prior oral and written understandings or agreements, terms or conditions relating to the Leased Premises, including the Public Facility Use Agreement by and between Lee County and the Club, dated December 18, 1991, and neither Party has relied on any representation, express or implied, not contained in this Lease or the simultaneous or prior writings heretofore. Any amendment or modification of this Lease may not be changed or supplemented orally, but shall be in writing and signed by the Parties. This Lease may not be amended, supplemented or otherwise modified, and no provision of this Lease may be waived, unless all necessary MLB Approvals have been obtained in advance thereof.
- (E) Representations. Each of the Parties represents and warrants that as of the date hereof and throughout the Term and any Renewal Term (i) it has all requisite authority to enter into this Lease and to perform its obligations hereunder, (ii) that the execution and delivery of this Lease and the performance of its obligations hereunder have been duly authorized by all necessary action on the part of such Party, and (iii) upon due execution and delivery by such part, constitutes a legal, valid and binding obligation of the part, enforceable against such Party in accordance with its terms.
- (F) Severability. If any term or other provision of this Lease is found to be invalid, illegal or incapable of being enforced by any rule of law or public policy by a court of competent jurisdiction, all other terms and provisions of this Lease shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any Party. Upon such determination that any term or other

provision is invalid, illegal or incapable of being enforced, the Parties hereto shall negotiate in good faith to modify this Lease so as to effect the original intent of the Parties as closely as possible in an acceptable manner in order that the transactions contemplated hereby are consummated as originally contemplated to the greatest extent possible.

- (G) Governing Document. At and upon the Commencement Date, this Lease shall govern the relationship of the Parties with respect to the Leased Premises and the subject matter of this Lease; provided, however, that the Capital Improvement Fund shall survive the termination of this Lease for the benefit of the Club and the County, respectively.
- (H) Major League Baseball. Notwithstanding any other provision of this Lease, this Lease and any rights or exclusivities granted by the Club hereunder shall in all respects be subordinate to the MLB Rules and Regulations. The issuance, entering into, amendment or implementation of any of the MLB Rules and Regulations shall be at no cost or liability to any MLB Entity or to any individual or entity related thereto. The territory within which the County is granted rights is limited to, and nothing herein shall be construed as conferring on the County rights in areas outside of, the Spring Training Territory of the Club as established and amended from time to time. No rights, exclusivities or obligations involving the Internet or any interactive or on-line media (as defined by the applicable MLB Entities) are conferred by this Lease, except as are specifically approved in writing by the applicable MLB Entities.
- (I) Survival. If this Lease is terminated or expires, the following provisions shall survive such termination or expiration: Preamble Recitals, Articles 23 (Hold Harmless/Insurance), 24 (Disputes), 27 (Notices), 29 (Termination and Remedies), 30 (Fire or Other Casualty), 31 (State of Florida Economic Development Funds), 32 (General Provisions) and Sections 3(A) (Ticket Sales from Gross Revenues), 4(B) (Club Retained Revenue), 5(A) (Consultation and Club Concession Revenues), 5(C) (Costs and Expenses of Concession Operations), and 5(F) (Concession Equipment).
- (J) Radon Gas. As required by Section 404.056, Florida Statutes, notice is hereby given that radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to individuals who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your county health department.
- (K) No Third Party Beneficiaries. This Lease is solely for the benefit of the Parties hereto; no third parties that are not signatories to this Lease have any right to make or bring any claims as being beneficiaries hereunder at any time or under any circumstances.

33. **DEFINITIONS.** For purposes of this Lease and any Exhibits to this Lease, the following terms have the meanings specified:

"Agency" shall have the meaning set forth in Section 31(B) of this Lease.

"Amended Agreement" shall have the meaning set forth in the Preamble Recitals to this Lease.

"Amendment Date" shall have the meaning set forth in the Preamble Recitals to this Lease.

"Base Annual Rent" shall have the meaning set for in Section 8 of this Lease.

"BOC" shall mean the Office of the Commissioner of Baseball, an unincorporated association comprised of the Major League Clubs who are party to the Major League Constitution, and any successor organization thereto.

"Capital Improvements Fund" shall have the meaning set forth in Section 12(B)(1) of this Lease.

"Club" shall have the meaning set forth in the Preamble to this Lease.

"Club Assets" shall have the meaning set forth in Section 16(A) of this Lease.

"Club Default" and "Club Defaults" shall have the meaning set forth in Section 20(A) of this Lease.

"Club Home Television Territory" means the states of Minnesota, North Dakota, South Dakota and Iowa and the following counties in the state of Wisconsin: Barron, Burnett, Dunn, Pepin, Pierce, and St. Croix; however, the foregoing geographical area is subject to future revision by MLB under the MLB Rules and Regulations.

"Club Indemnified Parties" shall have the meaning set forth in Section 23(A) of this Lease.

"Club Intellectual Property" shall have the meaning set forth in Section 7(D)(2) of this Lease.

"Club Non-Baseball Event" shall have the meaning set forth in Section 2(E) of this Lease.

"Club Parties" shall have the meaning set forth in Section 23(B) of this Lease.

"Club's Exclusive Baseball Activities" shall have the meaning set forth in Section 2(C) of this Lease.



"*Club's Exclusive Use Areas*" shall have the meaning set forth in Section 2(D) of this Lease.

"*Commencement Date*" shall have the meaning set forth in Section I of this Lease.

"*Commissioner*" shall mean the Commissioner of Baseball as elected under the Major League Constitution or, in the absence of a Commissioner, any Person succeeding to the powers and duties of the Commissioner pursuant to the Major League Constitution.

"*Composite Mark*" shall mean a special purpose Club intellectual property mark, which includes the Club's trademarks, logos, names and similar intellectual property that utilizes one or more name or similar intellectual property of the County, including the image of the Premises and the name William H. Hammond Stadium or any derivative thereof, created for promotion, marketing, advertising and other uses contemplated by this Lease. Composite Marks shall be created, used, owned and registered exclusively by the Club. The Club disclaims, and shall disclaim, in any registration and/or application any ownership or other right in and to any County name or other intellectual property used therein.

"*Concessions*" shall have the meaning set forth in Section 5 of this Lease.

"*Conditional Agreement*" shall have the meaning set forth in the Preamble Recitals to this Lease.

"*County*" shall have the meaning set forth in the Preamble to this Lease.

"*County Capital Improvements*" shall have the meaning set forth in Section 12(B)(5) of this Lease.

"*County Default*" and "*County Defaults*" shall have the meaning set forth in Section 29(C) of this Lease.

"*County Suits*" shall have the meaning set forth in Section 3(B) of this Lease.

"*Escrow Agreement*" shall have the meaning set forth in Section 1 of this Lease.

"*Gross Revenues From Concessions*" shall have the meaning set forth in Section 3(A) of this Lease.

"*Gross Revenues From Ticket Sales*" shall have the meaning set forth in Section 3(A) of this Lease.

"*Hotels*" shall have the meaning set forth in Section 6(B) of this Lease.

"*Lease*" shall have the meaning set forth in the Preamble to this Lease.

"*Leased Premises*" shall have the meaning set forth in Section 2 of this Lease.

**"Major League Baseball"** or **"MLB"** shall mean, depending on the context, any or all of (a) the BOC, each other MLB Entity and/or all boards and committees thereof, including, without limitation, Executive Council and the Ownership Committee, and/or (b) the Major League Baseball Clubs acting collectively.

**"Major League Baseball Club(s)"** or **"Major League Club(s)"** shall mean any professional baseball club that is entitled to the benefits, and bound by the terms, of the Major League Constitution.

**"Major League Constitution"** shall mean the Major League Constitution adopted by the Major League Clubs (which amended and superseded the Major League Agreement dated January 1, 1975, the Agreement in re Major League Central Fund dated as of December 8, 1983, as amended, and the respective constitutions of the former American and National Leagues of Professional Baseball Clubs) as the same may be amended, supplemented or otherwise modified from time to time in the manner provided therein and all replacement or successor agreements that may in the future be entered into by the Major League Clubs.

**"Major League Rules"** shall mean those certain rules of Major League Baseball, all as the same now exist or may be amended from time to time in the future.

**"Major League Stadium"** shall have the meaning set forth in Section 2(A) of this Lease.

**"Minor League Complex"** shall have the meaning set forth in Section 2(A) of this Lease.

**"Minor League(s)"** shall mean the professional baseball leagues which are members of the National Association of Professional Baseball Leagues, Inc. Each league is known individually as a Minor League.

**"MLB Approval"** shall mean, with respect to the Major League Baseball Clubs, the Commissioner, the BOC or any other MLB Entity, any approval, consent or no-objection letter required to be obtained from such Person(s) pursuant to the MLB Rules and Regulations (as exercised in the sole and absolute discretion of such Person(s)).

**"MLB Entity"** shall mean each of the BOC, Major League Baseball Enterprises, Inc., Major League Baseball Properties, Inc., The MLB Network, LLC, MLB Advanced Media, L.P., and/or any of their respective present or future affiliates, assigns or successors.

**"MLB Governing Documents"** shall mean the following documents as in effect from time to time and any amendments, supplements or other modifications thereto and all replacement or successor documents thereto that may in the future be entered into: (a) the Major League Constitution, (b) the Basic Agreement between the Major League Baseball Clubs and the Major League Baseball Players Association, (c) the Professional Baseball Agreement between the BOC, on behalf of itself and the Major League Baseball Clubs, and the National Association of Professional Baseball Leagues, (d) the Major League

Rules (and all attachments thereto), (e) the Interactive Media Rights Agreement, effective as of January 20, 2000, by and among the BOC, the various Major League Baseball Clubs, MLB Advanced Media, L.P. and various other MLB Entities and (f) each agency agreement and operating guidelines among the Major League Baseball Clubs and any MLB Entity, including, without limitation, the Amended and Restated Agency Agreement, effective as of November 1, 2006, by and among Major League Baseball Properties, Inc., the various Major League Baseball Clubs and the BOC (and the Operating Guidelines related thereto).

**"MLB Rules and Regulations"** shall mean (a) the MLB Governing Documents, (b) any present or future agreements or arrangements entered into by, or on behalf of, the BOC, any other MLB Entity or the Major League Baseball Clubs acting collectively, including, without limitation, agreements or arrangements entered into pursuant to the MLB Governing Documents, and (c) the present and future mandates, rules, regulations, policies, practices, bulletins, by-laws, directives or guidelines issued or adopted by, or behalf of, the Commissioner, the BOC or any other MLB Entity as in effect from time to time.

**"More Favorable Provisions"** shall have the meaning set forth in Section 1(C) of this Lease.

**"Original Agreement"** shall have the meaning set forth in the Preamble Recitals to this Lease.

**"Original Agreement Date"** shall have the meaning set forth in the Preamble Recitals to this Lease.

**"Party"** or **"Parties"** shall have the meaning set forth in Preamble to this Lease.

**"Person"** shall mean any individual, trust, estate, partnership, joint venture, company, corporation, association, limited liability company, governmental authority or entity or any other legal entity or business or investment enterprise

**"Premises"** shall have the meaning set forth in Section 2 of this Lease.

**"Professional Baseball Agreement"** shall mean that certain agreement of BOC, on behalf of itself and the Major League Clubs, and the National Association of Professional Baseball Leagues, Inc., as the same now exists or may be amended from time to time.

**"Renewal Term"** or **"Renewal Terms"** shall have the meaning set forth in Section 1 of this Lease.

**"Signature Date"** shall have the meaning set forth in the Preamble to this Lease.

**"Spring Training"** shall mean the training period during winter and early spring of any year during which the Club prepares for the next following Major League Baseball season, and shall be deemed to include time reasonably required for (i) the preparation of

the Leased Premises (as defined below), (ii) planning for the start of Spring Training, (iii) additional Minor League player training between the end of Major League Baseball Spring Training and the commencement of the Minor League season, and (iv) a reasonable period for the "winding down" of Spring Training activities by the Club. It is anticipated by the Parties that the foregoing time frame will be from approximately January 15 to approximately April 15 of each calendar year during the Term and any Renewal Term.

*"Spring Training Development Agreement"* shall mean that certain Spring Training Development Agreement entered into concurrently with the execution of this Lease by and between the County and the Club, attached to this Lease as Exhibit D, for the design, development, construction, improvement and commissioning of such construction and improvement of the Lee County Sports Complex as such exists prior to and upon the execution and delivery of this Lease, including, without limitation, the Major League Stadium, the Minor League Complex, training facilities, practice fields, clubhouses, dormitory/sleeping rooms and offices (including ticket offices), dedicated parking facilities and other appurtenances and improvements on or about the site of the Lee County Sports Complex (such site as set forth in Exhibit A), the terms and conditions of which are incorporated by reference to this Lease.

*"Spring Training Territory"* shall mean that territory (i) within the Club Home Television Territory, and (ii) with respect to spring training related rights and benefits set forth in this Lease, in and immediately surrounding the Premises location, immediately prior to, during or immediately after the period that Club's Spring Training games are played.

*"Stadium Complex"* shall have the meaning set forth in Section 2(A) of this Lease.

*"State Development Funds"* shall have the meaning set forth in Section 31 of this Lease.

*"Substantial Interference"* shall have the meaning set forth in Section 30(A) of this Lease.

*"Target Field"* shall mean that certain Major League Baseball ballpark named "Target Field" in the City of Minneapolis, Minnesota which is the home venue for the Club's regular season and postseason games.

*"Term"* shall have the meaning set forth in Section 1 of this Lease.

*"Ticket Sales"* shall have the meaning set forth in Section 3 of this Lease.


[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Parties hereto have executed this Lease on the 6th day of November, 2012.

ATTEST:

CHARLIE GREEN, CLERK OF COURT

BOARD OF COUNTY COMMISSIONERS OF LEE COUNTY, FLORIDA

By Yvonne Townsend  
Deputy Clerk  


By [Signature]  
Chairman

APPROVED AS TO FORM

By [Signature]  
County Attorney

WITNESSES:

MINNESOTA TWINS, LLC

Target Field  
1 Twins Way  
Minneapolis, Minnesota 55403

[Signature]  
Danielle Berg

By [Signature]  
President

[SIGNATURE PAGE TO AMENDED AND RESTATED 2012 STADIUM LEASE AGREEMENT]

EXHIBIT A  
STADIUM LAND AREA  
ORIGINAL STADIUM PROPERTY

DEPOSIT MAP

A tract of parcel (lying in the northern quarter (NW 1/4) of Section 10, Township 43 South, Range 28 East, Lee County, Florida) which tract is described is described as follows:

From the southeast corner of the northeast quarter (NE 1/4) of said Section 10 run North 21° 10' 21" West along the east line of said northern quarter (NE 1/4) for 427.28 feet to the point of beginning.  
From said Point of Beginning bearing South 41° 10' 00" West along said east line for 1427.38 feet; thence per bearing 03° 43' 00" East parallel with the north line of said fraction for 2116.17 feet to an intersection with the curved northwesterly line of the 2116.17 feet curve as described in S.B. Book 1119 at page 625; thence run northwesterly along said northwesterly line along the arc of a curve to the right of radius 2116.17 feet toward bearing South 23° 42' 12" West (chord 2116.17 feet) (chord 23° 42' 12" for 2116.17 feet); thence per South 03° 43' 00" East for 1734.31 feet to the point of beginning.

Starting meridian bearings are Plane Coordinates for the Florida West Line derived from the Florida Department of Transportation survey for the State Express Highway.

2020-05-06 09:50:20

2020-05-06 09:50:20

## NEW ACQUISITION PROPERTY

### EXHIBIT "A"

A tract or parcel of land lying in the Northeast Quarter (20 1/4) of Section 24, Township 45 South, Range 24 East, Lee County, Florida, which tract or parcel is described as follows:

Beginning at the Southeast corner of the Northeast Quarter (20 1/4) of said Section 24, run North 61 Degrees 17' 45" West along the West line of said Northeast quarter (20 1/4) for 211.96 feet thence North 66 Degrees 45' 48" East parallel with the South line of said Section 24 for 1234.21 feet to an intersection with the curved West boundary line of the 1000 Cypress Parkway as described in O.R. Book 1114, page 223 of the Public Records of Lee County, Florida, thence run East westerly along said (irregularly) line along the arc of a curve to the right of station 1000.00 feet bearing South 35 Degrees 25' 25" West a distance of 250.00 feet (with 65 Degrees 00' 37") the 250.00 feet to a point of tangency thence run South 20 Degrees 25' 54" West for 424.27 feet to an intersection with the South line of said Northeast Quarter (20 1/4); thence run South 60 Degrees 45' 45" West for 250.00 feet to the Point of Beginning.

LESS AND EXCEPT the West 50 feet thereof.

bearings and distances mentioned are True Coordinates for the Florida True Meridian derived from Florida Department of Transportation photogrammetric survey for the 1000 Cypress Parkway.

Parcel Identification Number: 25-45-24-01-0000.0010



**EXHIBIT B**

**CLUBS EXCLUSIVE USE AREAS**

**I. Private Use By Club – Year Round**

**A. William H. Hammond Stadium**

1. Largest Storage Room in Major League clubhouse and one storage room to be constructed beneath the seating bowl of the Major League Stadium
2. Training and Treatment Room in Major League clubhouse (including Storage Room, Doctor's Office and Trainer's Office, Hydrotherapy Area)
3. 3rd Floor Office Level
4. Concessions Stands and Novelty Store

Subsequent to operating agreement with Minor League affiliate, Miracle Baseball currently runs all Concessions for Twins.

5. Video Room to be constructed and located outside the Major League Stadium clubhouse adjacent to the batting tunnels.
6. The office used by the Twins Ticket Manager which shall be secured at the conclusion of each Spring Training period.

**B. Minor League Clubhouse –**

1. All Areas inside the Clubhouse Building, including offices, meeting rooms, player clubhouse, coaches locker rooms, storage, Laundry and access hallways
2. Storage Room adjacent to Batting Tunnels
3. Video Room and facilities to be constructed and located adjacent to Weight Training Room and Batting Tunnels

**C. Minor League Office**

All Areas inside the office building  
(Reception Area, 4 offices, conference room, & storage room)

D. Weight Training Room and Athletic Training & Treatment Room (to become connected facilities in the same 6,000 sf building)

3,600 sf main weight training room, plus office & storage room

2,400 sf athletic training room that was originally constructed as a large meeting space

Hydrotherapy room to be constructed adjacent to new athletic training room

E. [RESERVED]

F. Player Development Academy

Entire facility including, without limitation, Dining Room and Kitchen, Tiered Meeting Space (Theater), offices, classrooms, recreation areas, storage rooms, laundry facilities and sleeping rooms.

The theater may be used by the County as is the case with current use of the Meeting and Conference Room; however, such use shall be scheduled and subject to the management of the Club.

II. Private Use By Club – Spring Training Only  
(Approximately January 15 through April 15)

A. Stadium Complex

1. Major League Clubhouse  
Main Locker Room, all offices, storage rooms and Shower Area
2. Visitors Clubhouse  
Locker Room, Manager's Office, Coaches Locker Room, Training Room and Shower Area
3. Umpires Room
4. 4th Floor Media Level  
  
Including, without limitation, Offices, Radio & Television Broadcast Booths, Main Press Area, Public Address Booth, All skybox suites and storage areas.
5. Press Dining Room

B. Ticket Office (Starting on or around January 1 of each year)

III. Exclusive Use Areas as set forth in the Spring Training Development Agreement set forth as Exhibit D

IV. Other

A. Florida Instructional League

Club shall have the option to use the Major League clubhouse in the Stadium Complex, and areas described in II. (A) (1) above during the Instructional League (approximately September 15 – October 31). Or, Club may elect to use Minor League clubhouse facilities for this program.

B. Fantasy Camps

As per III.(A) above, Club shall have the option to use the Major League clubhouse in the Stadium Complex or the Minor League clubhouse.

EXHIBIT C  
ESCROW AGREEMENT

**EXHIBIT D**

**SPRING TRAINING DEVELOPMENT AGREEMENT**

EXHIBIT E

**SCHEDULE OF BASE ANNUAL RENT PAYMENTS**

<u>Year</u>	<u>Club</u>
1	\$500,000
2	\$500,000
3	\$500,000
4	\$500,000
5	\$500,000
6	\$515,000
7	\$515,000
8	\$515,000
9	\$515,000
10	\$515,000
11	\$530,450
12	\$530,450
13	\$530,450
14	\$530,450
15	\$530,450
16	\$546,364
17	\$546,364
18	\$546,364
19	\$546,364
20	\$546,364
21	\$562,754
22	\$562,754
23	\$562,754
24	\$562,754
25	\$562,754
26	\$579,637
27	\$579,637
28	\$579,637
29	\$579,637
30	\$579,637
	<u>\$16,171,025</u>

**EXHIBIT F**

**CAPITAL IMPROVEMENT FUND**

<u>Year</u>	<u>Club</u>	<u>County</u>	<u>Total</u>	<u>Cum. Total</u>
1	\$60,000	\$60,000	\$120,000	\$120,000
2	\$60,000	\$60,000	\$120,000	\$240,000
3	\$60,000	\$60,000	\$120,000	\$360,000
4	\$60,000	\$60,000	\$120,000	\$480,000
5	\$60,000	\$60,000	\$120,000	\$600,000
6	\$60,000	\$60,000	\$120,000	\$720,000
7	\$60,000	\$60,000	\$120,000	\$840,000
8	\$60,000	\$60,000	\$120,000	\$960,000
9	\$60,000	\$60,000	\$120,000	\$1,080,000
10	\$60,000	\$60,000	\$120,000	\$1,200,000
11	\$60,000	\$60,000	\$120,000	\$1,320,000
12	\$60,000	\$60,000	\$120,000	\$1,440,000
13	\$60,000	\$60,000	\$120,000	\$1,560,000
14	\$60,000	\$60,000	\$120,000	\$1,680,000
15	\$60,000	\$60,000	\$120,000	\$1,800,000
16	\$60,000	\$60,000	\$120,000	\$1,920,000
17	\$60,000	\$60,000	\$120,000	\$2,040,000
18	\$60,000	\$60,000	\$120,000	\$2,160,000
19	\$60,000	\$60,000	\$120,000	\$2,280,000
20	\$60,000	\$60,000	\$120,000	\$2,400,000
21	\$60,000	\$60,000	\$120,000	\$2,520,000
22	\$60,000	\$60,000	\$120,000	\$2,640,000
23	\$60,000	\$60,000	\$120,000	\$2,760,000
24	\$60,000	\$60,000	\$120,000	\$2,880,000
25	\$60,000	\$60,000	\$120,000	\$3,000,000
26	\$60,000	\$60,000	\$120,000	\$3,120,000
27	\$60,000	\$60,000	\$120,000	\$3,240,000
28	\$60,000	\$60,000	\$120,000	\$3,360,000
29	\$60,000	\$60,000	\$120,000	\$3,480,000
30	\$60,000	\$60,000	\$120,000	\$3,600,000
	<u>\$1,800,000</u>	<u>\$1,800,000</u>	<u>\$3,600,000</u>	

## ESCROW AGREEMENT

This Escrow Agreement ("Agreement") is entered into this **6th** day of **November, 2012**, by and between **LEE COUNTY**, a political subdivision and charter county of the State of Florida ("County"), the **MINNESOTA TWINS, LLC, LIMITED PARTNERSHIP**, a Delaware limited liability company ("Club"), **THE OFFICE OF THE COUNTY ATTORNEY FOR LEE COUNTY, FLORIDA** (the "County Attorney"), and **BRIGGS AND MORGAN, P.A.** (collectively with the County Attorney, "Escrow Agents" or individually an "Escrow Agent") and together with the County and the Club, the "Parties", or individually, a "Party").

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

This Agreement relates to that **Spring Training Facility Development Agreement** dated November 6, 2012, by and between the County and the Club (the "Development Agreement").

Pursuant to Section 12 of the Development Agreement, the County and the Club have entered into that certain Spring Training Facility Lease Agreement between Lee County and the Minnesota Twins, LLC, with a Signature Date of **November 6, 2012** (the "Lease").

Escrow Agent, the County Attorney, hereby acknowledges receipt of two originals of the Lease (collectively, the "Original Leases"), executed by both the County and the Club, and the Escrow Agents agree that the Original Leases shall be held in escrow (the "Escrow") until the Commencement Date, as defined in the Lease, and receipt of the joint written instructions of the County and the Club to release the Original Leases from Escrow, at which time Escrow Agents shall deliver from Escrow one Original Lease to the County and one Original Lease to the Club.

Upon completion and delivery of the Original Leases, Escrow Agents shall be automatically released and discharged of their escrow obligations hereunder and all liability associated with the Escrow. Escrow Agents will have no liability under this Agreement unless an Escrow Agent is determined by a Court of competent jurisdiction to have been grossly negligent or committed willful misconduct in the performance of the duties set forth herein.

In the event conflicting demands are made on an Escrow Agent, or an Escrow Agent, in good faith, believes that any demands with regard to the Original Leases are in conflict or are unclear or ambiguous, such Escrow Agent may bring a declaratory or interpleader action in an appropriate court. Such action shall not be deemed to be the "fault" of the Escrow Agent bringing the action, and the Escrow Agent is entitled to reimbursement from the County and the Club for its reasonable costs and attorneys fees in connection with the same, through final appellate reviews.



Limitations of Liability:

Without limitation, neither Escrow Agent shall be liable for:

- a. The legal effect, insufficiency, or undesirability of any instrument deposited with or delivered by or to an Escrow Agent or exchanged by the Parties hereunder, whether or not Escrow Agents prepared such instrument.
- b. Escrow Agents act hereunder as a depository only, and are not responsible or liable in any manner whatsoever for the sufficiency, correctness, genuineness or validity of any instrument deposited with it hereunder, or with respect to the form or execution of the same; of the identity, authority, or rights of any person executing or depositing the same.
- c. An Escrow Agent shall not be required to take or be bound by notice of default of any person, or take any action with respect to such default involving any expense or liability, unless notice in writing is given to the Escrow Agents of such default and unless they are indemnified in a manner satisfactory to it against any such expense or liability. These instructions shall not be subject to rescission or modification except upon receipt by Escrow Agents of written instructions of all the Parties hereto or their successors in interest, and no such modification shall be effective unless and until consented to in writing by the Escrow Agents.
- d. An Escrow Agent shall be protected in acting upon any notice, request, waiver, consent, receipt or other paper or document believed by Escrow Agent to be genuine.
- e. An Escrow Agent shall not be liable for any error or judgment or for any act done or step taken or omitted by it in good faith, or for any mistake of fact or law, or for anything which it may do or refrain from doing in connection herewith, except its own gross negligence or willful misconduct, and Escrow Agents shall have no duties to anyone except those signing these instructions.
- f. Escrow Agent may consult with legal counsel in the event of any dispute of questions as to the construction of the foregoing instructions, or the Escrow Agents' duties hereunder, and an Escrow Agent shall incur no liability and shall be fully protected in acting in accordance with the opinion and instructions of such counsel.
- g. An Escrow Agent's compliance with any legal process, subpoena, writ, order, judgment or decree of any court, whether issued with or without jurisdiction, whether or not subsequently vacated, modified, set aside or reversed.

Any notice given to an Escrow Agent must be delivered by certified U.S. mail, return receipt request, or by a national overnight courier service, such as FedEx, delivered to the following addresses:

Lee County Attorney's Office  
2115 Second Street, 6<sup>th</sup> Floor  
Post Office Box 398  
Fort Myers, FL 33902-0398  
Telephone: (239) 533-2236

Briggs and Morgan, P.A.  
2200 IDS Center  
80 South 8<sup>th</sup> Street  
Minneapolis, MN 55402  
Telephone: (612) 977-8492

Any notice delivered by the County or the Club to an Escrow Agent shall concurrently be delivered to the other Escrow Agent and to the other Party.

This Agreement, and any document or instrument entered into, given or made pursuant to this Agreement or authorized hereby, and any amendment or supplement thereto may be executed in two or more counterparts, and, when so executed, will have the same force and effect as though all signatures appeared on a single document. Any signature page of this Agreement or of such amendment, supplement, document or instrument may be detached from any counterpart without impairing the legal effect of any signatures thereon, and may be attached to another counterpart identical in form thereto but having attached to it one or more additional signature pages. Facsimile or PDF copies of any amendment to this Agreement executed by the Parties may be relied upon as an original signature.

The County and the Club recognize and acknowledge that Escrow Agents are counsel for the County and the Club, respectively, and that Escrow Agents have agreed to serve as Escrow Agents only as a convenience to the Parties. The Parties agree that Escrow Agents may continue to represent the County and the Club in this and any other transaction or matter including, without limitation, representation in disputes between the County and the Club, disputes concerning the Development Agreement, the Original Leases and disputes concerning Escrow Agents' responsibilities hereunder.

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[Signatures on Following Page]

Signature Page to Escrow Agreement dated November 6, 2012.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement.

ATTEST: CHARLIE GREEN  
CLERK OF COURTS

By:

Joye Townsend



BOARD OF COUNTY COMMISSIONERS  
OF LEE COUNTY, FLORIDA

By:

J. Manning  
Chair

Date:

November 6, 2012

APPROVED AS TO FORM:

By:

William H. Packer  
Office of the County Attorney

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[Signatures on Following Page]

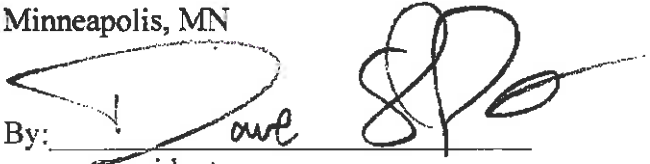
Signature Page to Escrow Agreement dated November 6, 2012.

WITNESSES:

MINNESOTA TWINS, LLC

Target Field  
1 Twins Way  
Minneapolis, MN

By:   
Print Name: Kip W. Elliott  
Date: 11/21/12

By:   
President  
Date: 11/21/12

By: Danielle Berg  
Print Name: Danielle Berg  
Date: 11/21/12

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[Signatures on Following Page]





**Economic Impact of Twins Spring Training Visitors  
(Based on Lee County 2009 Spring Training Study)**

	2008	2009*	2010**	2011	2012	2013	2014
Number of games	16	19	13	16	16	19	14
Official Total Attendance	124,934	129,589	104,712	129,453	117,503	113,845	107,806
Estimated Lee County Visitor Attendance	91,587	94,999	76,762	94,899	86,139	83,457	79,030
Estimated Spring Training Expenditures	\$ 22,644,075	\$ 23,487,786	\$ 18,978,872	\$ 23,463,136	\$ 21,297,219	\$ 20,634,213	\$ 19,539,654
Direct Local Government Tax Collections	\$ 620,577	\$ 643,699	\$ 520,129	\$ 643,024	\$ 583,665	\$ 565,495	\$ 535,498
Direct State Government Tax Collections	\$ 1,620,080	\$ 1,680,444	\$ 1,357,851	\$ 1,678,680	\$ 1,523,719	\$ 1,476,284	\$ 1,397,973
Direct Employment	329	341	276	341	309	300	284
Total Local Government Tax Collections	\$ 1,218,392	\$ 1,263,789	\$ 1,021,181	\$ 1,262,462	\$ 1,145,923	\$ 1,110,249	\$ 1,051,355
Total State Government Tax Collections	\$ 2,430,855	\$ 2,521,428	\$ 2,037,393	\$ 2,518,782	\$ 2,286,269	\$ 2,215,095	\$ 2,097,594
Total Employment	467	485	391	484	439	426	403

\*Note: 2009 includes games played against the Puerto Rican and Netherlands national teams during the World Baseball Classic.

\*\*Note: 2010 covers only 13 games in Florida as the Twins played two additional pre-season games in Minnesota.

# Section 5

Certification Criteria as required by 288.11621(2), F.S. (2011)

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## Criteria 1

### **Florida Statute 288.11621(2)(a)(1.)**

*The applicant is responsible for the acquisition, construction, management, or operation of the facility for a spring training franchise or holds title to the property on which the facility for a spring training franchise is located.*

Lee County holds title to the property on which the facility is located and Lee County Parks and Recreation manages, operates and maintains Hammond Stadium and the Lee County Sports Complex. Lee County Construction and Design is responsible for all construction and renovations to the facility.

Attachment A: Warranty Deeds for the property in question

## Criteria 2

### **Florida Statute 288.11621(2)(a)(2.)**

*The applicant has a certified copy of a signed agreement with a spring training franchise for the use of the facility for a term of at least 20 years. The agreement also must require the franchise to reimburse the state for state funds expended by an applicant under this section if the franchise relocates before the agreement expires. The agreement may be contingent on an award of funds under this section and other conditions precedent.*

See Section 3 for copies of the Stadium Improvement Spring Training Development Agreement and the Stadium Lease Agreement between Lee County and the Minnesota Twins, LLC.

Key Terms of the 2012 Stadium Lease Agreement  
Between Lee County  
And  
Minnesota Twins

**Term:** 30 years – option to extend 2 separate, but consecutive periods of 10 years each

**Leased Premises:** Major League Stadium and Minor League Complex Exclusive Use During Spring



**Ticket Sales:** Club sets prices, operate and manage all ticketing operations – receives all “Gross Revenues from Ticket sales”. Club provides County, at no charge, 40 admission tickets for reserved ticket seating and use of the suite to accommodate up to 40 people.

**Parking:** The Club is responsible for collecting all parking fees and related revenue derived from Spring Training activities and all other professional related events. Parking management during Spring Training is the responsibility of the Club.

**Concessions:** The Club or its designee shall control the sale of food, beverages merchandise, novelties, and logo items. The Club agrees to consult periodically with the County concerning concession prices. “Gross Revenues From Concessions” shall be the sole and exclusive property of the Club.

**Message Center/Billboard:** Except for approved events held by the County, the Club shall be entitled to sell rights with respect to the Leased Premises. All revenues received from or in connection with the lease shall be the property of the Club or its designee.

**Naming Rights:** The Club has exclusive naming (and presenting sponsorship) rights to all or any portion of the stadium complex and any building located on the leased premises.

**Lease Payments:** Club leases facility from the County for \$500,000 per year

**Fantasy Camps:** Club or designee shall hold or conduct any fantasy camp at the facility at any time during the term and the Club shall pay no additional costs. All revenues derived from such Club fantasy camps shall be the property of the Club.

**Broadcasting:** The Club shall retain any and all broadcasting and television rights for games played by the Club.

**Games Played:** The Club will play regularly scheduled Spring Training home games exclusively at the Major League Stadium.

**Operating Maintenance and CIP:** Throughout the term the County shall at its sole expense, provide cleaning and repair and operational maintenance services for the leased premises. The Club shall be responsible for providing janitorial services for the Clubs exclusive use areas. The County and the Club have established an account for mutually agreed upon capital improvement projects to benefit the leased premises. The County shall be financially responsible for and undertake capital improvements to the leased premises.

**Equipment:** The County shall be solely responsible for providing all equipment necessary to operate the leased premises.

**Tourist Promotion:** The county and the Club agree to develop an ongoing promotional partnership for the purpose of promoting Spring Training games and ticket sales, as well as tourism opportunities in the County.

**Services and Personnel:** The Club or its designee shall hire and be responsible to pay for concessions, ticketing, advertising and other personnel necessary to service patrons. The Club shall provide security within the Major League Stadium for any Club related activities. The County will be responsibility for traffic control and assistance for ingress and egress to and from the stadium complex for all spring Training games only.

**Club Alterations and Property Rights:** The Club shall not in any permanent alterations or permanent additions to the physical structure of the leased premises without first requesting and obtaining written approval from the County.

**Utilities:** The County is responsible for the cost of all utilities of the leased premises. The Club shall reimburse the county costs associated with the Clubs Exclusive use areas and for field lighting for any evening games played by the Club.

**Operations:** Exclusive use of the leased premises by the Club during Spring Training includes operational jurisdiction over the various service providers, subcontractors and other persons who may be involved or working at the facility, but shall not include County employees.

### Criteria 3

#### **Florida Statute 288.11621(2)(a)(3.)**

*The applicant has made a financial commitment to provide 50 percent or more of the funds required by an agreement for the acquisition, construction, or renovation of the facility for a spring training franchise. The commitment may be contingent upon an award of funds under this section and other conditions precedent.*

Attachment B: Total Estimated Project Budget demonstrating Lee County's financial commitment to provide more than 50 percent of the funds required for acquisition and renovation of the Lee County Sports Complex on behalf of the Minnesota Twins.

[Continued on next page]

#### Criteria 4

##### **Florida Statute 288.11621(2)(a)(4.)**

*The applicant demonstrates that the facility for a spring training franchise will attract a paid attendance of at least 50,000 annually to the spring training games.*

Minnesota Twins spring training attendance will continue to attract paid attendance well above the minimum threshold specified. In 2014, official attendance totaled 107,806.

#### Criteria 5

##### **Florida Statute 288.11621(2)(a)(5.)**

*The facility for a spring training franchise is located in a county that levies a tourist development tax under s. 125.0104.*

Lee County now collects a 5% tourist development tax which is allocated for expenditure as follows:

- 53.6% for tourist advertising and promotions
- 26.4% for beach and shoreline improvements
- 20% for sports facilities

Since 1982, the Lee County Board of County Commissioners has collected a tourist development tax under the authority of Chapter 125.0104, Florida Statutes.

Initially a 2% tax on short-term accommodations, Lee County Ordinance 82-33 has been amended several times, with an additional 1% levy added in March of 1988 and another 2% added in January 2006.

Attachment C: Copy of Lee County Tourist Development Ordinance 13-14.



EXHIBIT "A"

OR2096 P94 104

A tract or parcel lying in the northeast quarter (NE 1/4) of Section 30, Township 45 South, Range 25 East, Lee County, Florida which tract or parcel is described as follows:

From the southwest corner of the northeast quarter (NE 1/4) of said Section 30 run North  $01^{\circ} 10' 06''$  West along the west line of said northeast quarter (NE 1/4) for 621.20 feet to the point of beginning.  
From said Point of Beginning continue North  $01^{\circ} 10' 06''$  West along said west line for 1921.55 feet; thence run North  $88^{\circ} 55' 40''$  East parallel with the south line of said fraction for 2184.47 feet to an intersection with the curved northwesterly line of Six Mile Cypress Parkway as described in O.R. Book 1119 at page 835; thence run southwesterly along said northwesterly line along the arc of a curve to the right of radius 5604.58 feet (chord bearing South  $23^{\circ} 42' 17''$  West) (chord 2116.37 feet) (delta  $21^{\circ} 45' 59''$ ) for 2129.15 feet; thence run South  $88^{\circ} 55' 40''$  West for 1294.31 feet to the point of beginning.

Bearings hereinabove mentioned are Plane Coordinate for the Florida West Zone derived from the Florida Department of Transportation centerline survey for Six Mile Cypress Parkway.

CHARLIE GREEN LEE CITY FL  
09 SEP 18 AM 11:56

This instrument was prepared by and when recorded return to: JOAN DeMICHAEL HENRY LUSK, DRASIKES, TOLISANO & SMITH, P.A. 202 S. DEL FRADO BOULEVARD CAPE CORAL, FLORIDA 33990

Property Appraiser's Parcel Identification No. 30-45-25-00-00004.0000

WARRANTY DEED (Statutory Form -- Section 689.02, F.S.)

This Indenture, made this 18th day of March, 2011, Between Suriyah, LLC, a Florida Limited Liability Company, whose post office address is 5700 Harborage Drive, Fort Myers, FL 33912, grantor\*, and LEE COUNTY, A POLITICAL SUBDIVISION OF THE STATE OF FLORIDA whose post office address is P.O. Box 398, Fort Myers, FL 33902, grantee\*,

Witnesseth that said grantor, for and in consideration of the sum of TEN AND NO/100 (\$10.00) DOLLARS, and other good and valuable considerations to said grantor in hand paid by said grantee, the receipt whereof is hereby acknowledged, has granted, bargained and sold to the said grantee, and grantee's heirs and assigns forever, the following described land, situate, lying and being in Lee County, Florida, to-wit:

A tract or parcel of land lying in the Northeast Quarter (NE 1/4) of Section 30, Township 45 South, Range 25 East, Lee County, Florida, which tract or parcel is described as follows:

Beginning at the Southwest corner of the Northeast Quarter (NE 1/4) of said Section 30, run North 61° 10' 06" West along the West line of said Northeast Quarter (NE 1/4) for 621.28 feet; thence run North 85° 55' 40" East parallel with the South line of said fraction for 1294.31 feet to an intersection with the curved Northwestery line of Six Mile Cypress Parkway as described in O.R. Book 1119, page 835 of the Public Records of Lee County, Florida, thence run Southwestery along said Northwestery line along the arc of a curve to the right of radius 5604.58 feet (chord bearing South 36° 15' 35" West chord 359.62 feet (delta 03° 40' 37")) for 359.68 feet to a point of tangency; thence run South 38° 18' 54" West for 424.29 feet to an intersection with the South line of said Northeast Quarter (NE 1/4); thence run South 88° 55' 40" West for 799.06 feet to the Point of Beginning.

LESS AND EXCEPT for West 50 feet thereof.

Bearings hereinabove mentioned are Plane Coordinate for the Florida West Zone derived from Florida Department of Transportation centerline survey for Six Mile Cypress Parkway.

SUBJECT TO reservations of record and taxes for the current year and subsequent.

and said grantor does hereby fully warrant the title to said land, and will defend the same against lawful claims of all persons whomsoever.

\* "Grantor" and "grantee" are used for singular or plural, as context requires.

In Witness Whereof, grantor has hereunto set grantor's hand and seal the day and year first above written.

Signed, sealed, and delivered in our presence:

Suriyah, LLC, Grantor

(First Witness) Printed name: Gordon Duncan

BY: Girish Patel, Manager

(Second Witness) Printed name: Aashish Patel

(Corporate Seal)

STATE OF Florida COUNTY OF Lee

Acquisition approved by the Lee County Board of Commissioners action on 12/5/2011 and accepted on behalf of the board by Dylane G. Sedwick on 5/23/2011 in accordance with B15 20110024 Project Dunes Shading Exp. Parcel

THE FOREGOING INSTRUMENT was acknowledged before me this 18th day of March, 2011, by Girish Patel, Manager of Suriyah, LLC, a FL Limited Liability Company, and in my presence and in the presence of the above-named witnesses and who did (did not) take an oath.

My Commission Expires:

D.S. \$33,670.00 REC. \$10.00 TOTAL: \$33,680.00

Notary Public

Printed, typed, or stamped name:





# Attachment C

## Tourist Development Tax Ordinance

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While the hard-copy report submitted to the Florida Department of Economic Opportunity includes a full version of Lee County Ordinance 13-14, we provide a link to the document here:

<http://www.lee-county.com/gov/BoardofCountyCommissioners/ordinances/Ordinances/13-14.pdf>





LEE COUNTY ORDINANCE NO. 13-14

AN ORDINANCE OF THE BOARD OF COUNTY COMMISSIONERS OF LEE COUNTY, FLORIDA, REPEALING AND REPLACING IN THE ENTIRETY LEE COUNTY ORDINANCE NO. 07-28, AS AMENDED BY LEE COUNTY ORDINANCE NO. 09-01, AS AMENDED BY LEE COUNTY ORDINANCE NO. 10-31, AS AMENDED BY LEE COUNTY ORDINANCE NO. 13-07, WHICH LEVIED, IMPOSED AND SET A FIVE PERCENT (5%) TOURIST DEVELOPMENT TAX THROUGHOUT LEE COUNTY PURSUANT TO THE "LOCAL OPTION TOURIST DEVELOPMENT ACT", SECTION 125.0104, FLORIDA STATUTES; PROVIDING FOR RECITALS, PURPOSE, RESTATEMENT AND REPEALER; PROVIDING FOR A TITLE; PROVIDING FOR APPLICATION AND DEFINITIONS; PROVIDING FOR THE COLLECTION OF SAID TAX, RELATING TO A TAX ON EACH WHOLE AND MAJOR FRACTION OF EACH DOLLAR OF THE TOTAL RENTAL CHARGED EVERY PERSON WHO RENTS, LEASES OR LETS FOR CONSIDERATION ANY LIVING QUARTERS OR ACCOMMODATIONS IN ANY HOTEL, APARTMENT HOTEL, MOTEL, RESORT MOTEL, APARTMENT, APARTMENT MOTEL, ROOMINGHOUSE, TOURIST AND TRAILER CAMP, MOBILE HOME PARK, RECREATIONAL VEHICLE PARK, CONDOMINIUM, REAL PROPERTY OR TIMESHARE RESORT FOR A TERM OF SIX (6) MONTHS OR LESS; PROVIDING THAT THE REVENUES SO RAISED BE UTILIZED TO IMPLEMENT THE LEE COUNTY TOURIST DEVELOPMENT PLAN, RELATING TO BEACH PARK FACILITIES AND BEACH RELATED IMPROVEMENTS; PROVIDING FOR THE ADOPTION OF THE LEE COUNTY TOURIST DEVELOPMENT TAX; PROVIDING FOR COMPOSITION OF THE LEE COUNTY TOURIST DEVELOPMENT COUNCIL; PROVIDING AN EXCEPTION TO GENERAL LAW RELATING TO THE COMPOSITION OF THE LEE COUNTY TOURIST DEVELOPMENT COUNCIL; PROVIDING FOR THE TERMS, QUALIFICATIONS AND POWERS OF THE MEMBERS OF SAID COUNCIL; PROVIDING FOR PENALTIES FOR FAILURE TO COLLECT THE TAX LEVIED; PROVIDING FOR REPEAL OF THE TAX BY REFERENDUM ELECTION; PROVIDING FOR LOCAL ADMINISTRATION OF THE TAX SO AS TO HAVE COLLECTION AND ADMINISTRATION DUTIES PERFORMED BY THE INTERNAL AUDIT DEPARTMENT OF THE CLERK OF COURT AND TO HAVE THE ENFORCEMENT AND AUDIT RESPONSIBILITIES PERFORMED BY THE LEE COUNTY CLERK OF COURT INTERNAL AUDIT DEPARTMENT; PROVIDING FOR SEVERABILITY OF ORDINANCE PROVISIONS, CONFLICTS OF LAW, CODIFICATION, INCLUSION IN CODE AND SCRIVENORS ERRORS, AND PROVIDING FOR AN EFFECTIVE DATE.

**WHEREAS**, Section 125.0104, Florida Statutes, provides for the levy of a "Local Option Tourist Development Tax" by any county; and

**WHEREAS**, under the provisions of Section 125.0104, Florida Statutes, the Board of County Commissioners, Lee County, Florida, did on June 2, 1982, adopt a Resolution establishing and appointing the members of the Lee County Tourist Development Council; and

**WHEREAS**, said Tourist Development Council has presented to the Board of County Commissioners its plan for tourist development; and

**WHEREAS**, it is the intent of this Ordinance that the Tourist Development Tax be used to stabilize the tourist-related economy of Lee County on a year-round basis.

**NOW THEREFORE, BE IT ORDAINED BY THE BOARD OF COUNTY COMMISSIONERS OF LEE COUNTY, FLORIDA that:**

**SECTION ONE: RECITALS**

The above recitals are hereby incorporated by reference as if set out herein at length.

**SECTION TWO: PURPOSE, RESTATEMENT AND REPEALER**

It is the intent of this Ordinance to repeal and replace in the entirety Lee County Ordinance No. 07-28, as amended by Ordinance No. 09-01, as amended by Ordinance No. 10-31, and as amended by Ordinance No. 13-07. Accordingly, upon adoption of this Ordinance Lee County Ordinance Nos. 07-28, 09-01, 10-31 and 13-07 are hereby duly repealed and replaced.

**SECTION THREE: TITLE**

This Ordinance shall be known and may be cited as the "Lee County Tourist Development Ordinance".

**SECTION FOUR: APPLICATION; DEFINITIONS**

A. Application - The provisions contained in Florida Statutes, Chapter 212, as may be amended, apply to the administration of any tax levied pursuant to this Ordinance.

B. Definitions – Pursuant to Florida Statutes, Chapter 125.0104, as may be amended, and for purposes of this section:

1. "Promotion" means marketing or advertising designed to increase tourist-related business activities.
2. "Tourist" means a person who participates in trade or recreation activities outside the county of his or her permanent residence or who rents or leases transient accommodations as described in paragraph (3)(a).

**SECTION FIVE: TAXABLE PRIVILEGES; LEVY; RATE**

A. There is hereby levied and imposed and set a tourist development tax throughout Lee County, Florida, at a rate of three percent (3%) of each whole and major fraction of each dollar of the total rental charged every person who rents, leases or lets for consideration any living quarters or accommodations in any hotel, apartment hotel, motel, resort motel, apartment, apartment motel, roominghouse, tourist and trailer camp, mobile home park, recreational vehicle park, condominium, real property or timeshare-resort for a term of six (6) months or less. When receipt of consideration is

by way of property other than money, the tax shall be levied and imposed on the fair market value of such non-monetary considerations.

B. In addition to the three percent (3%) tax rate imposed in Paragraph A., the County hereby levies, imposes, and sets an additional one percent (1%) tax pursuant to Section 125.0104(3)(d), Florida Statutes, on the exercise of privilege described in Paragraph A.

C. In addition to the original three percent (3%) tax rate imposed and the one percent (1%) tax imposed under Paragraph B., the County hereby levies, imposes and sets an additional one percent (1%) tax pursuant to Section 125.0104(3)(n), Florida Statutes, on the exercise of the privilege described in Paragraph A.

D. The Tourist Development Tax shall be in addition to any other tax imposed pursuant to Chapter 212, Florida Statutes, and in addition to all other taxes, fees and the considerations for the rental or lease.

E. The Tourist Development Tax shall be charged by the dealer receiving the consideration for the lease or rental, and it shall be collected from the lessee, tenant, or customer at the time of payment of the consideration for such lease or rental.

F. The dealer receiving the consideration for such rental or lease shall receive, account for, and remit the tax to the Lee County Clerk of the Circuit Court at the time and in the manner provided for dealers who collect and remit taxes under Section 212.03, Florida Statutes. The same duties and privileges imposed by Chapter 212, Florida Statutes, upon dealers in tangible property, respecting the collection and remission of tax, the making of returns, the keeping of books, records and accounts, and compliance with the rules of the Florida Department of Revenue in the

administration of said chapter shall apply to and be binding upon all dealers who are subject to the provisions of this Act.

G. Collections received by the said Clerk less costs of administration of this Ordinance shall be paid and returned, on a monthly basis to Lee County for use by the County in accordance with the provisions of this Ordinance and shall be placed in the County tourist development trust fund in accordance with the Tourist Development Plan in Section Four hereof.

H. The effective date of the levy and imposition of the additional one percent (1%) of each dollar above the tax rate of two percent (2%) of each dollar, as previously set by Section Three hereof, shall be the first day of March, 1988. The proceeds of the additional levy shall be used for the purposes set forth in Section Four hereof.

I. The effective date of the levy and imposition of the additional two percent (2%) of each dollar above the tax rate of three percent (3%) of each dollar, as previously set out in Section Five A. hereof, shall be the first day of January 2006. The proceeds of the additional levy shall be used for the purposes set forth in Section Six A., B., and C. hereof. See also Section Six A., B., and C.

**SECTION SIX: TOURIST DEVELOPMENT PLAN**

A. The tax revenues received pursuant to this Ordinance shall be used to fund the Lee County Tourist Development Plan, which is hereby adopted as follows:

1. The two percent (2%) Tourist Development Tax was levied throughout Lee County beginning the first day of the month following the referendum. An additional one percent (1%) was levied in March of 1988. The additional two percent (2%) was

levied in January 2006. The Tourist Development Tax for Lee County is to strengthen our local economy and advance tourism by investing the revenue in the following priority:

- a) Fifty-three and six-tenths percent (53.6%) of the receipts of the Tourist Development Tax shall be placed into a trust fund to be used for tourist advertising and promotion for Lee County.
- b) Twenty percent (20%) of the receipts of the Tourist Development Tax shall be placed into the trust fund to be used to acquire, construct, extend, enlarge, remodel, repair, improve, maintain, operate or promote one or more publicly-owned and operated convention centers, sports stadiums, sports arenas, (including funding Sports Development and the Development's tourism related activities) coliseums, auditoriums or museums (funds will not be used for any museum general maintenance) within the boundaries of the County and for those other lawful purposes authorized by Sections 125.0104(5)(a) 1., 2., 3., and (b), 125.0104(3)(1), Florida Statutes, except as noted in Subparagraph c) below.
- c) Twenty-six and four tenths percent (26.4%) of the receipts of the Tourist Development Tax shall be placed into the trust fund to be used for beach park facilities and beach-related improvements to include but not limited to, beach

improvements, fishing piers, maintenance, re nourishment, restoration and erosion control, including shoreline protection, enhancement, clean-up or restoration of inland lakes and rivers to which there is public access as those uses relate to the physical preservation of the beach, shoreline, or inland lake or river.

B. The above and foregoing Tourist Ordinance may be enacted by an affirmative vote of a majority plus one additional member of the Board of County Commissioners.

C. The Plan and Tax shall continue until amended or repealed according to this Ordinance and Section 125.0104, Florida Statutes. Appropriations of the Tourist Development Tax shall be budgeted and approved by the Board of County Commissioners.

D. The revenues to be derived from the Tourist Development Tax may be used as authorized herein and Section 125.0104, Florida Statutes. In the event bonds are issued by the County for any of the purposes enumerated by the Tourist Development Plan, the amount of Tourist Development Tax receipts used to pay debt service on such bonds may exceed the percentages provided for the purpose for which such bonds were issued; provided, however, the annual debt service on such bonds (less any projected federal direct subsidy payments), together with any other obligations of the County which were issued to finance improvements for the same purpose and which are secured by the Tourist Development Tax, must not exceed in each fiscal year in which bonds and other obligations are outstanding, the amount of Tourist



Development Tax receipts provided in the Tourist Development Plan for such purpose which are projected by the County to be received in each such fiscal year and, in the case of a facility described in Section Six.A.1.b) hereof, the revenues projected to be received by the County from the use of such facility in each such fiscal year and the amount of moneys anticipated to be received from the State of Florida in each fiscal year pursuant to Sections 288.11621, 288.1162 and 212.20, Florida Statutes. For purposes of performing the calculations described in this paragraph, the amount of Tourist Development Tax receipts shall take into account any projected increase or decrease in such receipts, plus, if the levy of such tax was increased prior to the date of sale of the bonds, an amount equal to the monies the County would have received if the tax increase had been in effect during the entire period in question. The above projections shall be certified by the County Manager at the time of sale of the bonds and shall be conclusive evidence of satisfaction of the provisions of this Section Six D.

E. Trust funds in the amount of 6.6% deposited in the beach and shoreline portion of the Tourist Development Tax on December 9, 2008, and thereafter until the adoption of this Ordinance shall be transferred to the Stadium/Attractions Trust Fund

**SECTION SEVEN: THE LEE COUNTY TOURIST DEVELOPMENT COUNCIL**

A. There is hereby established, pursuant to the provisions of Section 125.0104, Florida Statutes, and Chapter 2013-258, Laws of Florida, an advisory council to be known as the "Lee County Tourist Development Council". The Council shall be composed of nine (9) members who shall be appointed by the Board of County Commissioners of Lee County. The Chair of the Board of County Commissioners of Lee County or another member as designated by the Chair shall serve on the Council.

Two (2) members of the Council shall be elected municipal officials, one of whom shall be from one of the two municipalities that generated the highest revenues from the tourist tax in the previous two (2) fiscal years and these two (2) municipalities shall rotate membership every two (2) years. The second elected municipal official shall be from one of the remaining municipalities and the second municipal seat shall also rotate every two (2) years. Elected municipal officials appointed to those two (2) seats on the Council shall serve for terms of two (2) years. Six (6) members of the Council shall be persons who are involved in the tourist industry and have demonstrated an interest in tourist development, of which members, not less than three (3) no more than four (4) shall be owners or operators of motels, hotels, recreational vehicle parks, or other tourist accommodations in the County and subject to the tax. All members of the Council shall be electors of the County. The changes in the composition of the membership of the Lee County Tourist Development Council mandated by this act are effective July 1, 2013. The changes in composition of the membership of the Lee County Tourist Development Council mandated by the act shall not cause the interruption of the current term of any person who is a member of the Lee County Tourist Development Council, except the two (2) municipal members appointed on July 1, 2013. The governing Board of the County shall have the option of designating the Chair of the Council or allowing the Council to elect a Chair. The Chair shall be appointed or elected annually and may be re-elected or reappointed. The members of the Council shall serve for staggered terms of four (4) years.

B. The Council hereby established shall, from time to time, make recommendations to the Board of County Commissioners for the effective operation of the special projects or uses of the Tourist Development Tax revenue raised by the tax hereby levied and may perform such other duties or functions as hereinafter may be prescribed by Ordinance or Resolution.

C. The Council shall continuously review all expenditures of revenues from the tourist development trust fund and shall receive, at least quarterly, expenditure reports from the Board of County Commissioners or its designee. Expenditures which the Council believes to be unauthorized shall be reported to the Board of County Commissioners. The Board of County Commissioners shall review the Council's findings and take such administrative or judicial action as it sees fit to insure compliance with this Ordinance and the provisions of Section 125.0104, Florida Statutes.

D. The members of the Council may be appointed or reappointed as authorized by Section 125.0104, Florida Statutes, and Chapter 2013-258, Laws of Florida.

**SECTION EIGHT:**                    **LOCAL COLLECTION ADMINISTRATION, AUDIT AND ENFORCEMENT OF THE TAX**

A. Notwithstanding any provisions hereof to the contrary, it is the intent of the County to be exempt from those requirements of Section 125.0104, Florida Statutes, that the tax collected be remitted to the Department of Revenue before being returned to the County. It is the intent of the County to provide for the collection and administration of the tax on a local basis.

B. Definitions – Pursuant to Section 212.06, Florida Statutes, as may be amended, and for purposes of this Ordinance section:

1. “Dealer” means any person who leases, or grants a license to use, occupy, or enter upon, living quarters, sleeping or housekeeping accommodations in hotels, apartment houses, roominghouses, tourist or trailer camps, or real property. The term “dealer” also means any person who has leased, occupied, or used or was entitled to use any living quarters, sleeping or housekeeping accommodations in hotels, apartment houses, roominghouses, tourist or trailer camps, or real property and who cannot prove that the tax levied by this Ordinance has been paid to the vendor or lessor on any such transactions.

C. Collection of the tax shall continue to be made in the same manner as the tax imposed under Part I of Chapter 212, Florida Statutes and as the applicable statute may be subsequently amended from time to time. Lee County, in assuming such responsibility, agrees it shall be bound by all rules promulgated by the Department of Revenue pursuant to Section 125.0104, as well as those rules pertaining to the sales and use tax on transient rentals imposed by Section 212.03. The County may use any power granted in this Section 125.0104, Florida Statutes, to the department to determine the amount of tax, penalties, and interest to be paid by each dealer and to enforce payment of such tax, penalties, and interest.

D. The Lee County Clerk of Court, (hereinafter "Clerk of Court") Internal Audit Department shall be responsible for the collection, audit, enforcement and administration of the tax. The dealers receiving the consideration for such rental or lease shall receive, account for, and remit the tax to the Lee County Clerk of Court. The Clerk of Court, Internal Audit Department, or their successor department or division, shall keep appropriate records of said funds. The same duties and privileges imposed by Chapter 212, Florida Statutes, and as the applicable statute may be subsequently amended from time to time, upon dealers in tangible property, respecting the collection and remission of tax; the making of returns, the keeping of books, records and accounts, the payment of a dealer's credit in compliance with the rules of the Lee County Clerk of Court in the administration of said Chapter shall apply to and be binding upon all dealer who are subject to the provisions of this Ordinance.

E. The Clerk of Court may promulgate rules, prescribe and publish the forms necessary to effectuate this Ordinance. The rules may include guidelines for registration and reporting requirements that are consistent with the provisions of Chapter 212, Florida Statutes.

F. In accordance with Chapter 125.0105, Florida Statutes, the Clerk of Court may adopt a service fee not to exceed the service fees authorized under Section 832.08(5) or five percent (5%) of the fact amount of the check, draft, or order, whichever is greater, for the collection of a dishonored check, draft, or other order for the payment of tax under this Ordinance. The service fee shall be in addition to all other penalties imposed by law. Proceeds from this fee, if imposed, shall be retained by the Lee

**County Clerk of Court.**

**G. The Lee County Clerk of Court, Internal Audit Department, or their successor department or division, shall perform the enforcement and audit functions associated with the collection and remission of this tax, including, without limitation, the following:**

- 1. For the purpose of enforcing the collection of the tax levied by this Chapter, the Internal Audit Department of the Clerk of Courts is hereby specifically authorized and empowered to examine at all reasonable hours the books, records, and other documents of all dealers, charged with the duty to report or pay a tax under this Ordinance, in order to determine whether they are collecting the tax or otherwise complying with this Ordinance. In the event said dealer refuses to permit such examination of its books, records, or other documents by the department as aforesaid, it is guilty of a misdemeanor of the second degree, punishable as provided in Section 775.082 or Section 775.083, Florida Statutes. The Clerk shall have the right to proceed in Circuit Court to seek a mandatory injunction or other appropriate remedy to enforce its right against the offender, as granted by this section, to require an examination of the books and records of such dealer.**
- 2. Each dealer, as defined in Section 212.06, Florida Statutes, and this Ordinance shall secure, maintain, and keep for a period of three (3) years a complete record of rooms or other lodging, that**

was leased, rented, or granted license to use, occupy or enter upon living quarters, sleeping or housekeeping accommodations in hotels, apartment houses, rooming houses, tourist or trailer camps or real property, by said dealer, together with gross receipts from such sales, and other pertinent records and documents as may be required by the Clerk of Court for the reasonable administration of this Ordinance; and all such records which are located or maintained in this state shall be open for inspection by the Internal Audit Department of the Clerk of Court at all reasonable hours at such dealer's place of business located in Lee County. Any dealer who maintains such books and records at a point outside this County must make such books and records available for inspection by the Internal Audit Department of the Clerk of Courts in Lee County, Florida. Any dealer subject to the provisions of this Ordinance, who violates these provisions, is guilty of a misdemeanor of the second degree, punishable as provided in Section 775.082 or Section 775.083, Florida Statutes.

3. Enforcement investigations include the examination of documents from any of the following, including but not limited to:
  - a) any person;
  - b) any community;
  - c) any condominium association;
  - d) any homeowner association; and

- e) any property management company that are relevant to transient renters and rental activities. Relevant documents include but are not limited to:
  - f) association approval of guests to rent or lease;
  - g) guest gate entry passes;
  - h) guest golf and/or tennis membership records, and
  - i) other guest amenity records such as pool and community center passes.
4. The Internal Audit Department of the Clerk of Courts shall send written notification, at least thirty (30) days prior to the date an auditor is scheduled to begin an audit, informing the dealer of the audit. The Internal Audit Department of the Clerk of Courts is not required to give thirty (30) days prior notification of a forthcoming audit in any instance in which the dealer requests an emergency audit.
5. Such written notification shall contain:
- a) The proximate date on which the auditor is scheduled to begin the audit.
  - b) A reminder that all of the records, receipts, invoices, and related documentation of the taxpayer must be made available to the auditor.



c) Any other requests or suggestions the Internal Audit Department may deem necessary.

6. Only records, receipts, invoices and related documentation which are available to the auditor when such auditor begins shall be deemed acceptable for the purposes of conducting such audit.

H. All taxes collected under this Ordinance shall be remitted to the Internal Audit Department of the Clerk of Court. In addition to criminal sanctions, the Clerk is empowered, and it shall be its duty, when any tax becomes delinquent or is otherwise in jeopardy under this Ordinance, to issue a warrant for the full amount of the tax due or estimated to be due, with the interest, penalties, and cost of collection, directed to all and singular the sheriffs of the state, and shall record the warrant in the public records of the County, and thereupon the amount of the warrant shall become a lien of any real or personal property of the taxpayer in the same manner as a recorded judgment. The Internal Audit Department of the Clerk may issue a tax execution to enforce the collection of taxes imposed by this Ordinance and deliver it to the Sheriff. The Sheriff shall thereupon proceed in the same manner as prescribed by law for executions and shall be entitled to the same fees for his services in executing the warrant to be collected. The Clerk may also have a writ of garnishment to subject any indebtedness due to the delinquent dealer by a third person in any goods, money, chattels, or effects of the delinquent dealer in the hands, possession, or control of the third person in the manner provided by law for the payment of the tax due. Upon payment of the execution, warrant, judgment, or garnishment, the department shall satisfy the lien of record within thirty (30) days.

I. Pursuant to Section 213.24(3) and Section 125.0104, Florida Statutes, a fee shall be imposed to offset the extraordinary costs incurred by the Clerk of Court for enforcement, administration and payment agreements incurred due to late payment of a collection event.

1. "Collection Event" means failure by a taxpayer to:
  - a) timely file a complete return;
  - b) timely pay the full amount of tax reported on a return;
  - c) timely pay the full amount due resulting from an audit after all appeal rights have expired or the result has been finally determined; or
  - d) respond to attempts to contact the dealer.

The fee shall be equal to ten percent (10%) of the total amount of tax, penalty, and interest which remains unpaid after ninety (90) days. The fee shall be imposed in addition to the taxes, fees, penalties, and interest prescribed by law.

J. Tax revenues may be used only in accordance with the provision of Section 125.0104, Florida Statutes.

K. A total of three percent (3%) of said tax collected each month herein shall be retained by the Clerk of the Circuit Court for costs of administration by the Clerk of Courts. The remainder of the tax collected shall be distributed to the County on a monthly basis.

L. The County assumes responsibility for auditing the records and accounts of dealers and assessing, collecting, and enforcing payment of delinquent Tourist Development Taxes. The County adopts any and all powers and authority granted to

the State of Florida in Section 125.0104, Florida Statutes, and Chapter 212, Florida Statutes, and as further amended or incorporated therein to determine the amount of the tax, penalties and interest to be paid by each dealer and to enforce payment of such tax, penalties, and interest by, but not limited to, distress warrants, writ of garnishments and criminal penalties as provided in Chapter 212, Florida Statutes.

M. An action may not be brought to contest an assessment of any tax, interest or penalty assessed under this Ordinance more than sixty (60) days after the date the assessment becomes final. An action may not be brought to contest a denial of refund of any tax, interest or penalty paid under this Ordinance more than sixty (60) days after the date the denial becomes final.

**SECTION TEN: PERSONAL LIABILITY**

Any dealer who exercises a taxable privilege hereunder and who willfully fails or refuses to charge and collect from the person paying any rental or lease the taxes herein provided, either by himself or through his agents or employees, shall be, in addition to being personally liable for the payment of the tax, guilty of a misdemeanor of the second degree, punishable as provided in Section 775.082, Section 775.083, or Section 775.084, Florida Statutes.

Any dealer who willfully makes a false or fraudulent return, fails to file six (6) consecutive returns, attempts in any manner to evade the tax, and/or diverts or converts tax monies to their own use or the benefits of others shall be, in addition to being personally liable for the payment of the tax, guilty of a misdemeanor or felony, punishable as provided in Sections 212.12, 775.082, and 775.083, Florida Statutes.

Any dealer who, after the Clerk's delivery of a written notice to the dealer's last known address specifically alerting the dealer of the requirement to register the dealer's business as a dealer, intentionally fails to register the business; and any dealer who, after the clerk's delivery of a written notice to the dealer's last known address specifically alerting the dealer of the requirement to collect tax on specific transactions, intentionally fails to collect such tax, shall, in addition to the other penalties provided by law, be liable for a specific penalty of one hundred percent (100%) of any unreported or any uncollected tax or fee and, upon conviction, for fine and punishment as provided in Section 775.082 or 775.083, Florida Statutes. Delivery of written notice may be made by certified mail, or by the use of such other method as is documented as being necessary and reasonable under the circumstances. The civil and criminal penalties imposed herein for failure to comply with a written notice alerting the dealer of the requirement to register the business as a dealer or to collect tax on specific transactions shall not apply if the dealer timely files a written challenge to such notice in accordance with procedures established by the department by rule or the notice fails to clearly advise that failure to comply with or timely challenge the notice will result in the imposition of the civil and criminal penalties imposed herein.

The rental property owner is ultimately responsible to ensure the required filing of tax returns and payment of taxes owed regardless of any agreement with an agent to collect, report and/or remit the tax.

**SECTION ELEVEN:**

**REFUSAL TO COLLECT TAX**

No dealer shall advertise or hold out to the public in any manner, directly or indirectly, that he will absorb all or any part of the tax, or that he will relieve the person paying the rental of the payment of all or any part of the tax, or that the tax will not be added to the rental or lease consideration, or when added, that it or any part thereof will be refunded or refused, either directly, or indirectly, by any method whatsoever. Any dealer who willfully violates any provision of this subsection shall be guilty of a misdemeanor of the second degree, punishable as provided in Section 775.082, Section 775.083, or Section 775.084, Florida Statutes.

**SECTION TWELVE:**

**SEVERABILITY**

Upon petition of fifteen percent (15%) or more of the electors of Lee County, the Board of County Commissioners shall cause an election to be held for the repeal of this Ordinance and the Tourist Development Tax levied subject only to any outstanding revenue bonds for which the tax has been pledged.

**SECTION THIRTEEN:**

**INVALID OR UNCONSTITUTIONAL SECTIONS**

It is declared to be the intent of the Board of County Commissioners that, if any section, subsection, sentence, clause, phrase, or portion of this Ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision and such holding shall not affect the validity of the remaining portions thereof. It is hereby declared to be the legislative intent that this Ordinance would have been adopted had such unconstitutional provisions not been included herein.

**SECTION FOURTEEN: CONFLICTS OF LAW**

Whenever the requirements or provisions of this Ordinance are in conflict with the requirements or provisions of any other lawfully adopted ordinance or statute, the most restrictive requirements shall apply.

**SECTION FIFTEEN: CODIFICATION, INCLUSION IN CODE AND SCRIVENER'S ERRORS**

It is the intention of the Board of County Commissioners that the provisions of this Ordinance shall become and be made a part of the Lee County code; and that sections of this Ordinance may be renumbered or relettered and that the word "ordinance" may be changed to "section", "article", or other such appropriate word or phrase in order to accomplish such intention; and regardless of whether such inclusion in the code is accomplished, sections of this Ordinance may be renumbered or relettered and typographical errors which do not affect the intent may be authorized by the County Manager or his designee, without need of public hearing, by filing a corrected or recodified copy of same with the Clerk of Circuit Court.

**SECTION SIXTEEN: EFFECTIVE DATE**

This Ordinance will take effect July 1, 2013, and upon its filing with the Office of the Secretary of the Florida Department of State, with a certified copy hereof being furnished to the State of Florida, Department of Revenue.

Commissioner Hall made a motion to adopt the foregoing ordinance, seconded by Commissioner Pendergrass. The vote was as follows:

JOHN E. MANNING	<u>AYE</u>
CECIL L PENDERGRASS	<u>AYE</u>
LARRY KIKER	<u>AYE</u>
TAMMARA HALL	<u>AYE</u>
FRANK MANN	<u>AYE</u>

DULY PASSED AND ADOPTED THIS 25<sup>th</sup> day of June, 2013.

ATTEST: LINDA DOGGETT  
CLERK OF COURTS

BY: Marcia Wilson  
Deputy Clerk

BOARD OF COUNTY COMMISSIONERS  
OF LEE COUNTY, FLORIDA

BY: [Signature]  
Chair



APPROVED AS TO FORM:

BY: [Signature]  
Office of the County Attorney



**FLORIDA DEPARTMENT of STATE**

**RICK SCOTT**  
Governor

**KEN DETZNER**  
Secretary of State

July 8, 2013

Honorable Linda Doggett  
Clerk of the Circuit Courts  
Lee County  
Post Office Box 2469  
Fort Myers, Florida 33902-2469

Attention: Lisa L. Pierce, Deputy Clerk

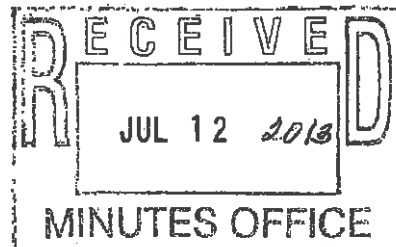
Dear Ms. Doggett:

Pursuant to the provisions of Section 125.66, Florida Statutes, this will acknowledge receipt of your letter dated July 3, 2013 and certified copy of Lee County Ordinance No. 13-14, which was filed in this office on July 8, 2013.

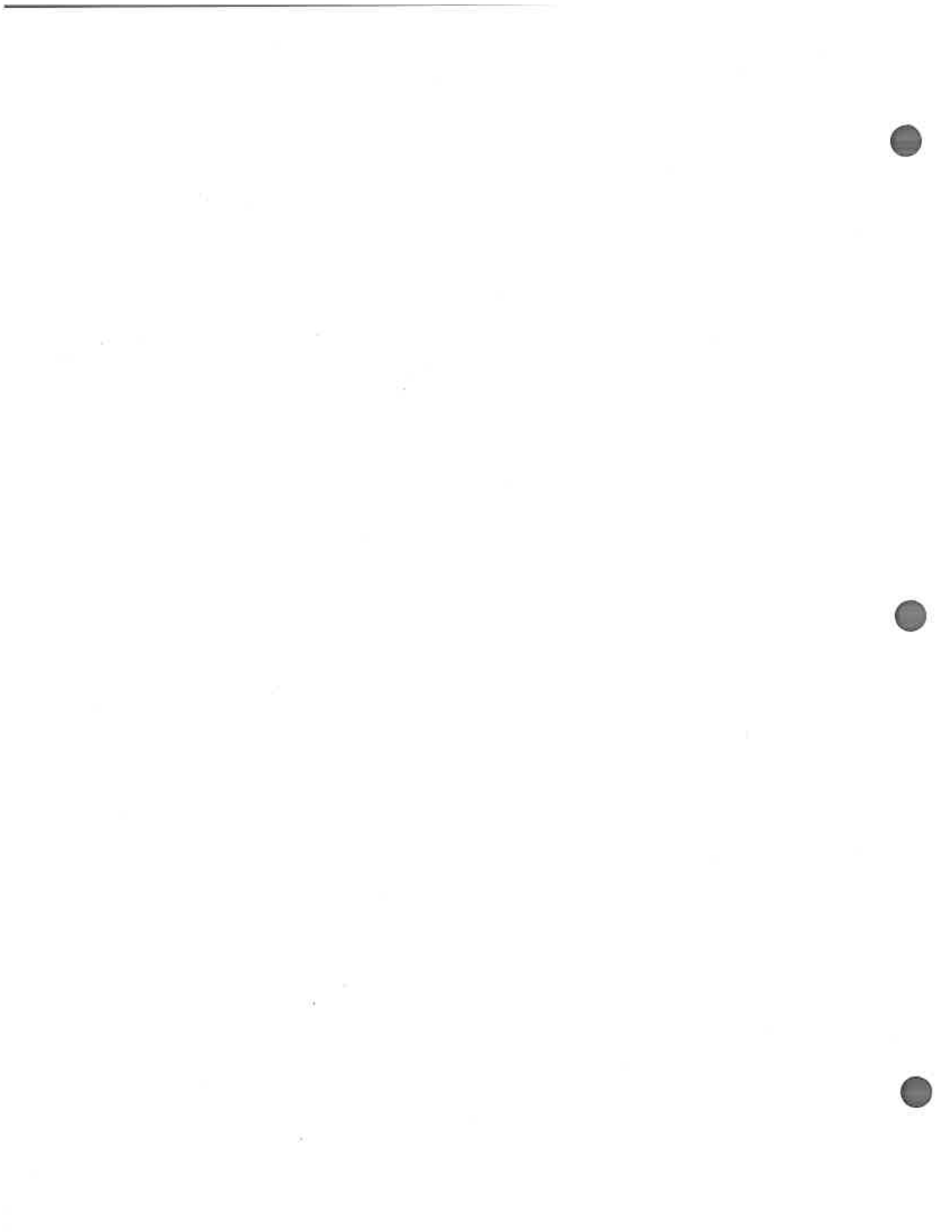
Sincerely,

Liz Cloud  
Program Administrator

LC/elr







**Osceola County  
(Houston Astros)**



**MOST RECENT AUDIT**

**Osceola County, Florida  
\$74,775,000 Tourist Development Tax Revenue Bonds, Series  
2002A Summary of Sources and Uses**

Debt Proceeds	\$ 74,775,000.00
State Grant	500,004.00
Interest Income	1,158,469.33
Increase (Decrease) FMV	(96,062.26)
Debt Issuance Costs Including Discount	<u>(2,146,565.11)</u>

**Total Funds Available for Projects 74,190,845.96**

Stadium Expansion	532,311.81	Trans Out to F318	0.7%
Convention Center	165,002.57	Trans Out to F105	0.2%
AG Center Improv & Expansion	4,495,101.42	Trans Out to F105	6.1%
AG Center Complex			
Multipurpose	4,003,233.45		5.4%
Exhibition	13,484,431.30		18.2%
Arena	31,656,904.41		42.7%
Stadium	17,828,001.52		24.0%
Total	66,972,570.68	90.3%	<u>90.3%</u>
OHP Paving	1,772,215.14		2.4%
OHP Baseball Fields	253,644.34		<u>0.3%</u>
<b>Total Funds Used on Projects</b>	<b>\$ 74,190,845.96</b>	<b>100.0%</b>	<b><u>100.0%</u></b>

**OSCEOLA COUNTY, FLORIDA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**AND STATE FINANCIAL ASSISTANCE**  
As of September 30, 2012

Federal/State Agency, Pas-through Entity, Federal Program/State Project	CFDA/ CSFA Number	Contract/Grant Number	Federal/State Payments to Expenditures Subrecipients	
<b>Federal Awards</b>				
<b>U.S. Department of Housing and Urban Development</b>				
Community Development Block Grant	14.218	B-10-UC- 12-0020	370,606	206,900
Community Development Block Grant	14.218	B-11-UC- 12-0020	329,871	44,014
Neighborhood Stabilization Program (NSP3)	14.218	B-11-UN-12-0023	31,650	
Program Total			732,127	250,914
Passed through Florida Department of Community Affairs				
Community Development Block Grant Small Cities Program	14.228	IODB-4N-06-59-01-H24	7,600	
Neighborhood Stabilization Program (NSP1)	14.228	IODB-4X-06-59-01-F19	3,896,251	
Program Total			3,903,851	
Section 8 Housing Choice Voucher Program - Housing				
Section 8 Housing Choice Voucher Program - Portables	14.871	N/A	1,225,553	
Program Total	14.871	N/A	6,944,803	
Total U.S. Department of Housing and Urban Development			12,806,334	250,914
<b>U.S. Department of Justice</b>				
Passed through City of Tampa				
(Osceola County Sheriff's Office)				
Support for Presidential Nominating Convention	16.580	2012-NC-BX-3070	94,230	
Enhancing Adult Drug Court Services				
Coordination and Treatment	16.585	2010-DC-BX-0075	68,223	
Passed through Florida Office of the Attorney General				
Victims of Crime Act (VOCA)	16.575	V10213	43,143	
Bulletproof Vest Partnership				
(Osceola County Sheriff's Office)	16.607	2010BOBX10053485	12,761	
Bulletproof Vest Partnership	16.607	2011BOBX11059549	8,435	
Program Total			21,196	
<b>JAG Program Cluster</b>				
<b>Direct Awards</b>				
Edward Byrne Memorial Justice Assistance				
Grant Program 2009	16.738	2009-DJ-BX-0465	6,750	
Grant Program 2010	16.738	2010-DJ-BX-1630	32,083	19,785
Passed Through the Florida Department				
of Law Enforcement				
Risk Assessment Tool	16.738	2011-JAGC-OSCE-6-B4-232	3,644	
Corrections Emergency Response Team	16.738	2012-JAGC-OSCE-6-C4-058	24,879	
Domestic Violence Children's Program	16.738	2012-JAGC-OSCE-3-C4-252	13,720	13,720
Education to Enhance Drug Treatment Outcomes	16.738	2012-JAGC-OSCE-1-C4-244	13,110	13,110
Healing Tree	16.738	2012-JAGC-OSCE-8-C4-250	25,000	25,000
Intensive Outpatient - Reentry	16.738	2012-JAGC-OSCE-4-C4-245	11,694	11,694
Osceola County Forensic Laboratory Project	16.738	2012-JAGC-OSCE-5-C4-194	8,224	
Risk Assessment Tool	16.738	2012-JAGC-OSCE-7-C4-108	9,717	
St. Cloud-Kissimmee Joint Crime Analysis	16.738	2012-JAGC-OSCE-2-C4-241	14,890	14,890
Program Total			163,711	98,199

Continued

**OSCEOLA COUNTY, FLORIDA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**AND STATE FINANCIAL ASSISTANCE**  
As of September 30, 2012

Federal/State Agency, Pas-through Entity, Federal Program/State Project	CFDA/ CSFA Number	Contract/Grant Number	Federal/State emkAtures	Payments to Subrecipients
<b>American Recovery and Reinvestment Act</b>				
<b>Direct Award</b>				
ARRA - Edward Byrne Memorial Justice Assistance Grant Program 2009	16.804	2009-SB-B9-2696	68,229	140
<b>Passed Through the Florida Department of Law Enforcement and Seminole County</b>				
ARRA - Strike Force Team (Osceola County Sheriff's Office)	16.803	2011-ARRC-SEMI-1-W7-352	12,144	
Program Total			<u>80,373</u>	<u>140</u>
Total JAG Program Cluster			<u>244,084</u>	<u>98,339</u>
<b>Equitable Sharing Program (Osceola County Sheriff's Office)</b>				
Total U.S. Department of Justice	16.922	FL-049-0000	27,974	
			<u>498,850</u>	<u>98,339</u>
<b>U.S. Department of Transportation</b>				
<b>Federal Highway Administration, Passed through Florida Department of Transportation</b>				
ARRA - Hoagland Boulevard	20.205	428328-1-58-01	2,511,876	
Advanced Traffic Management Systems Phase 1	20.205	417257-2-58-01/02	20,429	
Advanced Traffic Management Systems Phase 2	20.205	417257-2-58-01/02	1,912,361	
Advanced Traffic Management Systems Phase 3	20.205	417257-3-58-01	542,041	
ARRA - Osceola Parkway and Orange Avenue	20.205	428586-1-58-01	4,986	
<b>U.S. Department of Transportation, Federal Highway Administration Passed through Florida Department of Transportation</b>				
Canoe Creek Road	20.205	428092-1-58-01	107,353	
Pleasant Hill Road	20.205	428407-1-58-01	381,646	
Program Total			<u>5,480,692</u>	
<b>Federal Highway Administration, National Highway Safety Administration Alcohol Impaired Driving Countermeasures Incentive Grants (Osceola County Sheriff's Office)</b>				
Total U.S. Department of Transportation	20.601	AQL45	93,348	
			<u>5,574,040</u>	
<b>U.S. Department of Treasury</b>				
Equitable Sharing Program (Osceola County Sheriff's Office)	21.000	FL-049-0000	456,164	
<b>Institute of Museum and Library Services passed through the Florida Department of State, Division of Library and Information Services</b>				
Library Services and Technology Act Grant	45.310	11-LSTA-E-06	30,987	
<b>U.S. Environmental Protection Agency</b>				
Hydrilla Demonstrations	66.436	X-796433105	240,813	
<b>U.S. Department of Energy passed through the Florida Department of Agriculture &amp; Consumer Services</b>				
ARRA - Energy Efficiency and Conservation Block Grant	81.128	17594	1,570,801	445,000

Continued

**OSCEOLA COUNTY, FLORIDA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
AND STATE FINANCIAL ASSISTANCE  
As of September 30, 2012**

Federal/State Agency, Pass-through Entity, Federal Program/State Project	CFDA/ CSFA Number	Contract/Grant Number	Federal/State Expenditures	Payments to Subrecipients
U.S. Election Assistance Commission, Passed Through the Florida Department of State, Division of Elections Help America Vote Act (Osceola County Supervisor of Elections)	90.401	2011-2012-0001	54,237	
U.S. Department of Health and Human Services Substance Abuse and Mental Health Services Administration, Center for Substance Abuse and Treatment Enhancing Adult Drug Court Services, Coordination and Treatment	93.243	5H79T1023410-02	229,431	151,412
Administration for Children and Families, Office of Child Support Enforcement Passed through the Florida Department of State, Division of Elections Help America Vote Act Voting Access for Individuals with Disabilities (Osceola County Supervisor of Elections)	93.617	2011-2012-0002	1,000	
Administration for Children and Families, Office of Child Support Enhancement Passed through the Florida Department of Revenue Child Support Enforcement (Osceola County Clerk of Court)	93.563	CD349	495,744	
Passed through the Florida Department of Children and Families and Family Services of Metro Orlando Temporary Assistance for Needy Families	93.558	HP100	1,301	
Child Welfare - State Grants	93.645	HP100	326	
Foster Care - Title IV-E	93.658	HP100	1,963	
ARRA - Foster Care - Title IV-E	93.658	HP100	346	
Program Total			<u>2,309</u>	
Adoption Assistance	93.659	HP100	952	
Child Abuse and Neglect State Grants	93.669	HP100	581	
Promoting Safe and Stable Families -IV- B, Part II Caseworkers	93.674	HP100	50	
Total U.S. Department of Health and Human Services			<u>731,694</u>	<u>151,412</u>
U.S. Department of Homeland Security Passed through Florida Division of Emergency Management Emergency Management Preparedness Grant (FY 12) Training Issue 7	97.042	12-FG-R3-06-59-01-116	54,221	
	97.042	10-DS-39-06-59-01-421	47,000	
Program Total			<u>101,221</u>	
Federal Emergency Management Agency Passed through the Orange County Sheriff's Office Urban Area Securities Initiative (Osceola County Sheriff's Office)	97.067	N/A	42,545	
Passed through the Florida Department of Financial Services State Homeland Security Program, State Homeland Security Program, Light Technical Rescue Team	97.067	11-DS-9Z-13-00-16-436	8,400	
Program Total			<u>30,945</u>	
Total U.S. Department of Homeland Security			<u>152,166</u>	
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			<u>\$ 22,116,086</u>	<u>\$ 945,665</u>

Continued

**OSCEOLA COUNTY, FLORIDA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**AND STATE FINANCIAL ASSISTANCE**  
As of September 30, 2012

Federal/State Agency, Pas-through Entity, Federal Program/State Project	CFDA/ CSFA Number	Contract/Grant Number	Federal/State Expenditures	Payments to Subrecipients
<b>State Financial Assistance</b>				
State of Florida, Executive Office of the Governor				
Emergency Management Preparedness Assistance Grant (EMPA)	31.063	13-BG-06-06-59-01-049	16,591	
Hazard Analysis FY12	31.067	12-CP-03-06-59-01-208	4,793	
Total State of Florida, Executive Office of the Governor			21,384	
Florida Department of Agriculture and Consumer Services				
Mosquito Control	42.003	017244	34,385	
Florida Department of State				
State Aid to Libraries	45.030	12-ST-48	202,635	
Florida Department of Community Affairs				
Emergency Management Preparedness Assistance Grant (EMPA)	52.008	12-BG-05-06-59-01-049	99,342	
Emergency Management Program - Hazard Analysis FY11	52.023	11-CP-03-06-59-01-267	2,732	
Total Florida Department of Community Affairs			102,074	
Florida Housing Finance Corporation				
Statewide Housing Initiatives Program (SHIP)	52.901	N/A	1,847,832	
Florida Department of Transportation				
County Incentive Grant Program				
Narcoossee Rd. Phase 1	55.008	424382-1-58-01	642,567	
Narcoossee Rd. Phases 2&3	55.008	424382-2-58-01	5,626,263	
Program Total			6,268,830	
Transportation Infrastructure Program				
Canoe Creek Road	55.029	430274-1-(38,48,58)-01	19,906	
Liberty High School Mast Arm	55.029	430270-1-58-01	19,176	
Program Total			39,082	
Total Florida Department of Transportation			6,307,912	
Florida Department of Children and Families				
Passed Through Family Services of Metro Orlando				
Community Based Care Supports	60.094	HP1001	529	
Direct Award				
Criminal Justice, Mental Health and Substance Abuse Reinvestment Grant 60.115		LHZ24	175,728	151,966
Total Florida Department of Children and Families			176,257	151,966
Florida Department of Health				
Emergency Medical Services (EMS) Grant	64.005	C0049	86,440	23,101
Florida Department of Law Enforcement				
Statewide Drug Enforcement Strike Force Initiative (Osceola County Sher 71.008)		N/A	4,842	
Florida Department of Revenue				
Retained Spring Training Franchise	73.016	N/A	500,004	
<b>TOTAL EXPENDITURES OF STATE FINANCIAL ASSISTANCE</b>			<b>\$ 9,283,765</b>	<b>\$ 175,067</b>

**Note 1: Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance includes the federal and state grant activity of Osceola County, Florida, and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of State, Local Governments, and Nonprofit Organizations, Chapter 215.97, Florida Statutes, and Rule 69E.003 (IX), F.A.C. Therefore, amounts presented in this schedule may differ from amounts presented in, or used in, the preparation of the basic financial statements.



AGREEMENT

THIS AGREEMENT is made and entered into this 18<sup>th</sup> day of December, 2000, by and between OSCEOLA COUNTY, a political subdivision of the State of Florida, hereinafter referred to as "County", and the HOUSTON ASTROS BASEBALL CLUB, a division of Houston McLane Company, Inc., hereinafter referred to as "Club".

WHEREAS, County and the Club entered into agreements on October 5, 1983, and November 5, 1997, to host the Houston Astros Spring Training Program; and

WHEREAS, County and the Club extended the November 5, 1997, agreement on January 24, 2000; and

WHEREAS, the County and the Club desire to enter into a new agreement relating to the lease of the Osceola County Stadium and Sports Complex.

NOW, THEREFORE, in consideration of the mutual covenants and obligations herein contained, it is mutually covenanted and agreed by and between the parties as follows:

1. The Club will engage in exclusive spring training in Osceola County, Florida, for a period of sixteen (16) years, commencing with the 2001 major league spring training season. For the purpose of this agreement, the term "spring training" shall be deemed to include that period of time each year during the term of this lease which involves major and minor league spring training, exhibition games and extended spring training activities, rehabilitation and instructional league.
2. The County does hereby permit unto the Club, its successors and assigns, the use of those certain premises located in Osceola County, Florida, commonly known as Osceola County Stadium and Sports Complex and related spring training facilities to be utilized pursuant hereto.
3. County shall selectively demolish and/or restore current stadium, clubhouse and office space and build on such site a restored stadium, clubhouse, office space, practice fields and grass half-field for a cost of not more than \$18.4 million. County agrees that its financing plan shall provide that the amount by which the cost of construction (construction also includes architect and design fees) is less than \$18.4 million shall be funded and placed in an asset renewal/reserve fund to be spent on the facility subject to terms and conditions approved by Club. If the State of Florida, through the Florida Sports Foundation, fails to grant County \$7.5 million to undertake the construction, or if County does not accept such grant from the State and begin construction by April 1, 2002, the term of this lease shall be three years, and the Club shall have the right to terminate this lease as of the end of the 2002, 2003 or 2004 spring training seasons upon written notice delivered to the County, without further liability of one party to the other.

4. The Club shall have the right to approve the final design and construction plans, the architect, contractor and all change orders. Such approval shall not be unreasonably withheld. The design of the stadium shall be in accordance with MLB standards. County shall use its diligent, good faith efforts to perform, or cause to be performed, all stadium construction work according to the approved construction plans on or before February 1, 2003. In the event possession of the completed stadium is not delivered to Club on or before February 1, 2003, County shall pay Club liquidated damages of \$7,500 per day or the amount County is entitled to receive in liquidated damages under the construction contract, whichever is greater, and Club shall have the right to terminate the lease upon 30 days notice to County.

The Club shall have access to the construction project during all normal construction hours and shall receive reasonable notice of and have the right to attend and participate in all meetings between County and its architect and contractors performing the work on the stadium. Club shall have the right to request County to make changes to the design of the stadium, the construction plans and schedule of completion and will by obligation pay any cost associated with these changes, provided the cost of such changes cause the cost of the stadium renovations to exceed \$18.4 million.

5. As consideration for its utilization of the facilities, the Club and County agree to the revenue sharing as set forth below:

- (a) Upon completion of construction, the Club and County agree to revenue sharing as set forth below:

- (i) for each spring training game played in the stadium.

	<u>County</u>	<u>Club</u>
Ticket Sales:	25%	75%
Food/Beverage Concessions:	75%	25%
Merchandise/Souvenirs/Novelties:	25%	75%
Program Sales:	25%	75%
Parking Fees:	85%	15%

- (ii) Advertising and Naming Rights

	<u>County</u>	<u>Club</u>
Program Advertising and Stadium	0%	100%
Scoreboard Advertising	20%	80%

Stadium Naming Rights 33 1/3% 33 1/3%  
 Asset Renewal/Reverse Fund for Capital Improvements 33 1/3%

(b) Prior to the completion of construction, the Club and County agree to revenue sharing as set forth below:

(i) for each spring training game played in the stadium:

	<u>County</u>	<u>Club</u>
Ticket Sales	20%	80%
Food/Beverage Concessions	20%	80%
Merchandise/Souvenirs/Novelties	20%	80%
Program Sales	20%	80%
Parking Fees	100%	0%

(ii) Advertising and Naming Rights

	<u>County</u>	<u>Club</u>
Program Advertising and Stadium	0%	100%
Scoreboard Advertising	20%	80%
Stadium Naming Rights	33 1/3%	33 1/3%
Asset Renewal/Reserve Fund for Capital Improvement	33 1/3%	

6. The parties hereby expressly acknowledge and agree that the County shall have and retain all rights and revenues related to parking with revenue sharing as set forth in Item 5 above. The County shall, no later than December 1<sup>st</sup> of the year prior to the upcoming spring training season, provide to the Club the parking rates which it wishes to utilize with the Club being obligated to either accept or reject said proposed parking fees no later than December 15 of the year in which said perspective prices and fees are presented.

7. The County shall have exclusive rights to concession sales and catering to the public with Club having the right to approve pricing and menu with revenue sharing as set forth in Item 5 above. As such, County shall be liable for any damages incurred due to the operations of said food and beverage concessions and catering, and shall indemnify and hold harmless Club as to food and beverage concessions and catering to the extent allowed by law. No later than December 1, County shall submit for Club's approval a list of the food and beverage items that County intends to sell at the stadium and the prices for such items. County agrees that, when so requested by Club, the food and beverage products of Club and its affiliates, Club sponsors and advertisers shall be featured and sold by County.

8. The County shall have the right to sell all merchandise, souvenirs and novelties as provided by the Club on consignment with revenue sharing as set forth in Item 5 above. Club shall supply County with merchandise, souvenirs and novelties on a consignment basis for sale in the stadium. County shall submit for Club's approval the prices at which it intends to sell such items, a diagram of the display of the items in the retail store and a list of items to be sold in the stadium seating area and elsewhere in the stadium. Upon sale of such products, County shall remit to Club the cost of the items sold and County and Club shall divide the Net Receipts according to the revenue sharing as set forth in Item 5 above. "Net Receipts" shall mean all receipts received by County from the sale of merchandise, souvenirs and novelties, less (i) the cost of goods sold, (ii) retail sales taxes and other direct taxes imposed upon receipts collected from the consumer, and (iii) actual credit card service discount fees. At the end of spring training, the County shall return all unsold merchandise and pay to Club the cost of all lost, stolen or complementary merchandise not returned to Club. County shall retain records of all sales, thefts or complimentary dispositions of goods and allow Club access to such records.
9. The Club shall own the exclusive rights to all scoreboards, outfield and other stadium signage with revenue sharing as set forth in Item 5 above. Such rights shall include the right to control the design and layout of all advertising.
10. It is further expressly acknowledged and agreed by and between the parties that the County has no rights to and shall receive no revenues from the Club's radio or Internet broadcast or televising of any games played by said Club, nor shall the County participate, in any manner, in determining when said games shall be televised or broadcast. The Club and certain Major League Baseball entities shall have the sole and exclusive rights to record and/or transmit (or to license others to record and/or transmit) any Major League Baseball games played at the stadium via any technology now existing or hereafter devised (including, without limitation, transmission via over-the-air television, cable television, radio or on-line technologies). The Club shall own all worldwide copyright and all other rights in such games and the recordings and transmissions thereof. All rights to license any transmissions of any portions of the games, including the right to receive and retain all revenues generated from the sale or licensing of such transmission rights, shall belong solely and exclusively to the Club and certain Major League Baseball entities. The County shall not either (a) record or transmit, or permit others to record or transmit, via any medium all or any part of the games played at the stadium, or (b) otherwise take any other action which is inconsistent with the terms and conditions of this Item 10.
11. The Club shall have the exclusive right to set the price for exhibition game tickets.

12. The Club shall schedule and make a good faith effort to play a minimum of eleven (11) home major league spring training exhibition games during each and every year during the term of this agreement.
13. Further, the Club shall make reasonable efforts to play night games.
14. The County shall have the right to impose a stadium user fee or surcharge on tickets to the Club's major league spring training exhibition games at the stadium, the amount of such user fee or surcharge to be subject to the written approval thereof from the Club, such approval not to be unreasonably withheld.
15. The term "gross ticket sale receipts" shall be defined as gross sales proceeds less deductions for any applicable state, federal or local taxes, user fees or surcharges.
16. The Club shall be responsible for and pay any and all sales or other tax incidental to this agreement. In the event that ad valorem taxes are assessed against the facilities, or any portion thereof, as a result of the Club's use of same, the Club shall be responsible for its pro rata portion of such taxes. In the event any taxes are assessed, Club shall have the right to terminate this agreement upon thirty (30) days' prior written notice to County. Club shall remain responsible for the taxes incurred prior to termination.
17. The County agrees to maintain the facilities to high quality standards for use as a baseball park by the Club and visiting clubs, said condition to be reasonably approved by the Club. The County acknowledges that the high quality conditions shall be in place prior to the beginning of and shall continue throughout each spring training season at no expense to the Club. County shall operate the facilities, ticket sales and food, beverage and merchandise concessions and undertake all of its other obligations under this agreement in a manner consistent with other spring training facilities. County shall maintain books and records of all revenues generated under this agreement, shall provide an accounting of such revenues and access to such books and records to Club upon the request of Club and shall pay promptly to Club its share of the revenues.
18. The Club shall provide during each annual major league baseball season a marketing package as set forth below:
  - Full page ad in souvenir game program.
  - A minimum of one 30-second radio spot during each pregame broadcast and a 5 to 10 second "drop in" announcement during each broadcast of regular season games, home or away.
  - Visual message board announcement during each regular season home game played at Enron Field proclaiming Kissimmee/St. Cloud as "Official Spring

- Training Home” and displaying a toll free number provided by County.
- One 30-second feature ad during each home pre-game on Diamondvision within one hour of the first pitch, said ad being provided by the County and subject to approval of Club.
- One lighted concourse sign in home stadium.
- During the first five (5) years of this agreement, one (1) tri-vision batter’s eye static board advertisement shall be displayed between innings one time during each regular season home game played at Enron Field. This provision shall be revisited after year five (5).
- During each regular season home game played at Enron Field during the first year of this agreement, one public address announcement providing a selected fan with two tickets to a Central Florida attraction. This presentation shall be broadcast live on Stadium Diamondvision. Tickets to be provided by County. This provision shall be revisited after one (1) year.

The copy for the spot audio announcements shall be prepared by the County and supplied directly to the Club for distribution on air programming, with the express understanding that said spot audio announcements will be periodically updated during each baseball season and subject to the approval of the Club. County shall update all printed ad copy annually, and shall be subject to approval of the Club. County agrees to pay the cost of production of the radio and print advertisements, DiamondVision features, concourse sign and tri-vision sign and to pay the cost of installation, updating and repair of the concourse sign and the tri-vision sign.

The Club agrees to participate in a domestic sales mission every year at a home game during the regular season for up to forty (40) people, providing admission and light refreshments in order to promote the Kissimmee/St. Cloud area. Dates of the sales mission will be mutually agreed upon by both Club and County annually. Further, the Club agrees to participate in an international sales mission, provided the Club has a regular or exhibition game outside the United States, for up to twenty-five (25) people by providing admission to such game, subject to availability, in order to promote the Kissimmee/St. Cloud area.

19. It is acknowledged that said spot audio announcements, print ads, signs and DiamondVision features are to be used solely for the purpose of promoting and advertising the tourism attributes and attractions of Osceola County, and shall not be resold by the County.
20. While the County acknowledges that there are circumstances that might not make this possible at all times, the Club agrees to use reasonable efforts in locating and securing housing for the members of the Club and the Club itself in Osceola County. The Club agrees to work with the Kissimmee/St. Cloud Convention Visitors Bureau in scheduling accommodations for visiting teams in Osceola County as well.

21. The Club shall provide the County a free page in the spring training score book. The County will provide the material to be printed which will be subject to the approval of the Club.
22. The Club and the County expressly acknowledge that naming rights of the complex may be sold to a third party. All proceeds from this arrangement shall be allocated as set forth in Item 5 above. The Club and the County agree that any sale of such naming rights shall be subject to the mutual agreement of the parties, and in accordance with the MLB Documents defined in Item 42.
23. The Club agrees that it will help market spring training by providing information on promotional activities which can be incorporated locally, and by providing pre-printed collateral material that can be reproduced for the Kissimmee/St. Cloud area. The County shall make available an amount of money mutually agreed upon by the Club and County. Such money is to be utilized solely for the purpose of marketing the Major League Baseball spring training. The marketing services and the payment thereof shall be consistent with the past practices and shall be in compliance with Florida law.
24. The County shall maintain, repair and restore all properties at the facility at no cost to the Club, except that the Club shall provide for housekeeping and cleaning services to the clubhouse and office space it uses at no cost to the County. County to maintain all grounds and turf to Major League standards. It is further understood that the County will not be responsible for any maintenance, repairs or restoration related to damage occurring to property as a result of negligent acts or omissions of the Club, its officers, agents or employees.
25. The County will provide and pay for all stadium operations and services during the Club's spring training exhibition games, except for the housekeeping and cleaning services as set forth hereinabove, it being understood by and between the parties that included therein shall be the costs for advance local promotion, local advertising, local sales and local distribution of tickets to all games, stadium cleanup, ushers, parking attendants, concession attendants and any other personnel necessary to allow a game to take place. The County shall pay all utility charges, including but not limited to field water, sewer, general daytime stadium, clubhouse and office electricity cost and trash removal.
26. The Club shall have the right, from time to time, to make all such alterations and improvements to, and decorate the interior of the property covered hereunder, as shall be reasonably necessary or appropriate, in the Club's judgment, for the Club's conduct thereon of its business, provided that prior to the commencement of any such major alteration, improvement or decoration, the County shall in all cases, have approved in writing the plans and specifications therefore. If within (30) days after

such plans and specifications have been submitted and delivered by the Club to the County for such approval, and the County shall not have given the Club notice of disapproval thereof, stating the reason for such disapproval, then the plans and specifications shall be considered approved by the County.

27. The Club shall have priority use of the facilities during the last three weeks of February, the entire month of March and during the first week in April each year; provided, however, that such use shall not be exclusive and the County's Stadium Director may, with the prior written approval of Club, schedule other events, including baseball games, when the use of the facilities is not required by the Club or its affiliated farm clubs.
28. The Club shall furnish the County with its spring training exhibition game schedule and extended spring training time frame use requirements (if applicable) no later than December 1 of the year prior to the next February opening of spring training activities by the Club.
29. It is further agreed by the parties that the Club shall not stage any non-baseball related events or activities except with the express prior written consent of the County, which consent shall not be unreasonably withheld.
30. The parties hereby agree that the Club's priority use of the facilities implies operational jurisdiction over the various service subcontractors who might be involved or working at the facility, especially on the day of an exhibition game and, accordingly, the Club is granted the right to oversee the stadium operation for exhibition games including, but not limited to, concessions, ticket sales and distribution of complimentary tickets, even when the County has undertaken to provide those services. It being further understood that the Club will, at all times, make reasonable efforts to cooperate with others, including the County, in exercising its right to oversee the stadium operation for exhibition games as herein provided.
31. The parties agree that the responsibility and costs related to the use of the facilities and for equipment shall be allocated between the parties as set forth below:

<u>EQUIPMENT</u>	<u>COUNTY</u>	<u>CLUB</u>	<u>SHARED</u>
Weather covers for pitching machines:		X	
Clubhouse/office consumable supplies:		X	
Stadium consumable supplies:	X		



Small tarps for all mounds and home plate areas:	X	
Full infield tarp for stadium:		50/50
12 pitching mounds:	X	
Bases - all fields:	X	
Pitching rubbers & plates, all fields, bullpens, tunnels:	X	
Deluxe batting cages with netting (4):	X	
Screens for batting prac- tice, all fields, bullpens, tunnels:	X	
Pitching machines, electric & mechanical:		X
Bazooka pop-fly guns:		X
Netting for batting tunnels:		X
Batting practice ball baskets:		X
Ball cleaning machines:		X
Washer & dryers for clubhouse:		X
Office furnishings:		X
Kitchen equipment for clubhouse:		X
Ice machines for clubhouse:		X

Refrigerated water coolers for stadium dugouts, office, clubhouse, practice area fields:	X	
Padded training tables:	X	
Press lounge tables & chairs:	X	
Baseballs, bats, catching equip- ment:		X

32. The Club shall not be required to make any capital investment or expenditure related to the renovations of the facilities as hereinbefore described, or its amenities, except as set forth in Item 4.
33. The rights granted to the Club pursuant to this agreement shall not be assigned, except with the express written consent of the County, except that the Club may assign this agreement in connection with a sale, merger, re-organization or other disposition of the Club or its Major League Baseball franchise so long as the assignee expressly assumes the Clubs obligations hereunder. County shall not assign this agreement without the prior written consent of Club.
34. The Club will not be charged for site parking for its players and support staff. The County shall not be responsible for the security of any vehicles parked near the clubhouse. It is understood that the Club shall be responsible for security of the clubhouse and office space being utilized by the Club. The County shall install a secure, fenced and lighted parking area near the clubhouse and offices for use of the Club and shall provide reasonable security in such parking area for the protection of the members of the Club.
35. The Club agrees to and will at all times defend, indemnify, save and hold harmless the County from any and all damages, liabilities, claims, demands, expenses and costs of every kind and nature, including reasonable attorney's fees at trial or appellate level, and all court costs arising out of this agreement or from any injury to or death of persons (including the Club's personnel or employees), and damage to any and all property, including loss of use thereof, resulting from or in any manner arising out of, or in connection with, any activities or use of the County's facilities by the Club, its agents, officers, servants or employees, resulting from or any manner arising out of this lease relationship with the County, excepting only liability resulting solely from the negligence of the County, its agents, invitees, or employees. Subject to the above exception, the Club shall, upon request from the

County, defend and satisfy any and all suits arising from its use of the County's facilities.

36. The Club shall provide, on an annual basis, and maintain adequate liability insurance designating the County as insured to protect the County from any liability arising from the use of the facilities by the Club. The minimum limits of such policy of insurance shall be \$5,000,000 for injury to any one person, \$5,000,000 for injury arising out of a single occurrence and \$5,000,000 for property damage resulting from a single occurrence.
37. The County will assume all responsibility and liability for injuries and property damage, and for claims arising under worker's compensation or any other applicable laws for County employees and maintenance personnel working on the County facilities, except as to Club personnel or to visiting teams or officials. The County further agrees to supply the Club with certificates of insurance reflecting the County's worker's compensation and public liability and property damage insurance coverage presently in place. The minimum limits of such policy of insurance shall be \$5,000,000 for injury to any one person, \$5,000,000 for injury arising out of a single occurrence and \$5,000,000 for property damage resulting from a single occurrence.
38. Any controversy which shall arise between the Club and the County regarding the rights, duties or liabilities hereunder of either party shall be immediately communicated to the other party. In an attempt to settle, the parties agree to non-binding mediation pursuant to the laws of the State of Florida.
39. It is agreed and understood between the parties that, in the event of a national emergency or the United States being in a state of war, or by operation of law, or because of a labor dispute, or the rules or regulations of major league baseball that prevents the club from using the facilities for spring training in any of the years covered under the terms of this agreement, then this agreement shall be regarded as suspended for that year, without liability of either party to the other. In the event such suspension takes place, the term of this lease will be extended for an additional year for each year of such suspension.
40. The parties hereto expressly recognize and agree that the County is undertaking a substantial financial responsibility. It is, therefore, understood and agreed that the Club will cooperate fully with the County in its efforts to promote the development and success of baseball in Osceola County. The Club agrees that it will make a good faith effort subject to Major League Baseball's rules and regulations to see that personnel and players will be made reasonably available to participate in cooperative activities involving the promotion and development of major league baseball in Osceola County.

41. Any notice required to be given hereunder shall be in writing, certified mail, return receipt requested, addressed to the parties as follows:

Houston McLane Company, Inc.  
Robert S. McClaren  
Union Station at Enron Field  
501 Crawford Street, Suite 500  
Houston, TX 77002

Osceola County  
Bob Fernandez, County Manager  
1 Courthouse Square, Suite 4700  
Kissimmee, FL 34741

Copy to:  
Jo O. Thacker, County Attorney  
1 Courthouse Square, Suite 4200  
Kissimmee, FL 34741

42. The Club, at its sole expense, shall comply with all laws, orders and regulations of federal, state and county authorities, and with any direction of any public officer pursuant to law, which shall impose any duty upon the Club with respect to the leased facilities. The Club, at its sole expense, shall obtain all licenses or permits which may be required for the conducting of its business within the terms of this agreement and the County, where necessary, will join with the Club in applying for all such permits or licenses. This Agreement and any rights or exclusivities granted by Club hereunder shall in all respects be subordinate to each of the following, as may be amended from time to time (collectively, "MLB Documents"): (i) any present or future agreements entered into by, or on behalf of, any of the Major League Baseball (MLB) entities or affiliates, or the member clubs acting collectively, or (ii) the present and future mandates, rules, regulations, policies, bulletins or directives issued or adopted by the Commissioner or the MLB entities. The issuance, entering into, amendment or implementation of any of the MLB Documents shall be at no cost or liability to any MLB entity or affiliate or to any individual or entity related thereto. The territory within which the County is granted rights is limited to, and nothing herein shall be construed as conferring on the County rights in areas outside of, the Home Television Territory of Club, as established and amended from time to time. Currently, the Home Television Territory of Club is defined as the States of Texas, Arkansas, Louisiana, Oklahoma, and the counties of Lea, Eddy, Chaves, Roosevelt, Curry, Dona Ana, Quay, Union and DeBaca in the State of New Mexico. No rights, exclusivities or obligations involving the Internet or any interactive or on-line media (as defined by the MLB entities) are conferred by this Agreement, except as are

specifically approved in writing by the applicable MLB entity.

43. If the property covered herein shall be deserted or vacated, or proceedings are commenced against the Club in any Court under a bankruptcy act or for the appointment of a trustee or receiver of the Club's property, either before or after the commencement of the term of this agreement, or if there shall be a default in the payment of any monies due hereunder for more than thirty (30) days after receipt by Club of written notice of such default, or if there shall be a material default in the performance of any other covenant, agreement, condition, rule or regulation herein contained or hereafter established on the part of the Club for more than thirty (30) days after receipt by Club of written notice of such default by the County, then this agreement (if the County so elects) shall thereupon become null and void and the County shall have the right to re-enter or repossess the property during the period of the Club's right to exclusive use thereof, either by force, summary proceedings, surrender or otherwise, and dispossess and remove therefrom the Club or other occupants thereof, without being liable for any prosecution therefor. Should the County incur expenses in enforcing its rights hereunder, specifically including attorney's fees and court costs (at the lower court and appellate levels), reasonable expenses shall be borne by the Club.
44. If all or any part of the property covered hereunder is damaged or destroyed by fire or other casualty insured under the standard fire insurance policy, the County shall, repair and rebuild the property with reasonable diligence and, if there is a substantial interference with the operation of the Club's programs at the property covered hereunder requiring the Club temporarily to utilize other facilities, there will be an abatement of all monies due hereunder from the Club to the County. Notwithstanding the foregoing provisions, in the event the property damaged by fire or other insured casualty is due to the fault or neglect of the Club or the Club's officers, agents, servants, employees, contractors or licensees, then, without prejudice to any other rights and remedies of the County, the damage shall be repaired by the County.
45. This agreement shall be governed by, construed and enforced in accordance with the laws of the State of Florida. Venue shall be in Osceola County, Florida.
46. County shall present to Club a plan of project finance which includes irrevocable commitments and awarding of funds, pursuant to Chapter 288.1182, Florida Statutes, from the State of Florida, all of which, when combined with the obligations and undertakings elsewhere referenced herein, will provide sources of no more than \$18.4 million (which include architect fees, design fees and construction costs) which are to be irrevocably committed to the renovation of the baseball complex. This financing plan shall be subject to the approval of the Club, which shall not be unreasonably withheld. Further, the Club shall have approval of the design and

renovation program for which the financing plan has been irrevocably committed, such approval not to be unreasonably withheld. In the event either the financing plan or the renovation plan fails to meet the approval of the Club, Club may terminate this agreement upon 30 days' written notice to County. The cost of any change orders that do not result in a cost overrun (i.e., cost of construction totals \$18.4 million or less) shall be the responsibility of the County. Any change orders that result in a cost overrun shall, in addition to being mutually agreed upon, shall be the responsibility of the Club.

47. The County agrees to work with the contractor in order to facilitate a construction plan that would take into consideration the possible use of the facilities for the purposes of extended spring training activities, rehabilitation and instructional league during the construction period. Club acknowledges that no guarantees exist as to the use of the facilities during the construction period, and County has no responsibility or liability to Club for temporary facilities during the construction period.
48. In construing this agreement, feminine or neuter pronouns shall be substituted for those masculine in form and vice versa, and plural terms shall be substituted for singular and singular for plural in any place in which the context so requires.
49. The covenants, terms, conditions, provisions and undertakings in this agreement, or in any renewals thereof, shall extend to and be binding upon the successors and assigns of the respective parties hereto as if they were in every case named and expressed and whatever reference is made together of the parties hereto it shall be held to include and apply also to the successors and assigns of such party as if in each and every case so expressed.
50. The parties agree to execute and deliver any instruments, in writing, necessary to carry out any agreement, term, condition, or assurance in this agreement, whenever the occasion shall arise and request for such instrument shall be made.
51. The specified remedies to which either party may resort under the terms of this agreement are cumulative and not intended to be exclusive of any other remedies or means of redress to which either party may be lawfully entitled in case of any breach or threatened breach by the other of any provision or provisions of this agreement.
52. This agreement contains the entire agreement and understanding between the parties. There are no oral understandings, terms or conditions and neither party has relied on any representation, express or implied, not contained in this agreement or the simultaneous or prior writing heretofore. All prior understandings, terms or conditions are deemed to merge in this agreement and this agreement cannot be changed or supplemented orally, but only by an agreement, in writing, and signed by the party against whom enforcement of any waiver, change modification or discharge

is sought.

- 53. If any provision of this agreement shall be declared invalid or unenforceable, the remainder of the agreement shall continue in full force and effect.
- 54. The Club shall have the option of renewing this agreement for an additional two (2) year period under the same terms and conditions hereof by giving the County written notice of its intention to renew same not less than one (1) year prior to the expiration of the term hereof.

IN WITNESS WHEREOF, the parties have executed this agreement on the date first mentioned above.



BOARD OF COUNTY COMMISSIONERS  
OSCEOLA COUNTY FLORIDA

By: *[Signature]*  
 Chairman Vice-Chairman

ATTEST:  
CLERK OF THE BOARD

By: *Kelly A. Mueller*  
 Clerk/Deputy Clerk  
 Board approved 12/12/2006

WITNESSES:

*[Signature]*  
*[Signature]*

HOUSTON McLANE COMPANY, INC.  
d/b/a HOUSTON ASTROS BASEBALL CLUB

By: *Robert S. McClaren*  
 ROBERT S. McCLAREN  
 Its: Vice-President

## COST BENEFIT ANALYSIS

Houston Astros spring training yielded a total direct spending benefit of \$40.4 million in 2013. The direct spending is summarized in Table 1 through Table 3 and the benefits include:

- \$504,259 of retained spending by non-local spring training game attendees at Osceola County Stadium;
- \$3,059,722 in spending by Houston Astros staff and players during 2014.

The total spending benefit is estimated at \$49.03 million. (The total benefit represents an average multiplier effect of approximately 1.48.) Total 2014 cost for spring training activities at Osceola County Stadium estimated to be 2.325 million. The net impact of Houston Astros spring training is estimated to be \$46.7 million in 2014.

Table 1. Game Day Visitor Spending

	Total		Houston Astros		Total Direct Sales Impact
	Direct Sales		Revenue Share	Total Sales	
Tickets	\$ 898,080.00		\$ 673,560.00	\$ 224,520.00	\$ (58,752.90)
Parking	\$ 84,239.00		\$ 12,635.85	\$ 71,603.15	\$ (5,510.96)
Concessions	\$ 375,555.00		\$ 93,888.75	\$ 281,666.25	\$ (24,569.02)
Catering/Suites	\$ 14,854.00		\$ 3,713.50	\$ 11,140.50	\$ (803.33)
Press Dining	\$ 15,285.00		\$ 3,821.25	\$ 11,463.75	\$ (990.65)
Commissioners Suite	\$ 2,461.00		\$ 615.25	\$ 1,845.75	\$ -
Retail Merchandise	\$ 166,401.21		\$ 79,406.17	\$ 10,641.04	\$ (10,886.06)
Programs	\$ 8,280.00		\$ 6,210.00	\$ 2,070.00	\$ (541.68)
<b>Totals</b>	<b>\$ 1,565,155.21</b>		<b>\$ 873,850.77</b>	<b>\$ 614,950.44</b>	<b>\$ (102,054.60)</b>

Table 2. Non-Stadium Visitor Spending

	Non-Local Attendees			Sales Tax	Tourist Dev. Tax
	Non-Florida	In-Florida	Total		
Lodging	\$ 6,318,277.89	\$ 41,308.27	\$ 6,359,586.16	\$ (416,047.69)	\$ 337,677.20
Food & Beverage	\$ 7,932,970.68	\$ 151,980.47	\$ 8,089,931.15	\$ (529,247.83)	
Grocery	\$ 3,030,452.01	\$ 37,525.13	\$ 3,067,976.31	\$ (200,708.73)	
Golf	\$ 1,329,967.10	\$ 12,233.37	\$ 1,343,030.47	\$ (87,861.81)	
Evening Leisure	\$ 1,111,552.60	\$ 27,539.40	\$ 309,092.00	\$ (20,220.97)	
Transportation	\$ 3,857,278.09	\$ 75,049.43	\$ 3,932,327.52	\$ (257,255.07)	
Shopping	\$ 6,365,109.81	\$ 107,079.13	\$ 6,472,188.11	\$ (423,414.18)	
Other	\$ 436,829.00	\$ 9,734.24	\$ 446,563.24	\$ (29,214.42)	
<b>Totals</b>	<b>\$ 30,382,437.18</b>	<b>\$ 462,449.44</b>	<b>\$ 30,020,694.96</b>	<b>\$ (1,963,970.70)</b>	<b>\$ 337,677.20</b>



**Table 3. Astros Team and Player Spending**

	Housing	Restaurant & Catering	Per Diem	Miscellaneous	Total
Major League Spring Training	\$ 350,632.00	\$ 142,811.00	\$ 714,053.00	\$ -	\$ 1,207,496.00
Minor League Spring Training	\$ 362,355.00	\$ 122,561.00	\$ 9,592.00	\$ -	\$ 494,508.00
Extended Spring Training	\$ 235,531.00	\$ 142,811.00	\$ 80,997.00	\$ -	\$ 459,339.00
Gulf Coast League Play	\$ 171,586.00	\$ 522,218.00	\$ 15,986.00	\$ -	\$ 709,790.00
Instructional League Play	\$ 83,129.00	\$ 18,118.00	\$ 9,592.00	\$ -	\$ 110,839.00
<b>Total</b>	<b>\$ 1,203,233.00</b>	<b>\$ 948,519.00</b>	<b>\$ 830,220.00</b>	<b>\$ 77,800.00</b>	<b>\$ 3,059,772.00</b>

**Table 4. Spring Training Economic Impact**

	Direct Benefit	Multiplier	Indirect & Induced Impact	Total
<b>Non-Local Attendees, Net of Tax</b>				
Stadium Tickets	\$ 184,106.40	1.72	\$ 132,556.61	\$ 316,663.01
Stadium Parking	\$ 58,714.58	1.72	\$ 42,274.50	\$ 100,989.08
Stadium Concessions	\$ 230,966.33	1.51	\$ 117,792.83	\$ 348,759.15
Stadium Catering/Suites	\$ 9,135.21	1.51	\$ 4,658.96	\$ 13,794.17
Stadium Press Dining	\$ 9,400.28	1.51	\$ 4,794.14	\$ 14,194.42
Stadium Commissioners Suite	\$ 1,513.52	1.51	\$ 771.89	\$ 2,285.41
Stadium Retail Merchandise	\$ 8,725.65	1.72	\$ 6,282.47	\$ 15,008.12
Stadium Programs	\$ 1,697.40	1.72	\$ 1,222.13	\$ 2,919.53
Lodging	\$ 6,359,586.16	1.32	\$ 2,035,067.57	\$ 8,394,653.73
Food & Beverage	\$ 8,089,931.15	1.51	\$ 4,125,864.89	\$ 12,215,796.04
Grocery	\$ 3,067,976.31	1.51	\$ 1,564,667.92	\$ 4,632,644.23
Golf	\$ 1,343,030.47	1.72	\$ 966,981.94	\$ 2,310,012.41
Evening Leisure	\$ 309,092.00	1.72	\$ 222,546.24	\$ 531,638.24
Transportation	\$ 3,932,327.52	1.53	\$ 2,084,133.59	\$ 6,016,461.11
Shopping	\$ 6,472,188.11	1.46	\$ 2,977,206.53	\$ 9,449,394.64
Other	\$ 446,563.24	1.45	\$ 200,953.46	\$ 647,516.70
<b>Houston Astros, Net of Tax</b>				
Team Meal and Per Diem	\$ 775,906.54	1.41	\$ 318,121.68	\$ 1,094,028.22
Team Housing	\$ 1,124,516.82	1.32	\$ 359,845.38	\$ 1,484,362.21
Team Restaurant and Catering	\$ 886,466.36	1.51	\$ 452,097.84	\$ 1,338,564.20
Team Miscellaneous	\$ 72,710.28	1.43	\$ 31,265.42	\$ 103,975.70
<b>Total Gross Economic Impact</b>	<b>\$ 33,384,554.32</b>		<b>\$ 15,649,105.98</b>	<b>\$ 49,033,660.30</b>
<b>Spring Training Costs to County</b>				<b>\$ 2,325,486.00</b>
<b>Net Economic Impact</b>				<b>\$ 46,708,174.30</b>

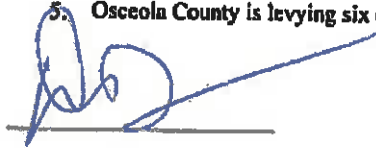
CERTIFICATION

Osceola County still complies with criteria that were in effect when Osceola County was certified to receive funds to retain a spring training franchise. The following is true in accurate:

1. Osceola County was and is a unit of local government defined in F.S. 218.369 and remains responsible for the management and operation of the Astros Stadium Complex ("Facility") and holds title to the property on which the retained spring training franchise is located;
2. Attached is a copy of the 15 year agreement for the use of the facility as a retained spring training franchise;
3. Osceola County provided more than 50% of the cost of acquisition, construction, and renovation of the facility and pays for the maintenance of the Facility;
4. Paid attendance at spring training games has been as follows:

SPRING SEASON	TOTAL ATTENDANCE	PAID ATTENDANCE
2005	58,581	51,551
2006	64,128	56,432
2007	58,655	51,616
2008	61,027	54,924
2009	65,804	57,643
2010	59,784	52,609
2011	65,367	51,297
2012	56,379	44,123
2013	53,603	41,967
2014	44,715	34,712

5. Osceola County is levying six cents of tourism development tax pursuant to F.S. 125.0104



County Manager  
Osceola County, Florida

State of Florida  
County of Osceola

This Document was signed by Donald Fisher, County Manager of Osceola County, who is personally known to me on this 30<sup>th</sup> day of October, 2014 and who indicated that the information contained herein is true and accurate



**St. Lucie County  
(New York Mets)**



**BOARD OF  
COUNTY  
COMMISSIONERS**



**PARKS, RECREATION,  
and FACILITIES**  
Edward R. Matthews  
Director

August 25, 2014

**Re:** Annual Report to the Florida Department of Economic Opportunity for the St. Lucie County Sport Complex, a State Spring Training Facility (New York Mets) under Section 288-11621, Florida Statutes

**Item #1:** 2013 St. Lucie County Comprehensive Annual Financial Report (CAFR) for Fiscal Year Ending September 30, 2013

**Note:** Information on the Sport Complex, which is no longer an Enterprise Fund, can be found in the financial audit on pages: 85-131, 198-199 (under the former name of Digital Doman Field).



**BOARD OF  
COUNTY  
COMMISSIONERS**



**PARKS, RECREATION,  
and FACILITIES**  
Edward R. Matthews  
Director

August 25, 2014

**Re: Annual Report to the Florida Department of Economic Opportunity for the St. Lucie County Sport Complex, a State Spring Training Facility (New York Mets) under Section 288-11621, Florida Statutes**

**Item #2: A detailed report on all local and state funds expended to date on the project being financed under Section 288-1162. See pages 85 – 131 of the Comprehensive Annual Financial Report (tab # 1).**







# COMPREHENSIVE ANNUAL FINANCIAL REPORT



St. Lucie County, Florida



**JOSEPH E. SMITH**  
Clerk of the Circuit Court  
St. Lucie County

# **ST. LUCIE COUNTY, FLORIDA**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013**

**The Honorable Joseph E. Smith  
Clerk of the Circuit Court**

**Prepared By  
Clerk of the Circuit Court, Finance Department**

**Shai Francis, CPA, CGFO, CGMA  
Chief Operating Officer of Financial Services**

**NONMAJOR GOVERNMENTAL FUNDS**



## Nonmajor Governmental Fund Descriptions

### Special Revenue Funds

*Special Revenue Funds are used to account for specific revenue sources that are legally restricted to expenditures for specific purposes.*

Unincorporated Services Fund – The fund is used to account for Ad Valorem taxes, fees and fines that are restricted to Unincorporated District for economic development expenditures.

Law Enforcement MSTU Fund – The fund is used to account for Ad Valorem taxes that are transferred to Fine & Forfeiture Fund for Unincorporated Area Road patrol expenditures.

Grants and Donations Fund – The fund is used to account for Federal, State, Local and other grant revenue sources.

Library Special Fund – The fund is used to account for State grants and donations made to the library.

Drug Abuse Fund – The fund is used to account for Drug Abuse Court fines.

Special Assessment District Fund – The fund is used to account for Ad Valorem taxes that are restricted to Unincorporated District for economic development.

Parks MSTU Fund – The fund is used to account for Ad Valorem taxes that are restricted to capital improvements to recreational facilities.

SLC Public Transit MSTU Fund – The fund is used to account Ad Valorem taxes that are used for local public transportation expenditures.

Port Fund – The fund is used to account for Special Assessments, Federal and State grants used for Port development.

Airport Fund – The fund is used to account for Federal and State grants used for expansion and operations of the Airport.

Mosquito Control Fund – The fund is used to account for the operations of the Mosquito Control District, which are funded by Ad Valorem taxes.

Impact Fee Collections Fund – The fund is used to account for administration operations.

Plan Maintenance RAD Fund – The fund is used to account other contributions and State grants for the radiological planning and exercises.

Tourism Development 1<sup>st</sup>, 2<sup>nd</sup>, 3<sup>rd</sup> & 5<sup>th</sup> Cent Fund – The fund is used to account for Tourism Development taxes which are used for Sports Complex parks and recreation improvements.

Court Facility Fund – The fund is used to account for Court Fees restricted to Judicial maintenance & capital improvements.

SLC Housing Finance Authority Fund – The fund is used to account for residual funds from loan programs.

Environmental Land Acquisitions Fund – The fund is used to account for the purchase of environmentally sensitive land.

Court Administrator Fund – The fund is used to account for Court Administration, Mediation through fines and forfeitures, other Circuit Counties Share and Grant funding.

Erosion Control Fund – The fund is used to account for Ad Valorem taxes restricted to erosion control operations, maintenance and construction.

Housing Assistance SHIP Fund – The fund is used to account for Grant funding for Housing Assistance Programs.

Boating Improvement Projects Fund – The fund is used to account for Vessel fees used for boating improvements.

Bluefield Ranch Improvements Fund – The fund is used to account for private contributions and Campsite User fees for property management and restoration.

Florida Housing Grant Fund – The fund is used to account for Federal, State and other grant funding that provide housing related assistance for eligible County residents.

Sports Complex Fund – The fund is used to account for operating revenues and the 2-cent tourism tax revenues to pay for the operation and maintenance of the facility.

Law Enforcement Fund – The fund is used to account for the proceeds from the sale of confiscated property through the Sheriff's office.

SLC Art in Public Places Fund – The fund is used to account for art work per local ordinance through various capital projects.

SLC Economic Development Fund – The fund is used to account for local business taxes and delinquent taxes.

Clerk of Circuit Court Fund – The fund is used to account for Clerk's Court Modernization Trust Fund.

Sheriff Fund – The fund is used to account for grant funds and other revenue received for specific purposes.

Supervisor of Elections Fund – The fund is used to account for the receipt of grant funds.

## **Debt Service Funds**

***Debt Service Funds are used to account for the accumulation of pledged funds that are legally restricted to pay debts.***

**Communication System I & S Fund** – The fund is used to account for the accumulation of other miscellaneous revenue pledged to pay the principal, interest, and fiscal charges on the 800 MHZ radio system.

**Impact Fees I & S Fund** – The fund is used to account for the accumulation of Special Assessments and Impact Fees pledged to pay the principal, interest, and fiscal charges on the Rock Road Jail security system.

**County Capital I & S Fund** – The fund is used to account for the accumulation of interfund transfers pledged to pay the principal, interest, and fiscal charges on the Capital Improvement Revenue note.

**State Revenue Sharing Bonds I & S Fund** – The fund is used to account for the accumulation of State shared revenues pledged to pay the principal, interest, and fiscal charges on the State Revenue Sharing bonds.

**Transportation I & S Fund** – The fund is used to account for the accumulation of interfund transfers pledged to pay the principal, interest, and fiscal charges on the Transportation Revenue note.

**Port I & S Fund** – The fund is used to account for the accumulation of Ad Valorem taxes pledged to pay the principal, interest, and fiscal charges on the purchasing of land in the port of Fort Pierce bond.

**Capital Projects I & S Fund** – The fund is used to account for the accumulation of Interfund Transfers pledged to pay the principal, interest, and fiscal charges on the line of credit for the MSBU's.

**Tourism Development 4<sup>th</sup> Cent I & S Fund** – The fund is used to account for the accumulation of Sales, Use and Fuel taxes pledged to pay the principal, interest, and fiscal charges on the Improvement of the Thomas J White Stadium bond.

**Environmental Land I & S Fund** – The fund is used for to account for the accumulation of Ad Valorem taxes pledged to pay the principal, interest, and fiscal charges on the Environmental Land bonds for land acquisitions.

**River Branch I & S Fund** – The fund is used to account for the accumulation of Special Assessment and Impact fees pledged to pay the principal, interest, and fiscal charges on the River Branch Estates MSBU Improvement bonds.

### **Capital Projects Funds**

*Capital projects funds are used to account for the acquisition and construction of major capital projects other than those financed by proprietary funds.*

Impact Fee Fund – The fund is used to account for Impact fees used for parks, libraries, public buildings and correctional buildings.

County Building Fund – The fund is used to account for cash balances from bond proceeds used for capital transportation projects, ADA Improvements and other capital projects as approved by the Board of County Commissioners.

County Capital Fund – The fund is used to account for the transportation and park capital projects, which are funded by gas tax and franchise fees.

County Capital State Revenue Share Bond Fund – The fund is used to account for state revenue sharing monies used for capital improvements.

County Capital Transportation Bond Fund – The fund is used to account for the transportation capital projects funded by bond proceeds pledged by gas tax revenues.

Sports Complex Improvements Fund – The fund is used to account for cash balances from bond proceeds used for sports complex projects.

Environmental Land Capital Fund – The fund is used to account for cash balances from bond proceeds used for land acquisitions.

MSBU Internal Financed Projects Fund – The fund is used to account for the assessment proceeds from property owners and to pay for capital project related expenditures.

MSBU External Financed Projects Fund – The fund is used to account for the assessment proceeds from property owners and debt proceeds to pay for capital projects and project related expenditures.



St. Lucie County, Florida  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
September 30, 2013

	Special Revenue			
	Unincorporated Services	Law Enforcement MSTU	Grants and Donations	Library Special
<b>ASSETS</b>				
Cash and investments	\$ 8,500,116	\$ 295,329	\$ 516,080	\$ 21,491
Accounts receivable	329,955	-	-	-
Assessments receivable	-	-	-	-
Interest receivable	21,909	685	1,304	128
Due from other funds	41,159	26,655	-	-
Due from other governments	484,410	7,757	11,334	-
Inventories	-	-	-	-
Prepaid items	1,283	-	-	-
Total assets	<u>\$ 9,378,832</u>	<u>\$ 330,426</u>	<u>\$ 528,718</u>	<u>\$ 21,619</u>
<b>LIABILITIES</b>				
Accounts payable and other current liabilities	\$ 1,298,009	\$ -	\$ 1,656	\$ 7,416
Matured bonds payable	-	-	-	-
Matured interest payable	-	-	-	-
Deposits payable	38,591	-	-	-
Due to other funds	-	-	200,000	-
Due to other governments	852	-	-	-
Unearned revenues	-	-	-	-
Total liabilities	<u>1,337,452</u>	<u>-</u>	<u>201,656</u>	<u>7,416</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenues - special assessments	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES (DEFICITS)</b>				
<b>Nonspendable:</b>				
Inventories of supplies	-	-	-	-
Prepaid items	1,283	-	-	-
<b>Restricted:</b>				
Port development	-	-	-	-
Erosion Control District	-	-	-	-
Parks improvements	-	-	-	-
Court Administrator, mediation	-	-	-	-
Transportation	-	-	-	-
Debt service	-	-	-	-
Environmental land acquisition	-	-	-	-
Public safety	-	-	-	-
Court modernization	-	-	-	-
Mosquito Control District	-	-	-	-
Judicial expenditures	-	-	-	-
Housing assistance program	-	-	-	-
Boating related projects	-	-	-	-
Art in public places	-	-	-	-
Other capital projects	-	-	-	-
Other purposes	-	-	327,062	14,203
<b>Committed to:</b>				
Public safety	-	-	-	-
Street lights, roads, drainage imp. to special district	-	-	-	-
Unincorporated Services	8,040,097	-	-	-
Other purposes	-	330,426	-	-
<b>Assigned to:</b>				
Public safety	-	-	-	-
<b>Unassigned</b>	-	-	-	-
Total fund balances	<u>8,041,380</u>	<u>330,426</u>	<u>327,062</u>	<u>14,203</u>
Total liabilities, deferred inflow of resources and fund balances (deficits)	<u>\$ 9,378,832</u>	<u>\$ 330,426</u>	<u>\$ 528,718</u>	<u>\$ 21,619</u>



St. Lucie County, Florida  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
September 30, 2013

	Special Revenue			
	Mosquito Control	Impact Fee Collections	Plan Maintenance RAD	Tourism Development 1st, 2nd, 3rd & 5th Cent
<b>ASSETS</b>				
Cash and investments	\$ 2,878,869	\$ 175,811	\$ 58,170	\$ 658,786
Accounts receivable	2,162	-	-	-
Assessments receivable	-	-	-	-
Interest receivable	9,414	488	109	1,872
Due from other funds	24,175	-	-	21,802
Due from other governments	16,699	-	-	109,491
Inventories	230,752	-	-	-
Prepaid items	-	-	-	-
Total assets	<u>\$ 3,162,071</u>	<u>\$ 176,299</u>	<u>\$ 58,279</u>	<u>\$ 791,951</u>
<b>LIABILITIES</b>				
Accounts payable and other current liabilities	\$ 273,742	\$ 3,368	\$ 12,214	\$ 2,397
Matured bonds payable	-	-	-	-
Matured interest payable	-	-	-	-
Deposits payable	-	-	-	-
Due to other funds	-	-	-	-
Due to other governments	-	-	-	-
Unearned revenues	-	-	20,641	-
Total liabilities	<u>273,742</u>	<u>3,368</u>	<u>32,855</u>	<u>2,397</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenues - special assessments	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES (DEFICITS)</b>				
<b>Nonspendable:</b>				
Inventories of supplies	230,752	-	-	-
Prepaid items	-	-	-	-
<b>Restricted:</b>				
Port development	-	-	-	-
Erosion Control District	-	-	-	-
Parks improvements	-	-	-	-
Court Administrator, mediation	-	-	-	-
Transportation	-	-	-	-
Debt service	-	-	-	-
Environmental land acquisition	-	-	-	-
Public safety	-	-	-	-
Court modernization	-	-	-	-
Mosquito Control District	2,657,577	-	-	-
Judicial expenditures	-	-	-	-
Housing assistance program	-	-	-	-
Boating related projects	-	-	-	-
Art in public places	-	-	-	-
Other capital projects	-	-	-	-
Other purposes	-	-	25,424	789,554
<b>Committed to:</b>				
Public safety	-	-	-	-
Street lights, roads, drainage imp. to special district	-	-	-	-
Unincorporated Services	-	-	-	-
Other purposes	-	172,931	-	-
<b>Assigned to:</b>				
Public safety	-	-	-	-
<b>Unassigned</b>				
Total fund balances	<u>2,888,329</u>	<u>172,931</u>	<u>25,424</u>	<u>789,554</u>
Total liabilities, deferred inflow of resources and fund balances (deficits)	<u>\$ 3,162,071</u>	<u>\$ 176,299</u>	<u>\$ 58,279</u>	<u>\$ 791,951</u>

**Special Revenue**

<b>Court Facility</b>	<b>SLC Housing Finance Authority</b>	<b>Environmental Land Acquisitions</b>	<b>Court Administrator</b>	<b>Erosion Control</b>	<b>Housing Assistance SHIP</b>
\$ 1,164,270	\$ 20,071	\$ 12,384	\$ 2,358,320	\$ 1,609,756	\$ 336,481
			600	7,877	
3,372	51	76	5,670	9,867	666
65,675			94,822	11,196	
				3,135	
<u>\$ 1,233,317</u>	<u>\$ 20,122</u>	<u>\$ 12,460</u>	<u>\$ 2,459,412</u>	<u>\$ 1,641,831</u>	<u>\$ 337,147</u>
\$ 231,469			\$ 27,113	\$ 61,831	\$ 551
			5,986		
					154,540
<u>231,469</u>	<u>-</u>	<u>-</u>	<u>33,099</u>	<u>61,831</u>	<u>155,091</u>
				1,580,000	
			2,426,313		
		12,460			
1,001,848					182,056
	20,122				
<u>1,001,848</u>	<u>20,122</u>	<u>12,460</u>	<u>2,426,313</u>	<u>1,580,000</u>	<u>182,056</u>
<u>\$ 1,233,317</u>	<u>\$ 20,122</u>	<u>\$ 12,460</u>	<u>\$ 2,459,412</u>	<u>\$ 1,641,831</u>	<u>\$ 337,147</u>

(continued)

St. Lucie County, Florida  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
September 30, 2013

	Special Revenue			
	Boating Improvement Projects	Bluefield Ranch Improvements	Florida Housing Grant	Sports Complex
<b>ASSETS</b>				
Cash and investments	\$ 987,598	\$ 130,848	\$ 670	\$ 892,651
Accounts receivable	-	-	-	-
Assessments receivable	-	-	-	-
Interest receivable	2,378	323	13	1,990
Due from other funds	-	-	-	-
Due from other governments	76,059	-	-	-
Inventories	-	-	-	-
Prepaid items	-	-	-	-
Total assets	<u>\$ 1,066,035</u>	<u>\$ 131,171</u>	<u>\$ 683</u>	<u>\$ 894,641</u>
<b>LIABILITIES</b>				
Accounts payable and other current liabilities	\$ -	\$ -	\$ 36,417	\$ 162,353
Matured bonds payable	-	-	-	-
Matured interest payable	-	-	-	-
Deposits payable	-	-	-	-
Due to other funds	-	-	69,616	-
Due to other governments	-	-	44	3,661
Unearned revenues	-	-	1,786	-
Total liabilities	<u>-</u>	<u>-</u>	<u>107,863</u>	<u>166,014</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenues - special assessments	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES (DEFICITS)</b>				
<b>Nonspendable:</b>				
Inventories of supplies	-	-	-	-
Prepaid items	-	-	-	-
<b>Restricted:</b>				
Port development	-	-	-	-
Erosion Control District	-	-	-	-
Parks improvements	-	-	-	-
Court Administrator, mediation	-	-	-	-
Transportation	-	-	-	-
Debt service	-	-	-	-
Environmental land acquisition	-	-	-	-
Public safety	-	-	-	-
Court modernization	-	-	-	-
Mosquito Control District	-	-	-	-
Judicial expenditures	-	-	-	-
Housing assistance program	-	-	-	-
Boating related projects	1,066,035	-	-	-
Art in public places	-	-	-	-
Other capital projects	-	-	-	-
Other purposes	-	131,171	-	728,627
<b>Committed to:</b>				
Public safety	-	-	-	-
Street lights, roads, drainage imp. to special district	-	-	-	-
Unincorporated Services	-	-	-	-
Other purposes	-	-	-	-
<b>Assigned to:</b>				
Public safety	-	-	-	-
<b>Unassigned</b>				
Total fund balances	<u>1,066,035</u>	<u>131,171</u>	<u>(107,180)</u>	<u>728,627</u>
Total liabilities, deferred inflow of resources and fund balances (deficits)	<u>\$ 1,066,035</u>	<u>\$ 131,171</u>	<u>\$ 683</u>	<u>\$ 894,641</u>

Special Revenue					Debt Service	
Law Enforcement	SLC Art in Public Places	SLC Economic Development	Clerk of Circuit Court	Sheriff	Communication System I & S	
\$ 238,144	\$ 7,561	\$ 11,981	\$ 718,989 49	\$ 4,342,686 142,933	\$ 716,925	
604	18	74			1,831	
		15,294		402,438 269,423	26,805	
			1,111			
<u>\$ 238,748</u>	<u>\$ 7,579</u>	<u>\$ 27,349</u>	<u>\$ 720,149</u>	<u>\$ 5,157,480</u>	<u>\$ 745,561</u>	
\$	\$	\$ 25,000	\$ 81,672	\$ 52,629	\$	
					65,031	
211,405			2,558	2,017,862 21,026		
<u>211,405</u>	<u>-</u>	<u>25,000</u>	<u>84,230</u>	<u>2,091,517</u>	<u>65,031</u>	
			1,111			
					680,530	
			634,808	518,644		
	7,579					
27,343		2,349		2,545,129		
				2,190		
<u>27,343</u>	<u>7,579</u>	<u>2,349</u>	<u>635,919</u>	<u>3,065,963</u>	<u>680,530</u>	
<u>\$ 238,748</u>	<u>\$ 7,579</u>	<u>\$ 27,349</u>	<u>\$ 720,149</u>	<u>\$ 5,157,480</u>	<u>\$ 745,561</u>	

(continued)

St. Lucie County, Florida  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
September 30, 2013

	Debt Service			
	Impact Fees I & S	County Capital I & S	State Revenue Sharing Bond I & S	Transportation I & S
<b>ASSETS</b>				
Cash and investments	\$ 137,910	\$ 1,296,517	\$ 1,052,953	\$ 259,488
Accounts receivable	-	-	-	-
Assessments receivable	-	-	-	-
Interest receivable	-	3,206	2,594	679
Due from other funds	-	-	-	-
Due from other governments	-	-	-	-
Inventories	-	-	-	-
Prepaid items	-	-	1,000	-
<b>Total assets</b>	<b>\$ 137,910</b>	<b>\$ 1,299,723</b>	<b>\$ 1,056,547</b>	<b>\$ 260,167</b>
<b>LIABILITIES</b>				
Accounts payable and other current liabilities	\$ -	\$ -	\$ -	\$ -
Matured bonds payable	95,000	876,166	550,000	-
Matured interest payable	33,184	70,804	196,766	-
Deposits payable	-	-	-	-
Due to other funds	-	-	-	-
Due to other governments	-	-	-	-
Unearned revenues	-	-	-	-
<b>Total liabilities</b>	<b>128,184</b>	<b>946,970</b>	<b>746,766</b>	<b>-</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenues - special assessments	-	-	-	-
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES (DEFICITS)</b>				
<b>Nonspendable:</b>				
Inventories of supplies	-	-	-	-
Prepaid items	-	-	1,000	-
<b>Restricted:</b>				
Port development	-	-	-	-
Erosion Control District	-	-	-	-
Parks improvements	-	-	-	-
Court Administrator, mediation	-	-	-	-
Transportation	-	-	-	-
Debt service	9,726	352,753	308,781	260,167
Environmental land acquisition	-	-	-	-
Public safety	-	-	-	-
Court modernization	-	-	-	-
Mosquito Control District	-	-	-	-
Judicial expenditures	-	-	-	-
Housing assistance program	-	-	-	-
Boating related projects	-	-	-	-
Art in public places	-	-	-	-
Other capital projects	-	-	-	-
Other purposes	-	-	-	-
<b>Committed to:</b>				
Public safety	-	-	-	-
Street lights, roads, drainage imp. to special district	-	-	-	-
Unincorporated Services	-	-	-	-
Other purposes	-	-	-	-
<b>Assigned to:</b>				
Public safety	-	-	-	-
<b>Unassigned</b>				
<b>Total fund balances</b>	<b>9,726</b>	<b>352,753</b>	<b>309,781</b>	<b>260,167</b>
Total liabilities, deferred inflow of resources and fund balances (deficits)	<b>\$ 137,910</b>	<b>\$ 1,299,723</b>	<b>\$ 1,056,547</b>	<b>\$ 260,167</b>

Debt Service				Capital Projects	
Port I & S	Capital Projects I & S	Tourism Development 4th Cent I & S	River Branch I & S	Impact Fee	County Capital
\$ 331,328	\$ 80,622	\$ 1,144,745	\$ 50,787	\$ 37,968	\$ 5,841,852
-	-	25,000	42,677	-	-
901	203	2,408	93	-	19,276
1,895	-	10,934	102	-	-
540	-	54,910	-	-	90,347
-	-	-	-	-	-
\$ 334,664	\$ 80,825	\$ 1,237,997	\$ 93,659	\$ 37,968	\$ 5,951,475
\$ -	\$ -	\$ -	\$ -	\$ 23,680	\$ 299,007
-	-	-	-	-	-
-	-	-	-	23,680	299,007
-	-	-	42,677	-	-
-	-	-	42,677	-	-
334,664	80,825	1,237,997	50,982	-	-
-	-	-	-	14,288	5,652,468
334,664	80,825	1,237,997	50,982	14,288	5,652,468
\$ 334,664	\$ 80,825	\$ 1,237,997	\$ 93,659	\$ 37,968	\$ 5,951,475

(continued)



St. Lucie County, Florida  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
September 30, 2013

	Capital Projects			
	County Capital State Revenue Share Bond	County Capital Transportation Bond	Sports Complex Improvements	Environmental Land Capital
<b>ASSETS</b>				
Cash and investments	\$ 3,977,740	\$ 13,846,902	\$ 743,162	\$ 4,589,641
Accounts receivable	-	-	-	-
Assessments receivable	-	-	-	-
Interest receivable	9,921	38,710	2,395	11,393
Due from other funds	-	-	-	-
Due from other governments	-	-	-	-
Inventories	-	-	-	-
Prepaid items	-	-	-	-
<b>Total assets</b>	<b>\$ 3,987,661</b>	<b>\$ 13,885,612</b>	<b>\$ 745,557</b>	<b>\$ 4,601,034</b>
<b>LIABILITIES</b>				
Accounts payable and other current liabilities	\$ 5,715	\$ 154,385	\$ -	\$ -
Matured bonds payable	-	-	-	-
Matured interest payable	-	-	-	-
Deposits payable	-	-	-	-
Due to other funds	-	-	-	-
Due to other governments	-	-	-	-
Unearned revenues	-	-	-	-
<b>Total liabilities</b>	<b>5,715</b>	<b>154,385</b>	<b>-</b>	<b>-</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenues - special assessments	-	-	-	-
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES (DEFICITS)</b>				
<b>Nonspendable:</b>				
Inventories of supplies	-	-	-	-
Prepaid items	-	-	-	-
<b>Restricted:</b>				
Port development	-	-	-	-
Erosion Control District	-	-	-	-
Parks improvements	-	-	-	-
Court Administrator, mediation	-	-	-	-
Transportation	-	-	-	-
Debt service	-	-	-	-
Environmental land acquisition	-	-	-	4,601,034
Public safety	-	-	-	-
Court modernization	-	-	-	-
Mosquito Control District	-	-	-	-
Judicial expenditures	-	-	-	-
Housing assistance program	-	-	-	-
Boating related projects	-	-	-	-
Art in public places	-	-	-	-
Other capital projects	3,981,946	13,731,227	745,557	-
Other purposes	-	-	-	-
<b>Committed to:</b>				
Public safety	-	-	-	-
Street lights, roads, drainage imp. to special distric	-	-	-	-
Unincorporated Services	-	-	-	-
Other purposes	-	-	-	-
<b>Assigned to:</b>				
Public safety	-	-	-	-
<b>Unassigned</b>				
<b>Total fund balances</b>	<b>3,981,946</b>	<b>13,731,227</b>	<b>745,557</b>	<b>4,601,034</b>
Total liabilities, deferred inflow of resources and fund balances (deficits)	<b>\$ 3,987,661</b>	<b>\$ 13,885,612</b>	<b>\$ 745,557</b>	<b>\$ 4,601,034</b>

Capital Projects		
MSBU Internal Financed Projects	MSBU External Financed Projects	Total Nonmajor Governmental
\$ 810,280	\$ 1,495,866	\$ 75,176,743
	798	518,358
		42,677
1,966	1,827	191,973
235		585,828
	43,274	2,466,397
		230,752
		3,394
<u>\$ 812,481</u>	<u>\$ 1,541,765</u>	<u>\$ 79,216,122</u>
\$ -	\$ 7,981	\$ 3,698,104
-	-	1,521,166
-	-	365,785
-	-	53,277
-	-	2,498,883
-	-	184,260
-	-	176,967
-	7,981	8,498,442
-	-	42,677
-	-	42,677
-	-	230,752
-	-	3,394
-	-	5,698,463
-	-	1,580,000
-	-	3,745,466
-	-	2,426,313
-	-	3,235,996
-	-	3,316,425
-	-	4,613,494
-	-	518,644
-	-	634,808
-	-	2,657,577
-	-	1,001,848
-	-	182,056
-	-	1,066,035
-	-	7,579
812,481	1,533,784	26,471,751
-	-	2,123,927
-	-	2,545,129
-	-	176,882
-	-	8,040,097
-	-	503,357
-	-	2,190
-	-	(107,180)
<u>812,481</u>	<u>1,533,784</u>	<u>70,675,003</u>
<u>\$ 812,481</u>	<u>\$ 1,541,765</u>	<u>\$ 79,216,122</u>

St. Lucie County, Florida  
**Combining Statement of Revenues,  
Expenditures and Changes in Fund Balance**  
**Nonmajor Governmental Funds**  
For the year ended September 30, 2013

	Special Revenue			
	Unincorporated Services	Law Enforcement MSTU	Grants and Donations	Library Special
<b>REVENUES</b>				
Taxes:				
Property	\$ 4,700,326	\$ 3,041,028	\$ -	\$ -
Tourist	-	-	-	-
Motor fuel	-	-	-	-
Local communication	-	-	-	-
Local business	-	-	-	-
Licenses and permits	66,604	-	-	-
Impact fees	-	-	-	-
Special assessments	-	-	-	-
Intergovernmental	2,654,278	-	73,198	81,482
Charges for services	96,810	-	-	-
Fines and forfeitures	143,864	-	143,220	-
Investment income	17,061	533	1,016	100
Contributions from property owners	-	-	-	-
Miscellaneous	32,709	-	-	-
Total revenues	<u>7,711,652</u>	<u>3,041,561</u>	<u>217,434</u>	<u>81,582</u>
<b>EXPENDITURES</b>				
Current:				
General government	1,637,763	2,051	-	-
Public safety	693,098	-	273,198	-
Physical environment	1,560,537	-	-	-
Transportation	77,639	-	-	-
Economic environment	-	-	-	-
Human services	478,461	-	9,168	-
Culture and recreation	-	-	655	137,968
Court-related	-	-	-	-
Capital outlay	3,987,957	-	-	11,783
Debt service:				
Principal retirement	3,239	-	-	-
Interest	134	-	-	-
Other	-	-	-	-
Total expenditures	<u>8,438,828</u>	<u>2,051</u>	<u>283,021</u>	<u>149,751</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(727,176)</u>	<u>3,039,510</u>	<u>(65,587)</u>	<u>(68,169)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	-	-
Transfers out	(123,083)	(2,995,513)	-	-
Proceeds from sale of capital assets	73,680	-	-	-
Total other financing sources (uses)	<u>(49,403)</u>	<u>(2,995,513)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>(776,579)</u>	<u>43,997</u>	<u>(65,587)</u>	<u>(68,169)</u>
Fund balances - beginning	8,817,959	286,429	392,649	82,372
Change in reserve for inventory of supplies	-	-	-	-
Fund balances - ending	<u>\$ 8,041,380</u>	<u>\$ 330,426</u>	<u>\$ 327,062</u>	<u>\$ 14,203</u>

**Special Revenue**

<b>Drug Abuse</b>	<b>Special Assessment District</b>	<b>Parks MSTU</b>	<b>SLC Public Transit MSTU</b>	<b>Port</b>	<b>Airport</b>
\$	\$ 195	\$ 3,198,033	\$ 1,753,205	\$	\$ 40
				611,598	
	204,959		2,592,256	21,617	5,025,064
48,503		9,068	4,492	1,013,054	452,101
90	363			12,124	
		293,041		28,223	277,605
<u>48,593</u>	<u>205,517</u>	<u>3,500,142</u>	<u>4,349,953</u>	<u>1,686,616</u>	<u>5,754,810</u>
1,892				752	
	176,835		4,229,193	352,883	1,010,365
		1,971,698			
		1,442,754	263,805	2,183,200	2,470,942
		875,000		22,694	244
		214,370		32,664	10
<u>1,892</u>	<u>176,835</u>	<u>4,503,822</u>	<u>4,492,998</u>	<u>2,592,193</u>	<u>3,481,561</u>
46,701	28,682	(1,003,680)	(143,045)	(905,577)	2,273,249
(30,000)	(4,530)	(379,033)	(46,270)	(252)	(275,001)
<u>(30,000)</u>	<u>(4,530)</u>	<u>(379,033)</u>	<u>(46,270)</u>	<u>(252)</u>	<u>(275,001)</u>
16,701	24,152	(1,382,713)	(189,315)	(905,829)	1,998,248
41,371	152,730	5,128,179	2,410,889	6,604,292	(983,826)
<u>\$ 58,072</u>	<u>\$ 176,882</u>	<u>\$ 3,745,466</u>	<u>\$ 2,221,574</u>	<u>\$ 5,698,463</u>	<u>\$ 1,014,422</u>

(continued)

St. Lucie County, Florida  
**Combining Statement of Revenues,  
Expenditures and Changes in Fund Balance  
Nonmajor Governmental Funds**  
For the year ended September 30, 2013

	Special Revenue			
	Mosquito Control	Impact Fee Collections	Plan Maintenance RAD	Tourism Development 1st, 2nd, 3rd, & 5th Cent
<b>REVENUES</b>				
Taxes:				
Property	\$ 2,762,084	\$ -	\$ -	\$ -
Tourist	-	-	-	1,716,632
Motor fuel	-	-	-	-
Local communication	-	-	-	-
Local business	-	-	-	-
Licenses and permits	-	-	-	-
Impact fees	-	-	-	-
Special assessments	-	-	-	-
Intergovernmental	120,012	-	88	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Investment income	7,330	381	86	1,456
Contributions from property owners	-	-	349,915	-
Miscellaneous	4,906	6,074	-	6,480
Total revenues	<u>2,894,332</u>	<u>6,455</u>	<u>350,089</u>	<u>1,724,568</u>
<b>EXPENDITURES</b>				
<b>Current:</b>				
General government	224,266	49,810	-	61,868
Public safety	-	(111)	349,795	-
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic environment	-	-	-	778,826
Human services	4,288,036	-	-	-
Culture and recreation	-	-	-	-
Court-related	-	-	-	-
Capital outlay	229,412	-	-	-
Debt service:				
Principal retirement	929	81	-	-
Interest	39	4	-	-
Other	-	-	-	-
Total expenditures	<u>4,742,682</u>	<u>49,784</u>	<u>349,795</u>	<u>840,694</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,848,350)</u>	<u>(43,329)</u>	<u>294</u>	<u>883,874</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	-	-
Transfers out	(72,795)	-	(120)	(1,107,084)
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	<u>(72,795)</u>	<u>-</u>	<u>(120)</u>	<u>(1,107,084)</u>
Net change in fund balances	<u>(1,921,145)</u>	<u>(43,329)</u>	<u>174</u>	<u>(223,210)</u>
Fund balances - beginning	4,783,599	216,260	25,250	1,012,764
Change in reserve for inventory of supplies	25,875	-	-	-
Fund balances - ending	<u>\$ 2,888,329</u>	<u>\$ 172,931</u>	<u>\$ 25,424</u>	<u>\$ 789,554</u>

**Special Revenue**

<b>Court Facility</b>	<b>SLC Housing Finance Authority</b>	<b>Environment Land Acquisitions</b>	<b>Court Administrator</b>	<b>Erosion Control</b>	<b>Housing Assistance SHIP</b>
\$	\$	\$	\$	\$ 1,279,031	\$
			5,850		
825,479			509,211	1,030,023	1,691
2,626	39	58	4,417	7,683	20,530
			3,702	2,000	
828,105	39	58	708,002	2,318,737	29,041
205,385	844		23,913	51,095	
				6,848,952	25,313
687,132		37,108	749,904	136,775	
				8,912	
				162	
				7	
892,517	844	37,108	773,817	7,045,903	25,313
(64,412)	(805)	(37,050)	(65,815)	(4,727,166)	3,728
(515,341)			325,480		
			(57,322)	(33,744)	
(515,341)			268,158	(33,744)	
(579,753)	(805)	(37,050)	202,343	(4,760,910)	3,728
1,581,601	20,927	49,510	2,223,970	6,340,910	178,328
\$ 1,001,848	\$ 20,122	\$ 12,460	\$ 2,426,313	\$ 1,580,000	\$ 182,056

(continued)

St. Lucie County, Florida  
**Combining Statement of Revenues,  
Expenditures and Changes in Fund Balance  
Nonmajor Governmental Funds**  
For the year ended September 30, 2013

	Special Revenue			
	Boating Improvement Project	Bluefield Ranch Improvements	Florida Housing Grant	Sports Complex
<b>REVENUES</b>				
Taxes:				
Property	\$	\$	\$	\$
Tourist				
Motor fuel				
Local communication				
Local business				
Licenses and permits	76,059			
Impact fees				
Special assessments				
Intergovernmental			556,954	268,317
Charges for services		108		605,062
Fines and forfeitures				
Investment income	1,853	253	8	1,550
Contributions from property owners				
Miscellaneous				226,746
Total revenues	<u>77,912</u>	<u>361</u>	<u>556,962</u>	<u>1,101,675</u>
<b>EXPENDITURES</b>				
Current:				
General government				
Public safety				
Physical environment				
Transportation				
Economic environment			680,721	
Human services				
Culture and recreation	20,504			2,020,129
Court-related				
Capital outlay				13,262
Debt service:				
Principal retirement				171
Interest				8
Other				
Total expenditures	<u>20,504</u>	<u>-</u>	<u>680,721</u>	<u>2,033,570</u>
Excess (deficiency) of revenues over (under) expenditures	<u>57,408</u>	<u>361</u>	<u>(123,759)</u>	<u>(931,895)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in				1,077,387
Transfers out				
Proceeds from sale of capital assets				
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,077,387</u>
Net change in fund balances	57,408	361	(123,759)	145,492
Fund balances - beginning	1,008,627	130,810	16,579	583,135
Change in reserve for inventory of supplies	-	-	-	-
Fund balances - ending	<u>\$ 1,066,035</u>	<u>\$ 131,171</u>	<u>\$ (107,180)</u>	<u>\$ 728,627</u>

**Special Revenue**

<b>Law Enforcement</b>	<b>SLC Art in Public Places</b>	<b>SLC Economic Development</b>	<b>Clerk of Circuit Court</b>	<b>Sheriff</b>	<b>Supervisor of Elections</b>
\$	\$	\$	\$	\$	\$
		58,092			
				789,288	44,876
112,272			717,465	3,232,488	
471	14	57	373,441	8,282	
			910		
			3,140		
<u>112,743</u>	<u>14</u>	<u>58,149</u>	<u>1,094,956</u>	<u>4,030,058</u>	<u>44,876</u>
		100,832			51,605
				3,510,838	
			948,543		
			153,356	479,528	
			176,807		
			13,578		
		<u>100,832</u>	<u>1,292,284</u>	<u>3,990,366</u>	<u>51,605</u>
112,743	14	(42,683)	(197,328)	39,692	(6,729)
(211,405)		7,386	-	2,113,133	6,729
		-	-	(1,515,194)	
<u>(211,405)</u>	<u>-</u>	<u>7,386</u>	<u>-</u>	<u>597,939</u>	<u>6,729</u>
(98,662)	14	(35,297)	(197,328)	637,631	
126,005	7,565	37,646	833,247	2,428,332	
<u>\$ 27,343</u>	<u>\$ 7,579</u>	<u>\$ 2,349</u>	<u>\$ 635,919</u>	<u>\$ 3,065,963</u>	<u>\$ -</u>

(continued)



St. Lucie County, Florida  
**Combining Statement of Revenues,  
Expenditures and Changes in Fund Balance  
Nonmajor Governmental Funds**  
For the year ended September 30, 2013

	Debt Service			
	Communication System I & S	Impact Fees I & S	County Capital I & S	State Revenue Sharing Bond I & S
<b>REVENUES</b>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Tourist	-	-	-	-
Motor fuel	-	-	-	-
Local communication	-	-	-	-
Local business	-	-	-	-
Licenses and permits	-	-	-	-
Impact fees	-	-	-	-
Special assessments	-	-	-	-
Intergovernmental	-	-	-	946,000
Charges for services	-	-	-	-
Fines and forfeitures	324,809	-	-	-
Investment income	1,426	-	2,498	2,020
Contributions from property owners	-	-	31,040	-
Miscellaneous	-	-	1	-
Total revenues	<u>326,235</u>	<u>-</u>	<u>33,539</u>	<u>948,020</u>
<b>EXPENDITURES</b>				
Current:				
General government	1,717	-	-	-
Public safety	-	-	-	-
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Court-related	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	230,000	95,000	1,023,713	550,000
Interest	133,944	66,368	172,224	393,531
Other	700	-	-	1,000
Total expenditures	<u>366,361</u>	<u>161,368</u>	<u>1,195,937</u>	<u>944,531</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(40,126)</u>	<u>(161,368)</u>	<u>(1,162,398)</u>	<u>3,489</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	161,368	1,156,178	-
Transfers out	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>161,368</u>	<u>1,156,178</u>	<u>-</u>
Net change in fund balances	<u>(40,126)</u>	<u>-</u>	<u>(6,220)</u>	<u>3,489</u>
Fund balances - beginning	720,656	9,726	358,973	306,292
Change in reserve for inventory of supplies	-	-	-	-
Fund balances - ending	<u>\$ 680,530</u>	<u>\$ 9,726</u>	<u>\$ 352,753</u>	<u>\$ 309,781</u>



St. Lucie County, Florida  
**Combining Statement of Revenues,  
Expenditures and Changes in Fund Balance  
Nonmajor Governmental Funds**  
For the year ended September 30, 2013

	Capital Projects			County
	Impact Fee	County Building	County Capital	Capital State Revenue Sharing Bond
<b>REVENUES</b>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Tourist	-	-	-	-
Motor fuel	-	-	1,020,072	-
Local communication	-	-	-	-
Local business	-	-	-	-
Licenses and permits	-	-	-	-
Impact fees	3,008,208	-	-	-
Special assessments	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Investment income	-	-	15,012	7,726
Contributions from property owners	-	-	-	-
Miscellaneous	-	-	75,000	-
Total revenues	<u>3,008,208</u>	<u>-</u>	<u>1,110,084</u>	<u>7,726</u>
<b>EXPENDITURES</b>				
Current:				
General government	-	-	17,319	-
Public safety	-	-	-	-
Physical environment	-	-	20,000	19,068
Transportation	-	-	974,837	-
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture and recreation	277,795	-	29,370	-
Court-related	-	-	-	-
Capital outlay	2,440,988	-	3,628,985	53,643
Debt service:	-	-	-	-
Principal retirement	-	-	-	-
Interest	-	-	-	-
Other	-	-	-	-
Total expenditures	<u>2,718,783</u>	<u>-</u>	<u>4,670,511</u>	<u>72,711</u>
Excess (deficiency) of revenues over (under) expenditures	<u>289,425</u>	<u>-</u>	<u>(3,560,427)</u>	<u>(64,985)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	16,248	-
Transfers out	(289,425)	(16,248)	(615,490)	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	<u>(289,425)</u>	<u>(16,248)</u>	<u>(599,242)</u>	<u>-</u>
Net change in fund balances	<u>-</u>	<u>(16,248)</u>	<u>(4,159,669)</u>	<u>(64,985)</u>
Fund balances - beginning	14,288	16,248	9,812,137	4,046,931
Change in reserve for inventory of supplies	-	-	-	-
Fund balances - ending	<u>\$ 14,288</u>	<u>\$ -</u>	<u>\$ 5,652,468</u>	<u>\$ 3,981,946</u>

Capital Projects					
County Capital Transportation Bond	Sports Complex Improvements	Environmental Land Capital	MSBU Internal Financed Projects	MSBU External Financed Projects	Total Nonmajor Governmental Funds
\$	\$	\$	\$	\$	\$
		-	-		16,950,525
					2,577,525
					1,020,072
					611,598
					58,092
					148,513
					3,008,208
	16,037				238,804
					15,721,829
					6,114,335
					1,146,109
30,145	1,864	8,872	6,211	1,443	183,412
			26,196	4,867,351	5,493,407
	2,800	3,004			970,251
30,145	20,701	11,876	32,407	4,868,794	54,242,680
					2,460,321
	25,903	846			4,826,818
		38,042			8,486,599
				3,332,029	10,153,781
					1,484,860
	392,101				4,775,665
					4,986,995
3,720,048	51,784				1,698,447
					21,864,599
					6,072,281
					2,183,644
					2,700
3,720,048	469,788	38,888	-	3,332,029	68,996,710
(3,689,903)	(449,087)	(27,012)	32,407	1,536,765	(14,754,030)
		2,367			8,067,323
			(327)	(907,115)	(9,218,394)
					73,680
		2,367	(327)	(907,115)	(1,077,391)
(3,689,903)	(449,087)	(24,645)	32,080	629,650	(15,831,421)
17,421,130	1,194,644	4,625,679	780,401	904,134	86,480,549
					25,875
\$ 13,731,227	\$ 745,557	\$ 4,601,034	\$ 812,481	\$ 1,533,784	\$ 70,675,003

St. Lucie County, Florida  
**Budgetary Comparison Schedules**  
**Nonmajor Governmental Funds**  
For the year ended September 30, 2013

	Unincorporated Services		
	Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>			
Taxes:			
Property	\$ 4,395,778	\$ 4,700,326	\$ 304,548
Tourist	-	-	-
Motor fuel	-	-	-
Local communication	-	-	-
Local business	-	-	-
Licenses and permits	41,000	66,604	25,604
Franchise fees	-	-	-
Impact fees	-	-	-
Special assessments	-	-	-
Intergovernmental	6,047,638	2,654,278	(3,393,360)
Charges for services	95,810	96,810	1,000
Fines and forfeitures	89,850	143,864	54,014
Investment income	77,000	17,061	(59,939)
Contributions from property owners	-	-	-
Miscellaneous	25,500	32,709	7,209
Total revenues	<u>10,772,576</u>	<u>7,711,652</u>	<u>(3,060,924)</u>
<b>EXPENDITURES</b>			
Current:			
General government	1,833,757	1,637,763	195,994
Public safety	919,828	693,098	226,730
Physical environment	2,129,321	1,560,537	568,784
Transportation	206,797	77,639	129,158
Economic environment	-	-	-
Human services	575,375	478,461	96,914
Culture and recreation	-	-	-
Court-related	-	-	-
Capital outlay	12,369,849	3,987,957	8,381,892
Debt service:			
Principal retirement	3,239	3,239	-
Interest	134	134	-
Other	-	-	-
Total expenditures	<u>18,038,300</u>	<u>8,438,828</u>	<u>9,599,472</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(7,265,724)</u>	<u>(727,176)</u>	<u>6,538,548</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	276,699	-	(276,699)
Transfers out	(511,662)	(123,083)	388,579
Lease purchase proceeds	-	-	-
Proceeds from sale of capital assets	-	73,680	73,680
Issuance of long-term debt	-	-	-
Issuance of refunding bonds - principal	-	-	-
Issuance of refunding bonds - premium	-	-	-
Payment to refunded bond escrow agent	-	-	-
Payment to refund line of credit	-	-	-
Expiration of repayment period	-	-	-
Total other financing sources (uses)	<u>(234,963)</u>	<u>(49,403)</u>	<u>185,560</u>
Net change in fund balances	<u>(7,500,687)</u>	<u>(776,579)</u>	<u>6,724,108</u>
Fund balances - beginning	9,006,533	8,817,959	(188,574)
Change in reserve for inventory of supplies	-	-	-
Fund balances - ending	<u>\$ 1,505,846</u>	<u>\$ 8,041,380</u>	<u>\$ 6,535,534</u>

Law Enforcement MSTU			Grants and Donations		
Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)
\$ 2,917,928	\$ 3,041,028	\$ 123,100	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	95,000	73,198	(21,802)
-	-	-	126,304	143,220	16,916
7,000	533	(6,467)	2,500	1,016	(1,484)
-	-	-	300	-	(300)
-	-	-	-	-	-
<u>2,924,928</u>	<u>3,041,561</u>	<u>116,633</u>	<u>224,104</u>	<u>217,434</u>	<u>(6,670)</u>
2,051	2,051	-	-	-	-
-	-	-	315,184	273,198	41,986
-	-	-	-	-	-
-	-	-	153,425	9,168	144,257
-	-	-	4,092	655	3,437
-	-	-	-	-	-
-	-	-	-	-	-
<u>2,051</u>	<u>2,051</u>	<u>-</u>	<u>472,701</u>	<u>283,021</u>	<u>189,680</u>
2,922,877	3,039,510	116,633	(248,597)	(65,587)	183,010
(3,022,964)	(2,995,513)	27,451	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>(3,022,964)</u>	<u>(2,995,513)</u>	<u>27,451</u>	<u>-</u>	<u>-</u>	<u>-</u>
(100,087)	43,997	144,084	(248,597)	(65,587)	183,010
286,429	286,429	-	392,649	392,649	-
-	-	-	-	-	-
<u>\$ 186,342</u>	<u>\$ 330,426</u>	<u>\$ 144,084</u>	<u>\$ 144,052</u>	<u>\$ 327,062</u>	<u>\$ 183,010</u>

St. Lucie County, Florida  
**Budgetary Comparison Schedules**  
**Nonmajor Governmental Funds**  
For the year ended September 30, 2013

	Library Special		Variance Positive (Negative)
	Final Budget	Actual	
<b>REVENUES</b>			
Taxes:			
Property	\$ -	\$ -	\$ -
Tourist	-	-	-
Motor fuel	-	-	-
Local communication	-	-	-
Local business	-	-	-
Licenses and permits	-	-	-
Franchise fees	-	-	-
Impact fees	-	-	-
Special assessments	-	-	-
Intergovernmental	91,624	81,482	(10,142)
Charges for services	-	-	-
Fines and forfeitures	-	-	-
Investment income	400	100	(300)
Contributions from property owners	-	-	-
Miscellaneous	-	-	-
Total revenues	<u>92,024</u>	<u>81,582</u>	<u>(10,442)</u>
<b>EXPENDITURES</b>			
Current:			
General government	-	-	-
Public safety	-	-	-
Physical environment	-	-	-
Transportation	-	-	-
Economic environment	-	-	-
Human services	-	-	-
Culture and recreation	152,224	137,968	14,256
Court-related	-	-	-
Capital outlay	12,200	11,783	417
Debt service:			
Principal retirement	-	-	-
Interest	-	-	-
Other	-	-	-
Total expenditures	<u>164,424</u>	<u>149,751</u>	<u>14,673</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(72,400)</u>	<u>(68,169)</u>	<u>4,231</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	-	-	-
Transfers out	-	-	-
Lease purchase proceeds	-	-	-
Proceeds from sale of capital assets	-	-	-
Issuance of long-term debt	-	-	-
Issuance of refunding bonds - principal	-	-	-
Issuance of refunding bonds - premium	-	-	-
Payment to refunded bond escrow agent	-	-	-
Payment to refund line of credit	-	-	-
Expiration of repayment period	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>(72,400)</u>	<u>(68,169)</u>	<u>4,231</u>
Fund balances - beginning	82,372	82,372	-
Change in reserve for inventory of supplies	-	-	-
Fund balances - ending	<u>\$ 9,972</u>	<u>\$ 14,203</u>	<u>\$ 4,231</u>

Drug Abuse			Special Assessment District		
Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)
\$ -	\$ -	\$ -	\$ -	\$ 195	\$ 195
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	201,757	204,959	3,202
-	-	-	-	-	-
32,974	48,503	15,529	-	-	-
300	90	(210)	23,887	363	(23,524)
-	-	-	-	-	-
<u>33,274</u>	<u>48,593</u>	<u>15,319</u>	<u>225,644</u>	<u>205,517</u>	<u>(20,127)</u>
1,892	1,892	-	-	-	-
-	-	-	190,159	176,835	13,324
-	-	-	-	-	-
500	-	500	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>2,392</u>	<u>1,892</u>	<u>500</u>	<u>190,159</u>	<u>176,835</u>	<u>13,324</u>
30,882	46,701	15,819	35,485	28,682	(6,803)
-	-	-	-	-	-
(30,000)	(30,000)	-	(6,891)	(4,530)	2,361
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>(30,000)</u>	<u>(30,000)</u>	<u>-</u>	<u>(6,891)</u>	<u>(4,530)</u>	<u>2,361</u>
882	16,701	15,819	28,594	24,152	(4,442)
41,371	41,371	-	152,730	152,730	-
-	-	-	-	-	-
<u>\$ 42,253</u>	<u>\$ 58,072</u>	<u>\$ 15,819</u>	<u>\$ 181,324</u>	<u>\$ 176,882</u>	<u>\$ (4,442)</u>



St. Lucie County, Florida  
**Budgetary Comparison Schedules**  
**Nonmajor Governmental Funds**  
For the year ended September 30, 2013

	Parks MSTU		
	Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>			
Taxes:			
Property	\$ 3,115,851	\$ 3,198,033	\$ 82,182
Tourist	-	-	-
Motor fuel	-	-	-
Local communication	-	-	-
Local business	-	-	-
Licenses and permits	-	-	-
Franchise fees	-	-	-
Impact fees	-	-	-
Special assessments	-	-	-
Intergovernmental	107,461	-	(107,461)
Charges for services	-	-	-
Fines and forfeitures	-	-	-
Investment income	70,000	9,068	(60,932)
Contributions from property owners	7,500	-	(7,500)
Miscellaneous	-	293,041	293,041
Total revenues	<u>3,300,812</u>	<u>3,500,142</u>	<u>199,330</u>
<b>EXPENDITURES</b>			
Current:			
General government	-	-	-
Public safety	-	-	-
Physical environment	-	-	-
Transportation	-	-	-
Economic environment	-	-	-
Human services	-	-	-
Culture and recreation	2,370,106	1,971,698	398,408
Court-related	-	-	-
Capital outlay	4,113,970	1,442,754	2,671,216
Debt service:			
Principal retirement	875,000	875,000	-
Interest	214,370	214,370	-
Other	-	-	-
Total expenditures	<u>7,573,446</u>	<u>4,503,822</u>	<u>3,069,624</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,272,634)</u>	<u>(1,003,680)</u>	<u>3,268,954</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	-	-	-
Transfers out	(454,953)	(379,033)	75,920
Lease purchase proceeds	-	-	-
Proceeds from sale of capital assets	-	-	-
Issuance of long-term debt	-	-	-
Issuance of refunding bonds - principal	-	-	-
Issuance of refunding bonds - premium	-	-	-
Payment to refunded bond escrow agent	-	-	-
Payment to refund line of credit	-	-	-
Expiration of repayment period	-	-	-
Total other financing sources (uses)	<u>(454,953)</u>	<u>(379,033)</u>	<u>75,920</u>
Net change in fund balances	<u>(4,727,587)</u>	<u>(1,382,713)</u>	<u>3,344,874</u>
Fund balances - beginning	5,128,179	5,128,179	-
Change in reserve for inventory of supplies	-	-	-
Fund balances - ending	<u>\$ 400,592</u>	<u>\$ 3,745,466</u>	<u>\$ 3,344,874</u>

SLC Public Transit MSTU			Port		
Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)
\$ 1,711,195	\$ 1,753,205	\$ 42,010	\$ -	\$ -	\$ -
-	-	-	581,018	611,598	30,580
-	-	-	26,735	21,617	(5,118)
8,704,268	2,592,256	(6,112,012)	6,462,921	1,013,054	(5,449,867)
-	-	-	-	-	-
4,000	4,492	492	4,500	12,124	7,624
-	-	-	28,177	28,223	46
10,419,463	4,349,953	(6,069,510)	7,103,351	1,686,616	(5,416,735)
-	-	-	752	752	-
12,473,276	4,229,193	8,244,083	3,156,581	352,883	2,803,698
-	-	-	-	-	-
263,857	263,805	52	7,705,063	2,183,200	5,521,863
-	-	-	22,694	22,694	-
-	-	-	32,664	32,664	-
12,737,133	4,492,998	8,244,135	10,917,754	2,592,193	8,325,561
(2,317,670)	(143,045)	2,174,625	(3,814,403)	(905,577)	2,908,826
(71,003)	(46,270)	24,733	(805)	(252)	553
-	-	-	-	-	-
(71,003)	(46,270)	24,733	(805)	(252)	553
(2,388,673)	(189,315)	2,199,358	(3,815,208)	(905,829)	2,909,379
2,388,673	2,410,889	22,216	6,629,702	6,604,292	(25,410)
-	-	-	-	-	-
\$ -	\$ 2,221,574	\$ 2,221,574	\$ 2,814,494	\$ 5,698,463	\$ 2,883,969

St. Lucie County, Florida  
**Budgetary Comparison Schedules**  
**Nonmajor Governmental Funds**  
For the year ended September 30, 2013

	Airport		Variance Positive (Negative)
	Final Budget	Actual	
<b>REVENUES</b>			
Taxes:			
Property	\$	\$ 40	\$ 40
Tourist			
Motor fuel			
Local communication			
Local business			
Licenses and permits			
Franchise fees			
Impact fees			
Special assessments			
Intergovernmental	5,876,273	5,025,064	(851,209)
Charges for services	437,615	452,101	14,486
Fines and forfeitures			
Investment income	7,000		(7,000)
Contributions from property owners			
Miscellaneous	368,742	277,605	(91,137)
Total revenues	<u>6,689,630</u>	<u>5,754,810</u>	<u>(934,820)</u>
<b>EXPENDITURES</b>			
Current:			
General government			
Public safety			
Physical environment			
Transportation	1,829,646	1,010,365	819,281
Economic environment			
Human services			
Culture and recreation			
Court-related			
Capital outlay	6,506,626	2,470,942	4,035,684
Debt service:			
Principal retirement	244	244	
Interest	10	10	
Other			
Total expenditures	<u>8,336,526</u>	<u>3,481,561</u>	<u>4,854,965</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,646,896)</u>	<u>2,273,249</u>	<u>3,920,145</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in			
Transfers out	(368,743)	(275,001)	93,742
Lease purchase proceeds			
Proceeds from sale of capital assets			
Issuance of long-term debt			
Issuance of refunding bonds - principal			
Issuance of refunding bonds - premium			
Payment to refunded bond escrow agent			
Payment to refund line of credit			
Expiration of repayment period			
Total other financing sources (uses)	<u>(368,743)</u>	<u>(275,001)</u>	<u>93,742</u>
Net change in fund balances	<u>(2,015,639)</u>	<u>1,998,248</u>	<u>4,013,887</u>
Fund balances - beginning	2,022,016	(983,826)	(3,005,842)
Change in reserve for inventory of supplies			
Fund balances - ending	<u>\$ 6,377</u>	<u>\$ 1,014,422</u>	<u>\$ 1,008,045</u>

Mosquito Control			Impact Fee Collections		
Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)
\$ 2,689,859	\$ 2,762,084	\$ 72,225	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,184,518	120,012	(1,064,506)	-	-	-
-	-	-	-	-	-
70,000	7,330	(62,670)	-	381	381
-	4,906	4,906	40,000	6,074	(33,926)
3,944,377	2,894,332	(1,050,045)	40,000	6,455	(33,545)
224,266	224,266	-	104,641	49,810 (111)	54,831 111
4,811,669	4,288,036	523,633	-	-	-
1,229,059	229,412	999,647	-	-	-
929	929	-	81	81	-
39	39	-	4	4	-
-	-	-	-	-	-
6,265,962	4,742,682	1,523,280	104,726	49,784	54,942
(2,321,585)	(1,848,350)	473,235	(64,726)	(43,329)	21,397
(130,314)	(72,795)	57,519	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
(130,314)	(72,795)	57,519	-	-	-
(2,451,899)	(1,921,145)	530,754	(64,726)	(43,329)	21,397
4,646,456	4,783,599	137,143	216,260	216,260	-
-	25,875	25,875	-	-	-
\$ 2,194,557	\$ 2,888,329	\$ 693,772	\$ 151,534	\$ 172,931	\$ 21,397

St. Lucie County, Florida  
**Budgetary Comparison Schedules**  
**Nonmajor Governmental Funds**  
For the year ended September 30, 2013

	Plan Maintenance RAD		
	Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>			
Taxes:			
Property	\$ -	\$ -	\$ -
Tourist	-	-	-
Motor fuel	-	-	-
Local communication	-	-	-
Local business	-	-	-
Licenses and permits	-	-	-
Franchise fees	-	-	-
Impact fees	-	-	-
Special assessments	-	-	-
Intergovernmental	-	88	88
Charges for services	-	-	-
Fines and forfeitures	-	-	-
Investment income	300	86	(214)
Contributions from property owners	369,263	349,915	(19,348)
Miscellaneous	-	-	-
<b>Total revenues</b>	<b>369,563</b>	<b>350,089</b>	<b>(19,474)</b>
<b>EXPENDITURES</b>			
Current:			
General government	-	-	-
Public safety	394,693	349,795	44,898
Physical environment	-	-	-
Transportation	-	-	-
Economic environment	-	-	-
Human services	-	-	-
Culture and recreation	-	-	-
Court-related	-	-	-
Capital outlay	-	-	-
Debt service:			
Principal retirement	-	-	-
Interest	-	-	-
Other	-	-	-
<b>Total expenditures</b>	<b>394,693</b>	<b>349,795</b>	<b>44,898</b>
Excess (deficiency) of revenues over (under) expenditures	(25,130)	294	25,424
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	-	-	-
Transfers out	(120)	(120)	-
Lease purchase proceeds	-	-	-
Proceeds from sale of capital assets	-	-	-
Issuance of long-term debt	-	-	-
Issuance of refunding bonds - principal	-	-	-
Issuance of refunding bonds - premium	-	-	-
Payment to refunded bond escrow agent	-	-	-
Payment to refund line of credit	-	-	-
Expiration of repayment period	-	-	-
<b>Total other financing sources (uses)</b>	<b>(120)</b>	<b>(120)</b>	<b>-</b>
Net change in fund balances	(25,250)	174	25,424
Fund balances - beginning	25,250	25,250	-
Change in reserve for inventory of supplies	-	-	-
<b>Fund balances - ending</b>	<b>\$ -</b>	<b>\$ 25,424</b>	<b>\$ 25,424</b>

Tourism Development 1st, 2nd 3rd & 5th Cent			Court Facility		
Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)
\$ 1,423,461	\$ 1,716,632	\$ 293,171	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	821,000	825,479	4,479
2,277	1,456	(821)	15,000	2,626	(12,374)
-	6,480	6,480	-	-	-
<u>1,425,738</u>	<u>1,724,568</u>	<u>298,830</u>	<u>836,000</u>	<u>828,105</u>	<u>(7,895)</u>
61,868	61,868	-	603,734	205,385	398,349
827,802	778,826	48,976	-	-	-
-	-	-	46,047	-	46,047
-	-	-	1,095,597	687,132	408,465
-	-	-	-	-	-
<u>889,670</u>	<u>840,694</u>	<u>48,976</u>	<u>1,745,378</u>	<u>892,517</u>	<u>852,861</u>
536,068	883,874	347,806	(909,378)	(64,412)	844,966
(1,128,947)	(1,107,084)	21,863	(515,341)	(515,341)	-
-	-	-	-	-	-
<u>(1,128,947)</u>	<u>(1,107,084)</u>	<u>21,863</u>	<u>(515,341)</u>	<u>(515,341)</u>	<u>-</u>
(592,879)	(223,210)	369,669	(1,424,719)	(579,753)	844,966
1,000,463	1,012,764	12,301	1,581,601	1,581,601	-
<u>\$ 407,584</u>	<u>\$ 789,554</u>	<u>\$ 381,970</u>	<u>\$ 156,882</u>	<u>\$ 1,001,848</u>	<u>\$ 844,966</u>

St. Lucie County, Florida  
**Budgetary Comparison Schedules**  
**Nonmajor Governmental Funds**  
For the year ended September 30, 2013

	<b>SLC Housing Finance Authority</b>		
	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>
<b>REVENUES</b>			
Taxes:			
Property	\$ -	\$ -	\$ -
Tourist	-	-	-
Motor fuel	-	-	-
Local communication	-	-	-
Local business	-	-	-
Licenses and permits	-	-	-
Franchise fees	-	-	-
Impact fees	-	-	-
Special assessments	-	-	-
Intergovernmental	-	-	-
Charges for services	-	-	-
Fines and forfeitures	-	-	-
Investment income	500	39	(461)
Contributions from property owners	-	-	-
Miscellaneous	4,725	-	(4,725)
<b>Total revenues</b>	<b>5,225</b>	<b>39</b>	<b>(5,186)</b>
<b>EXPENDITURES</b>			
Current:			
General government	14,369	844	13,525
Public safety	-	-	-
Physical environment	-	-	-
Transportation	-	-	-
Economic environment	-	-	-
Human services	-	-	-
Culture and recreation	-	-	-
Court-related	-	-	-
Capital outlay	-	-	-
Debt service:			
Principal retirement	-	-	-
Interest	-	-	-
Other	-	-	-
<b>Total expenditures</b>	<b>14,369</b>	<b>844</b>	<b>13,525</b>
Excess (deficiency) of revenues over (under) expenditures	(9,144)	(805)	8,339
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	-	-	-
Transfers out	-	-	-
Lease purchase proceeds	-	-	-
Proceeds from sale of capital assets	-	-	-
Issuance of long-term debt	-	-	-
Issuance of refunding bonds - principal	-	-	-
Issuance of refunding bonds - premium	-	-	-
Payment to refunded bond escrow agent	-	-	-
Payment to refund line of credit	-	-	-
Expiration of repayment period	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>(9,144)</b>	<b>(805)</b>	<b>8,339</b>
Fund balances - beginning	20,927	20,927	-
Change in reserve for inventory of supplies	-	-	-
<b>Fund balances - ending</b>	<b>\$ 11,783</b>	<b>\$ 20,122</b>	<b>\$ 8,339</b>

Environmental Land Acquisitions			Court Administrator		
Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)
\$	\$	\$	\$	\$	\$
-	-	-	-	-	-
-	-	-	-	5,850	5,850
-	-	-	586,711	509,211	(77,500)
-	-	-	180,267	184,822	4,555
-	58	58	16,588	4,417	(12,171)
-	-	-	-	3,702	3,702
-	58	58	783,566	708,002	(75,564)
-	-	-	23,913	23,913	-
48,200	37,108	11,092	976,421	749,904	226,517
-	-	-	304,500	-	304,500
48,200	37,108	11,092	1,304,834	773,817	531,017
(48,200)	(37,050)	11,150	(521,268)	(65,815)	455,453
-	-	-	441,469	325,480	(115,989)
-	-	-	(173,311)	(57,322)	115,989
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	268,158	268,158	-
(48,200)	(37,050)	11,150	(253,110)	202,343	455,453
49,510	49,510	-	2,223,970	2,223,970	-
\$ 1,310	\$ 12,460	\$ 11,150	\$ 1,970,860	\$ 2,426,313	\$ 455,453



St. Lucie County, Florida  
**Budgetary Comparison Schedules**  
**Nonmajor Governmental Funds**  
For the year ended September 30, 2013

	Erosion Control		
	Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>			
Taxes:			
Property	\$ 1,244,970	\$ 1,279,031	\$ 34,061
Tourist	-	-	-
Motor fuel	-	-	-
Local communication	-	-	-
Local business	-	-	-
Licenses and permits	-	-	-
Franchise fees	-	-	-
Impact fees	-	-	-
Special assessments	-	-	-
Intergovernmental	5,742,769	1,030,023	(4,712,746)
Charges for services	-	-	-
Fines and forfeitures	-	-	-
Investment income	50,000	7,683	(42,317)
Contributions from property owners	-	2,000	2,000
Miscellaneous	-	-	-
<b>Total revenues</b>	<b>7,037,739</b>	<b>2,318,737</b>	<b>(4,719,002)</b>
<b>EXPENDITURES</b>			
Current:			
General government	51,095	51,095	-
Public safety	-	-	-
Physical environment	10,358,151	6,848,952	3,509,199
Transportation	-	-	-
Economic environment	-	-	-
Human services	-	-	-
Culture and recreation	170,810	136,775	34,035
Court-related	-	-	-
Capital outlay	8,912	8,912	-
Debt service:			
Principal retirement	162	162	-
Interest	7	7	-
Other	-	-	-
<b>Total expenditures</b>	<b>10,589,137</b>	<b>7,045,903</b>	<b>3,543,234</b>
Excess (deficiency) of revenues over (under) expenditures	(3,551,398)	(4,727,166)	(1,175,768)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	-	-	-
Transfers out	(50,593)	(33,744)	16,849
Lease purchase proceeds	-	-	-
Proceeds from sale of capital assets	-	-	-
Issuance of long-term debt	-	-	-
Issuance of refunding bonds - principal	-	-	-
Issuance of refunding bonds - premium	-	-	-
Payment to refunded bond escrow agent	-	-	-
Payment to refund line of credit	-	-	-
Expiration of repayment period	-	-	-
<b>Total other financing sources (uses)</b>	<b>(50,593)</b>	<b>(33,744)</b>	<b>16,849</b>
<b>Net change in fund balances</b>	<b>(3,601,991)</b>	<b>(4,760,910)</b>	<b>(1,158,919)</b>
Fund balances - beginning	6,506,933	6,340,910	(166,023)
Change in reserve for inventory of supplies	-	-	-
<b>Fund balances - ending</b>	<b>\$ 2,904,942</b>	<b>\$ 1,580,000</b>	<b>\$ (1,324,942)</b>

Housing Assistance SHIP			Boating Improvement Projects		
Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	66,425	76,059	9,634
211,644	1,691	(209,953)	-	-	-
20,012	20,530	518	1,500	1,853	353
-	6,820	6,820	-	-	-
<u>231,656</u>	<u>29,041</u>	<u>(202,615)</u>	<u>67,925</u>	<u>77,912</u>	<u>9,987</u>
-	-	-	-	-	-
231,656	25,313	206,343	-	-	-
-	-	-	52,954	20,504	32,450
<u>231,656</u>	<u>25,313</u>	<u>206,343</u>	<u>52,954</u>	<u>20,504</u>	<u>32,450</u>
-	-	-	-	-	-
-	3,728	3,728	14,971	57,408	42,437
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	3,728	3,728	14,971	57,408	42,437
-	178,328	178,328	1,008,627	1,008,627	-
<u>\$ -</u>	<u>\$ 182,056</u>	<u>\$ 182,056</u>	<u>\$ 1,023,598</u>	<u>\$ 1,066,035</u>	<u>\$ 42,437</u>

St. Lucie County, Florida  
**Budgetary Comparison Schedules**  
**Nonmajor Governmental Funds**  
For the year ended September 30, 2013

	Bluefield Ranch Improvements		
	Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>			
Taxes:			
Property	\$	\$	\$
Tourist			
Motor fuel			
Local communication			
Local business	-	-	-
Licenses and permits			
Franchise fees			
Impact fees			
Special assessments			
Intergovernmental			
Charges for services	200	108	(92)
Fines and forfeitures			
Investment income	1,900	253	(1,647)
Contributions from property owners			
Miscellaneous			
<b>Total revenues</b>	<b>2,100</b>	<b>361</b>	<b>(1,739)</b>
<b>EXPENDITURES</b>			
Current:			
General government			
Public safety			
Physical environment	20,838		20,838
Transportation	-		
Economic environment			
Human services			
Culture and recreation			
Court-related			
Capital outlay			
Debt service:			
Principal retirement			
Interest			
Other			
<b>Total expenditures</b>	<b>20,838</b>	<b>-</b>	<b>20,838</b>
Excess (deficiency) of revenues over (under) expenditures	(18,738)	361	19,099
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in			
Transfers out			
Lease purchase proceeds			
Proceeds from sale of capital assets			
Issuance of long-term debt			
Issuance of refunding bonds - principal			
Issuance of refunding bonds - premium			
Payment to refunded bond escrow agent			
Payment to refund line of credit			
Expiration of repayment period			
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>(18,738)</b>	<b>361</b>	<b>19,099</b>
Fund balances - beginning	130,810	130,810	
Change in reserve for inventory of supplies			
<b>Fund balances - ending</b>	<b>\$ 112,072</b>	<b>\$ 131,171</b>	<b>\$ 19,099</b>

Florida Housing Grant			Sports Complex		
Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,428,459	556,954	(871,505)	263,826	268,317	4,491
-	-	-	508,500	605,062	96,562
-	8	8	5,600	1,550	(4,050)
-	-	-	276,901	226,746	(50,155)
<u>1,428,459</u>	<u>556,962</u>	<u>(871,497)</u>	<u>1,054,827</u>	<u>1,101,675</u>	<u>46,848</u>
-	-	-	-	-	-
1,428,459	680,721	747,738	-	-	-
-	-	-	2,101,000	2,020,129	80,871
-	-	-	13,262	13,262	-
-	-	-	171	171	-
-	-	-	8	8	-
<u>1,428,459</u>	<u>680,721</u>	<u>747,738</u>	<u>2,114,441</u>	<u>2,033,570</u>	<u>80,871</u>
-	(123,759)	(123,759)	(1,059,614)	(931,895)	127,719
-	-	-	1,077,387	1,077,387	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	<u>1,077,387</u>	<u>1,077,387</u>	-
-	(123,759)	(123,759)	17,773	145,492	127,719
-	16,579	16,579	583,135	583,135	-
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ (107,180)</u>	<u>\$ (107,180)</u>	<u>\$ 600,908</u>	<u>\$ 728,627</u>	<u>\$ 127,719</u>

St. Lucie County, Florida  
**Budgetary Comparison Schedules**  
**Nonmajor Governmental Funds**  
For the year ended September 30, 2013

	<b>Law Enforcement</b>		
	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>
<b>REVENUES</b>			
Taxes:			
Property	\$	\$	\$
Tourist			
Motor fuel			
Local communication			
Local business			
Licenses and permits			
Franchise fees			
Impact fees			
Special assessments			
Intergovernmental			
Charges for services			
Fines and forfeitures	95,000	112,272	17,272
Investment income		471	471
Contributions from property owners			
Miscellaneous			
<b>Total revenues</b>	<b>95,000</b>	<b>112,743</b>	<b>17,743</b>
<b>EXPENDITURES</b>			
Current:			
General government			
Public safety			
Physical environment			
Transportation			
Economic environment			
Human services			
Culture and recreation			
Court-related			
Capital outlay			
Debt service:			
Principal retirement			
Interest			
Other			
<b>Total expenditures</b>			
<b>Excess (deficiency) of revenues     over (under) expenditures</b>	<b>95,000</b>	<b>112,743</b>	<b>17,743</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in			
Transfers out	(221,005)	(211,405)	9,600
Lease purchase proceeds			
Proceeds from sale of capital assets			
Issuance of long-term debt			
Issuance of refunding bonds - principal			
Issuance of refunding bonds - premium			
Payment to refunded bond escrow agent			
Payment to refund line of credit			
Expiration of repayment period			
<b>Total other financing sources (uses)</b>	<b>(221,005)</b>	<b>(211,405)</b>	<b>9,600</b>
<b>Net change in fund balances</b>	<b>(126,005)</b>	<b>(98,662)</b>	<b>27,343</b>
Fund balances - beginning	126,005	126,005	
Change in reserve for inventory of supplies			
Fund balances - ending	<b>\$ -</b>	<b>\$ 27,343</b>	<b>\$ 27,343</b>

SLC Art in Public Places			SLC Economic Development		
Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)
\$	\$	\$	\$	\$	\$
			54,800	58,092	3,292
	14	14	1,000	57	(943)
	14	14	55,800	58,149	2,349
			100,832	100,832	
5,000		5,000			
5,000	-	5,000	100,832	100,832	-
(5,000)	14	5,014	(45,032)	(42,683)	2,349
			7,386	7,386	
			7,386	7,386	
(5,000)	14	5,014	(37,646)	(35,297)	2,349
7,565	7,565		37,646	37,646	
\$ 2,565	\$ 7,579	\$ 5,014	\$ -	\$ 2,349	\$ 2,349

(continued)

St. Lucie County, Florida  
 Budgetary Comparison Schedules  
 Nonmajor Governmental Funds  
 For the year ended September 30, 2013

	Clerk of the Circuit Court		
	Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>			
Taxes:			
Property	\$	\$	\$
Tourist			
Motor fuel			
Local communication			
Local business			
Licenses and permits			
Franchise fees			
Impact fees			
Special assessments			
Intergovernmental			
Charges for services	480,000	717,465	237,465
Fines and forfeitures	433,500	373,441	(60,059)
Investment income	800	910	110
Contributions from property owners	-	-	-
Miscellaneous	-	3,140	3,140
<b>Total revenues</b>	<b>914,300</b>	<b>1,094,956</b>	<b>180,656</b>
<b>EXPENDITURES</b>			
Current:			
General government			
Public safety			
Physical environment			
Transportation			
Economic environment			
Human services			
Culture and recreation			
Court-related	937,579	948,543	(10,964)
Capital outlay	186,954	153,356	33,598
Debt service:			
Principal retirement	177,768	176,807	961
Interest	13,618	13,578	40
Other	-	-	-
<b>Total expenditures</b>	<b>1,315,919</b>	<b>1,292,284</b>	<b>23,635</b>
Excess (deficiency) of revenues over (under) expenditures	(401,619)	(197,328)	204,291
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in			
Transfers out			
Lease purchase proceeds			
Proceeds from sale of capital assets			
Issuance of long-term debt			
Issuance of refunding bonds - principal			
Issuance of refunding bonds - premium			
Payment to refunded bond escrow agent			
Payment to refund line of credit			
Expiration of repayment period			
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>(401,619)</b>	<b>(197,328)</b>	<b>204,291</b>
Fund balances - beginning	401,619	833,247	431,628
Change in reserve for inventory of supplies	-	-	-
<b>Fund balances - ending</b>	<b>\$ -</b>	<b>\$ 635,919</b>	<b>\$ 635,919</b>

Sheriff			Supervisor of Elections		
Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)
\$	\$	\$	\$	\$	\$
1,461,821	789,288	(672,533)	44,876	44,876	
3,232,488	3,232,488				
8,282	8,282				
<u>4,702,591</u>	<u>4,030,058</u>	<u>(672,533)</u>	<u>44,876</u>	<u>44,876</u>	
3,643,615	3,510,838	132,777	51,605	51,605	
479,528	479,528				
<u>4,123,143</u>	<u>3,990,366</u>	<u>132,777</u>	<u>51,605</u>	<u>51,605</u>	
579,448	39,692	(539,756)	(6,729)	(6,729)	
1,410,486	2,113,133	702,647	6,729	6,729	
(1,515,194)	(1,515,194)				
<u>(104,708)</u>	<u>597,939</u>	<u>702,647</u>	<u>6,729</u>	<u>6,729</u>	
474,740	637,631	162,891			
	2,428,332	2,428,332			
<u>\$ 474,740</u>	<u>\$ 3,065,963</u>	<u>\$ 2,591,223</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(continued)



St. Lucie County, Florida  
 Budgetary Comparison Schedules  
 Nonmajor Governmental Funds  
 For the year ended September 30, 2013

	Communication System I & S		
	Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>			
Taxes:			
Property	\$	\$	\$
Tourist			
Motor fuel			
Local communication			
Local business			
Licenses and permits			
Franchise fees			
Impact fees			
Special assessments			
Intergovernmental			
Charges for services			
Fines and forfeitures			
Investment income	376,731	324,809	(51,922)
Contributions from property owners		1,426	1,426
Miscellaneous			
Total revenues	<u>376,731</u>	<u>326,235</u>	<u>(50,496)</u>
<b>EXPENDITURES</b>			
Current:			
General government	1,717	1,717	
Public safety			
Physical environment			
Transportation			
Economic environment			
Human services			
Culture and recreation			
Court-related			
Capital outlay			
Debt service:			
Principal retirement	230,000	230,000	
Interest	133,944	133,944	
Other	1,451	700	751
Total expenditures	<u>367,112</u>	<u>366,361</u>	<u>751</u>
Excess (deficiency) of revenues over (under) expenditures	<u>9,619</u>	<u>(40,126)</u>	<u>(49,745)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in			
Transfers out			
Lease purchase proceeds			
Proceeds from sale of capital assets			
Issuance of long-term debt			
Issuance of refunding bonds - principal			
Issuance of refunding bonds - premium			
Payment to refunded bond escrow agent			
Payment to refund line of credit			
Expiration of repayment period			
Total other financing sources (uses)			
Net change in fund balances	9,619	(40,126)	(49,745)
Fund balances - beginning	9,170	720,656	711,486
Change in reserve for inventory of supplies			
Fund balances - ending	<u>\$ 18,789</u>	<u>\$ 680,530</u>	<u>\$ 661,741</u>

Impact Fees I & S			Sales Tax Revenue Bond I & S		
Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	4,041,117	4,253,807	212,690
-	-	-	48,944	8,075	(40,869)
-	-	-	4,090,061	4,261,882	171,821
-	-	-	1,071	1,071	-
95,000	95,000	-	52,245,427	51,730,000	515,427
66,368	66,368	-	3,482,135	2,074,949	1,407,186
-	-	-	2,031,647	2,031,647	-
161,368	161,368	-	57,760,280	55,837,667	1,922,613
(161,368)	(161,368)	-	(53,670,219)	(51,575,785)	2,094,434
161,368	161,368	-	515,341	515,341	-
-	-	-	56,690,000	56,690,000	-
-	-	-	5,204,242	5,204,242	-
-	-	-	(10,666,732)	(10,666,732)	-
161,368	161,368	-	51,742,851	51,742,851	-
-	-	-	(1,927,368)	167,066	2,094,434
9,726	9,726	-	1,927,368	1,928,369	1,001
\$ 9,726	\$ 9,726	\$ -	\$ -	\$ 2,095,435	\$ 2,095,435

(continued)

**St. Lucie County, Florida**  
**Capital Asset Statistics by Function/Program**  
**Last Ten Fiscal Years**

<b>Function/Program</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>
<b>Physical Environment</b>				
Utilities				
Wastewater Transmission Lines (miles)	42	42	52	55
Water Transmission Lines (miles)	12	12	18	27
Wastewater Treatment Plants	4	4	4	4
Water Treatment Plants	2	2	2	2
<b>Transportation</b>				
Airport				
Number of Runways	2	2	2	2
Road & Bridge				
Drainage				
Miles of Major Canals	50	50	50	50
Miles of Ditches and Swales	1,100	1,100	1,100	1,100
Traffic				
Traffic Signals Maintained	40	40	36	40
Traffic Signs Made	1,682	5,685	6,875	1,869
Maintenance				
Miles of Paved Roadways Responsible	350	350	351	370
Miles of Asphalt Milled Roads	48	48	48	42
Miles of Rock/Dirt Roads	121	121	120	104
Miles of Chip-Sealed Roads	0	0	0	4
<b>Culture &amp; Recreation</b>				
Environmental Resources				
Oxbow Eco-Center	1	1	1	1
Exhibits	N/A	N/A	N/A	1
Libraries				
Number of County Libraries	5	5	5	5
Bookmobile	1	1	1	1
Parks and Recreation				
Regional History Center (Historical Museum)	1	1	1	1
Regional History Center Exhibits (Historical Museum)	N/A	N/A	N/A	N/A
St Lucie County Aquarium (Smithsonian)	1	1	1	1
UDT-SEAL Museum	1	1	1	1
Number of acres maintained	2,139	2,139	2,139	2,139
County Golf Course	1	1	1	1
Havert L. Fenn Center	N/A	N/A	N/A	N/A
South County Stadium	1	1	1	1
Digital Domain Field	1	1	1	1
Acres of Bermuda Turf	52	52	52	52
Common Ground Grass Acres	20	20	20	24

Source: St. Lucie County, Office of Management and Budget  
N/A - Not available

Schedule 19

2008	2009	2010	2011	2012	2013
57	58	58	58	58	58
30	32	32	32	32	32
4	4	4	4	5	5
2	2	2	2	2	2
2	3	3	3	3	3
50	52	52	52	52	52
1,100	1,100	1,100	1,100	1,100	1,100
48	48	51	49	49	50
1,147	1,390	844	935	954	949
370	370	370	376	375	377
42	33	28	25	27	24
104	99	97	93	90	83
24	33	38	41	44	52
1	1	1	1	1	1
1	2	2	3	3	4
5	5	5	5	5	5
N/A	N/A	N/A	N/A	N/A	N/A
1	1	1	1	1	1
N/A	3	3	3	16	20
1	1	1	1	1	1
1	1	1	1	1	1
2,139	2,572	2,599	1,525	430	430
1	1	1	1	1	1
1	1	1	1	1	1
1	1	1	1	1	1
1	1	1	1	1	8
52	52	52	52	15	15
24	24	24	24	60	60

**BOARD OF  
COUNTY  
COMMISSIONERS**



**PARKS, RECREATION,  
and FACILITIES**  
Edward R. Matthews  
Director

August 25, 2014

**Re:** Annual Report to the Florida Department of Economic Opportunity for the St. Lucie County Sport Complex, a State Spring Training Facility (New York Mets) under Section 288-11621, Florida Statutes

**Item #3:** Copy of the contract between St. Lucie County and Sterling Facilities Services, LLC, which owns and operates the New York Mets major league baseball team, dated August 1, 2003, subsequently amended on September 27, 2011, extending the contract to December 31, 2023.



**ST. LUCIE SPORTS COMPLEX  
FACILITIES USE AGREEMENT**

**THIS AGREEMENT**, made and entered into in triplicate as of August 1, 2003, by and between **ST. LUCIE COUNTY**, a political subdivision of the State of Florida ("County"), and **STERLING FACILITY SERVICES, L.L.C.**, a New York limited liability company ("SFS").

**WITNESSETH:**

**WHEREAS**, County owns the real property legally described on Exhibit "A" hereto (the "Land"), and all of the fields and improvements located thereon, including, without limitation, the lighted major league baseball stadium presently known as the "Thomas J. White Stadium" (the "Stadium"), and certain major and minor league training facilities, locker rooms, practice facilities, and related improvements (with the Land, Stadium and all fields and improvements hereinafter collectively referred to as the "Sports Complex"), as the Sports Complex is depicted on the site plan ("Site Plan") set forth in Exhibit "B" hereto.

**WHEREAS**, SFS desires to use, and County desires to permit SFS to use, the Stadium and the other facilities at the Sports Complex for an initial term of sixteen (16) years, commencing as of January 1, 2003, with additional option periods, in accordance with the provisions hereinafter contained;

**WHEREAS**, County and SFS's affiliate, Sterling Mets, L.P. ("Club"), which owns and operates the franchises for the New York Mets major league baseball team and the St. Lucie Mets minor league baseball team, have, contemporaneously with this Agreement, entered into an agreement ("County-Club Agreement") pursuant to which the Club agreed to guarantee certain of SFS's payment obligations under this Agreement and to conduct certain major league Spring Training and minor league baseball operations at the Sports Complex;

**NOW, THEREFORE**, in consideration of the mutual covenants and promises herein contained, **IT IS AGREED AS FOLLOWS:**

**1. SITE; ADDITIONAL CAPITAL IMPROVEMENTS**

The County warrants and represents that it owns the Land, Stadium, and the remainder of the Sports Complex including, without limitation, the fields and improvements thereon.

The parties further acknowledge and agree that, subject to the terms set forth herein and in the exhibits hereto, County shall construct additional capital improvements to the Sports Complex property during the Initial Term, in accordance with the schedule, scope, specifications, designs and plans which shall be determined in accordance with the terms of Sections 3 through 5. Upon the

Completion (as such term is hereinafter defined) of the Initial Term Improvements the term "Sports Complex," as used herein, shall be deemed to include the Initial Term Improvements.

2. **SFS USE OF FACILITIES; INITIAL TERM; OPTIONS.**

A. **Initial Term:** SFS agrees to use the Sports Complex for an initial period of sixteen years commencing on January 1, 2003 and ending on December 31, 2018 (or such earlier date upon which this Agreement is terminated as provided herein) (the "Initial Term"), subject to the terms and conditions hereof, for the following purposes (the "Permitted Uses"):

(i) SFS may use and permit the Club to use, and the County shall permit SFS and the Club to use, the Sports Complex during the Term of this Agreement (as defined in Section 2(B) hereof) for the following, subject to the priorities of use as set forth in Section 16 of this Agreement:

- Fantasy and Youth Camps
- New York Mets Spring Training (February - April)
- New York Mets Exhibition Season (March - April)
- Florida State League or any successor league (April - September)
- Gulf Coast League or any successor league (June - August) (if applicable)
- Minor League Spring Training (April - June)
- Instructional League Play (September - November)
- Training and/or rehabilitation of baseball players

To the extent that any use of the Sports Complex for the purposes set forth above in this Section 2(A)(i) (not including fantasy and youth camps) exclusively involves professional baseball teams and players who are not affiliated with the Club (or with a major league baseball club affiliated with an assignee of SFS), then SFS (or, if applicable, SFS's assignee) will reimburse the County for its incremental costs arising directly from such use.

(ii) SFS, the Club and County shall each have exclusive use of certain office facilities at the Sports Complex as identified in Exhibit "B," on a year-round basis.

(iii) The staging, by or with the permission of SFS, of other baseball and non-baseball oriented events at the Sports Complex, including, without limitation, concerts, shows, conventions and political, religious and community events, subject to the scheduling provisions of Section 16 of this Agreement, and subject to the approval of the County, not to be unreasonably withheld, conditioned or delayed, except that SFS shall be permitted to conduct promotional events and other activities on the dates of baseball games played at the Sports Complex in SFS's sole discretion.

(iv) The radio, television, internet and other broadcast or transmission of SFS Events.



- (v) All uses set forth below in Sections 6, 7, 8, 13 and 16 of this Agreement.
- (vi) Any such other uses as shall be reasonably consistent with the foregoing.

All New York Mets and St. Lucie Mets (and, if any, GCL Mets (as defined below in Section 13)) activities at the Sports Complex during the Term of this Agreement, as well as all baseball games and other events staged at the Sports Complex by or under the sponsorship, control or authorization of SFS, are referred herein as "SFS Events." All events conducted or authorized by the County at the Sports Complex during the term of this Agreement (excluding all SFS Events) are referred to herein as "County Events."

B. **Option Terms:** At the end of the Initial Term, SFS shall have two options (the "Options") to extend this Agreement, each for an additional five (5) year period, (each, an "Option Term," if exercised, together with the Initial Term, the "Term"), upon the same terms as are hereinafter set forth. The first Option may be exercised by SFS giving its written notification to the County on or before June 30, 2018 and, if exercised, the first Option Term shall commence on January 1, 2019 and end on December 31, 2023. If the first Option is exercised, the second Option may be exercised by SFS giving its written notification to the County on or before June 30, 2023 and, if exercised, the second Option Term shall commence on January 1, 2024 and end on December 31, 2028.

### 3. **CAPITAL IMPROVEMENTS - INITIAL TERM; BUDGET.**

The County shall provide funding for the design and construction of certain improvements to the Sports Complex (the "Initial Term Improvements") which shall include the improvements described on Exhibit "C" hereto, or such portions of such improvements, according to the priority list jointly agreed upon by the parties and included in the Initial Term Improvement Schedule set forth on Exhibit "E" hereto. The Initial Term Improvements shall also include such additional improvements to the Sports Complex as shall thereafter be designated by SFS and the County, in such order or priority as SFS and the County shall determine, provided that the cost of such other improvements will not cause the Total Cost of the Work to exceed the Initial Term Improvements Budget (as those terms are hereinafter defined). The source of the County's funding of the Initial Term Improvements shall be the following funds (the sum of which is hereinafter referred to as the "Initial Term Improvements Budget"): the County Contributions, the SFS Contributions Bond Revenues, and the Naming Rights Bond Revenues (as those terms are hereinafter defined). Nothing in this Agreement shall obligate the County to provide funding for the Initial Term Improvements in excess of the Initial Term Improvements Budget.

The Initial Term Improvements Budget shall be used for the Initial Term Improvements only and for no other purpose, and none of the Initial Term Improvements Budget may be applied toward County's obligations to operate and maintain the facilities as set forth below or for any purpose other than to fund the construction of the Initial Term Improvements.

**A. County Contributions to Funding for Capital Improvements**

The money to be contributed by the County to fund the Initial Term Improvements ("County Contributions") shall be the total of \$2,175,000.00 (the "First County Contribution") in 2003 plus \$3,860,000.00 (the "Second County Contribution") in 2004 for a total of \$6,035,000.

In addition, the County will contribute such additional amounts toward Additional Improvements to be made in years 2005 through 2018, as provided in Section 5(K) of this Agreement.

**B. SFS Contributions to Funding Capital Improvements**

SFS shall pay the County \$100,000.00 on August 1 of each year during the Initial Term excluding 2003 ("SFS Contributions"), with such payments beginning on August 1, 2004 (or upon execution of this Agreement by SFS, whichever is later), and ending on August 1, 2018 or such earlier date upon which this Agreement is terminated. This annual payment shall be considered payment toward the County's annual debt service. Based on the stream of revenue to be received from SFS Contributions, the County shall promptly following the execution of this Agreement, and in any event by no later than ninety (90) days following the execution of this Agreement, issue bonds secured by such SFS Contributions. The net proceeds from the sale of such bonds, after paying expenses of bond issuance (the "SFS Contributions Bond Revenues"), is expected to be approximately \$1,100,000.00 in immediately available funds and shall be used to fund the Initial Term Improvements as agreed upon by the parties and set forth or incorporated in this Agreement and the Exhibits thereto, and for no other purpose.

**C. Contributions to Funding for Capital Improvements From Naming Rights Revenues**

As set forth in Section 7(C) of this Agreement, SFS or its designee shall market, on behalf of the County, the sale of Naming Rights (as defined in Section 7(C)) for the Stadium and/or the Sports Complex and/or its constituent parts. Promptly after execution of this Agreement, and based on the stream of revenue provided by the Naming Rights Shortfall Payments (as defined below in this Section) and the anticipated stream of revenue to be received for the Naming Rights (the "Naming Rights Revenues") from a Naming Rights Agreement (as defined in Section 7(C)), the County agrees, by no later than ninety (90) days following the execution of this Agreement, to issue bonds secured by such payments and revenues. The net proceeds from the sale of such bonds (the "Naming Rights Bond Revenues") shall be used to fund the Initial Term Improvements as agreed upon by the parties and set forth or incorporated in this Agreement and the Exhibits thereto, and for no other purpose.

Commencing in 2004, in any year of the Initial Term if the Cumulative Total Consideration (as defined below) is less than the Cumulative Target (as defined below), then SFS shall pay the County the difference between the Cumulative Target and the Cumulative Total Consideration. If SFS makes any such payments (the "Naming Rights Shortfall Payments"), then, if the Cumulative

Total Consideration at any point thereafter exceeds the Cumulative Target, the County shall pay the amount of any such excess to SFS until SFS is reimbursed for all such Naming Rights Shortfall Payments to date plus interest (with interest to be calculated at the prime rate plus 200 basis points, compounded and adjusted annually). For the purposes of this provision, the "Cumulative Total Consideration" at any time shall be the total of all consideration to be provided by the sponsor of the Naming Rights (as defined herein) to the date in question under the Naming Rights Agreement (as defined herein), plus any unrecouped Naming Rights Shortfall Payments. For the purposes of this provision, the "Cumulative Target" at any time shall equal \$150,000 multiplied by the number of years elapsed from January 1, 2004 through such date. Any payments to be made by SFS to the County or by the County to SFS hereunder shall be made on December 31 of the year in question.

If the total consideration to be provided by the Naming Rights sponsor under the Naming Rights Agreement exceeds \$2,250,000, then any excess (the "Excess Naming Rights Revenues") shall be added or devoted to the Additional Improvements Budget (as such term is defined below)..

#### 4. IMPROVEMENTS - PLANS.

A. SFS shall engage an architect reasonably satisfactory to County (the "Architect"). The Architect shall be responsible for (1) developing a conceptual plan and general specifications (the "Conceptual Plans") for the Initial Term Improvements; (2) developing preliminary plans and specifications for the Initial Term Improvements; (3) preparing working drawings and requests for bids; (4) obtaining all permits, other than building permits, needed to construct the Initial Term Improvements; (5) assisting SFS in evaluating the qualifications of potential contractors; (6) providing contract administration; and (7) performing construction inspections as needed to provide certified as-built drawings after the Initial Term Improvements are constructed (the "Architect's Work"). Without limiting the foregoing, the County hereby approves of Jack L. Gordon Architects as a satisfactory architect. SFS shall enter into a contract (the "Architect's Contract") with the Architect which Architect's Contract shall, *inter alia*, contain the terms and conditions set forth in Exhibit "F" hereto. The County shall be named as a third party beneficiary in the Architect's Contract. Without limiting the foregoing, the Architect's Contract shall require the Architect to procure policies of insurance that relate to the Work, with terms, limits, coverages and specifications at least as favorable for SFS as those reflected in Exhibit F, and naming SFS, County and Club as named insureds, and should provide that Architect will not receive payment for any portion of the Architect's Work or any other amounts due until the date that is at least five (5) days after County has paid the amount due to SFS as set forth in Section 5(N)(ii) below. SFS shall have the right to refuse to enter into any Architect's Contract with terms that are not commercially reasonable as determined by SFS. County agrees that the Architect shall not be considered an agent of SFS for any purpose and that the Architect shall be solely responsible for the Architect's Work, and that the County will look solely to the Architect, and in no event to SFS, with respect to the performance of the Architect's Work and any damages or losses which may arise from or out of any acts or omissions of the Architect. Within thirty (30) days following the date of approval of this Agreement by the Board of County Commissioners, SFS shall cause Architect to furnish to County the Conceptual Plans for the Initial Term Improvements. To the extent practicable, SFS shall also cause the Architect to provide the County with an estimate of the cost of each proposed capital

improvement. County shall have a period of ten (10) business days from delivery of the Conceptual Plans within which to review and to disapprove of the Conceptual Plans, in writing. County shall have no right to disapprove of the Conceptual Plans except to the extent that the improvements described therein are materially inconsistent with the description of the Initial Improvements set forth on Exhibit "C" hereto. Subject to the foregoing, County shall not unreasonably withhold its consent to any Conceptual Plans. If County disapproves of the Conceptual Plans, County shall express the grounds for its disapproval in reasonable detail. If County shall not disapprove within such ten (10) business day period, the Conceptual Plans shall be deemed approved.

B. As soon as is reasonably practicable following the approval of the Conceptual Plans, SFS shall cause Architect to prepare and deliver to County and SFS preliminary plans and specifications for the Initial Term Improvements (or such of the Initial Term Improvements as shall be designated by SFS), in accordance with the approved Conceptual Plans (the "Preliminary Plans"). County and SFS shall have a period of thirty (30) days within which to review and to approve or disapprove of the Preliminary Plans in writing. County shall have no right to disapprove of the Preliminary Plans except to the extent the Preliminary Plans shall be materially inconsistent with the Conceptual Plans. If County or SFS disapprove of the Preliminary Plans, it or they shall express the grounds for its disapproval in reasonable detail. If County or SFS shall not respond with disapproval within such thirty (30) day period, the Preliminary Plans shall be deemed approved.

C. As soon as is reasonably practicable following the approval of the Preliminary Plans, SFS shall cause the Architect to prepare working drawings for the Initial Term Improvements (or such of the Initial Term Improvements as shall be designated by SFS), in accordance with the approved Preliminary Plans and to deliver same to County and SFS (the "Final Plans"). County and SFS shall have a period of thirty (30) days from receipt of the completed Final Plans to review and approve or disapprove of the Final Plans in writing. County shall have no right to disapprove of the Final Plans except to the extent such Final Plans shall be materially inconsistent with the Preliminary Plans. If County or SFS shall disapprove of the Final Plans, it or they shall express the grounds for its disapproval in reasonable detail. If neither County nor SFS shall not disapprove within such thirty (30) day period, the Final Plans shall be deemed approved. Once approved, the Final Plans shall be incorporated into this Agreement as Exhibit "D."

D. SFS shall, through a competitive bidding process, engage a contractor ("Contractor") for the construction of the Initial Term Improvements in accordance with the Final Plans (herein referred to as the "Work"). SFS shall have the right to refuse to engage any contractor upon terms that are not commercially reasonable as determined by SFS. SFS's selection of any Contractor and the terms of the agreement between SFS and the Contractor (the "Contract") shall be subject to the approval of the County, which approval shall not be unreasonably withheld.

E. The Contract shall, *inter alia*, include the terms and conditions set forth in Exhibit "G" hereto and shall include each of the following requirements: (i) the furnishing of a public construction bond in a form and with terms acceptable to SFS; (ii) retainage in an amount acceptable to SFS for the Work, until the Completion of the Work (including a retainage of 150% of the reasonable value of all punchlist items until such punchlist items are completed); (iii) payment by the

Contractor of liquidated damages equal to One Thousand Dollars (\$1,000.00) for each day from and after the Required Completion Date (as that term or its equivalent is defined in the Contract) until the actual date of Completion; (iv) a requirement that the Contractor perform and achieve Completion (as defined herein) of the Work for a fixed stipulated sum (the "Fixed Contract Price"), by no later than the Required Completion Date; (v) the furnishing of an "installation floater" insurance policy or such other policy of insurance covering goods in transit and while the Work is being performed, with terms, limits, coverages and specifications acceptable to SFS; (vi) the furnishing of policies of insurance that relate to the Work naming SFS, Club and the County as additional insureds, with terms, limits, coverages and specifications at least as favorable for SFS as those reflected in the attached Exhibit G (and the furnishing by any subcontractors of policies of insurance that relate to the Work naming SFS, Club and the County as additional insureds, with terms, limits, coverages and specifications acceptable to SFS); (vii) at SFS's election, the provision on behalf of SFS of an Owner's Contractor Protective policy of insurance, including extensions for products and completed operations coverage and similar extended coverage at least through Completion (as defined herein) of the Work, or another policy of insurance acceptable to SFS, with SFS as a named insured and with terms, limits and coverage at least as favorable for SFS as those reflected in the Exhibit "H" hereto; and (viii) Contractor must agree that it will not receive payment for any portion of the Contractor's Work or any other amounts due until the date that is at least five (5) days after County has paid the amount due to SFS as set forth in Section 5(N)(iii) below. The County shall be named as a third party beneficiary in the Contract between the Contractor and SFS.

F. County agrees that the Contractor shall not be considered an agent of SFS for any purpose and shall be solely responsible for the Contractor's Work, and that the County will look solely to the Contractor, and in no event to SFS, with respect to the performance of the Contractor's Work and any damages or losses which may arise from or out of any acts or omissions of the Contractor.

G. SFS shall have the right to purchase general construction liability insurance or other construction-related insurance acceptable to SFS, with terms, coverages, specifications and limits as determined by SFS as being reasonable in its sole discretion, and in any event at least as favorable for SFS as those reflected in Exhibit "I" hereto. The cost of such insurance shall be included in the Total Cost of the Work (as defined in this Agreement). County shall be an additional insured on such insurance policy, if any is purchased by SFS.

H. The fees and costs of the Contractor, the Architect and the remainder of the Total Cost of the Work shall be paid by the County in accordance with the procedures set forth in Section 5(N), below, out of the Initial Term Improvements Budget. The term "Total Cost of the Work" shall mean the sum of (i) the fees and expenses of the Architect in connection with all stages of the Architect's Work hereunder, including without limitation the Architect's consultants' fees and expenses and all fees and expenses related to the obtaining of permits needed to construct the Initial Term Improvements, plus (ii) the Fixed Contract Price, plus (iii) the fees and expenses of any consultants engaged by SFS, plus (iv) any other costs, expenses or liabilities incurred by SFS as a consequence of SFS's engagement of the Contractor, Architect or other consultants hereunder, including but not limited to SFS's attorneys' fees in connection therewith, plus (v) the costs of all

permits required for the Work, plus (vi) the premium cost of all insurance, including without limitation comprehensive general liability insurance, general construction liability insurance, Owner's Contractor Protective insurance, products and completed operations or other extended insurance, or other insurance acceptable to SFS, as SFS may elect to obtain, whether directly or through another person or entity acting on SFS's behalf, as a consequence of SFS's engagement of the Architect and Contractor hereunder (herein referred to as the "Additional Exposure Liability Coverage Insurance Premiums"). The Total Cost of the Work shall be subject to increase only as a consequence of Authorized Change Orders (as defined herein), to the extent such Authorized Change Orders actually increase the Total Cost of the Work. The Total Cost of the Work shall not include any other costs or fees whatsoever, including, without limitation, fees for construction, coordination, supervision or for review and approval of plans and specifications or proposed Change Orders by SFS or County, except as otherwise specifically set forth in this Agreement.

## **5. FACILITIES - CONSTRUCTION.**

A. Promptly following the execution of the Contract, SFS shall cause the Contractor to commence the Work and to diligently and continuously pursue the Work to Completion. The term "Completion" shall mean the completion of the Work, as evidenced by the issuance of a final certificate of occupancy or completion, as applicable, and the completion of all "punch-list" items.

B. County will cooperate in good faith to assist Architect and Contractor in obtaining all permits required for the construction of the Work from all applicable governmental authorities.

C. There shall be no change to the Final Plans, except pursuant to an Authorized Change Order (as such term is defined below). SFS shall have the right to request changes in the Work. As used in this Agreement, an "Authorized Change Order" shall mean a written instrument initiated and prepared by SFS and signed by County (or deemed approved as set forth herein), SFS and the Architect stating their agreement upon all of the following: (i) the agreed change in the Work; and (ii) the extent of the adjustment in the Total Cost of the Work, if any. County shall have a period of ten (10) business days following receipt of a request for a Change Order within which to review same. If County fails to respond within such ten (10) business day period after the receipt of the proposed Change Order, then such proposed Change Order shall be deemed approved. County shall not unreasonably withhold its consent to any proposed Change Order. County has the right to suggest Change Orders to SFS, and SFS agrees to consider each County request for a Change Order in good faith, provided that any Change Order proposed by County shall not have the effect of increasing the Total Cost of the Work, and to initiate an Authorized Change Order as set forth above in this paragraph if SFS determines that such a Change Order is appropriate. Changes in the Total Cost of the Work due to an Authorized Change Order shall be limited to the actual net increase in the cost included in the definition of the Total Cost of the Work.

D. SFS and the County shall have the right to monitor the construction process of the Initial Term Improvements at all times, provided that County shall not give direction, whether verbally or in writing or otherwise, to any Contractor, Architect or consultant engaged by SFS, except in an emergency situation. Without limiting the foregoing, the County hereby consents to the

engagement by SFS of its affiliate, Mets Development Company, L.L.C. ("MDC"), as a consultant, provided that MDC shall not charge any fee for its services, but MDC shall be reimbursed in full from the Initial Term Improvements Budget for all of its out-of-pocket expenses in connection with the provision of such services, including but not limited to the costs of travel, transportation, lodging and meals for MDC personnel in connection with the project and MDC's reasonable fees, costs and expenses related to the work of outside counsel in connection with the engagement of the Architect and the Contractor.

E. In the event of any contractual dispute between the parties hereto that (i) occurs before Completion (as defined herein) of the Initial Term Improvements, and (ii) relates to the preparation and/or approval of the Conceptual Plans, Preliminary Plans, Final Plans or any Change Order for any Phase of the Work, SFS and County shall attempt in good faith to agree to the resolution of the disagreement and/or the curative measures, if any, that are required to be undertaken, and will submit the dispute to non-binding mediation in an effort to resolve the dispute if the parties are unable to reach a resolution without outside intervention. If the parties are unable to resolve such dispute through non-binding mediation, then the dispute shall promptly be resolved by arbitration pursuant to Section 38 of this Agreement on an expedited basis at the request of either party

F. Intentionally deleted.

G. It shall be the responsibility of Architect and Contractor, as may be appropriate, to coordinate activities with interested governmental agencies in connection with the construction process.

H. The Contractor shall be responsible for the construction of the Initial Term Improvements in accordance with the approved Final Plans and for obtaining all certificates of occupancy and completion so that the improvements can be used.

(1) The Initial Term Improvement Schedule, which shall be Exhibit "E" hereto, shall show:

(a) The anticipated time of commencement and completion of each of the various operations to be performed under this contract; and,

(b) The sequence and inter-relationship of each of these operations with the others and with those of other related contracts; and,

(c) The estimated time required for fabrication or delivery, or both, of all materials and equipment for the Work.

(2) SFS shall not be responsible for the funding of the Work, nor shall it be obligated to pay for any cost overruns related to the planning, design or construction of the Initial Term Improvements, whether due to hidden or unforeseen conditions or otherwise.

(3) The Initial Term Improvement Schedule shall be revised by SFS as and when needed. SFS shall provide the County with written notice in the event that any revision to the Initial Term Improvement Schedule changes the Required Completion Date (as that term or its equivalent is defined in the Contract).

I. Intentionally omitted.

J. Upon Completion (or at the end of the Initial Term, if earlier), to the extent that the Initial Term Improvements Budget shall have exceeded the Total Cost of the Work (with the amount of such excess hereafter referred to as the "Excess Initial Term Improvement Budget Funds"), the Excess Initial Term Improvement Budget Funds shall be added or devoted to the Additional Improvements Budget (as such term is defined below).

K. In addition to the Initial Term Improvements, as agreed upon by the parties in good faith cooperation, County shall construct, during the calendar years 2005 through 2018, certain additional improvements to the Sports Complex (the "Additional Improvements"). The Additional Improvements to be constructed and the schedule for the construction of the Additional Improvements shall be determined so as to provide material benefit to SFS to be enjoyed by SFS during the Initial Term. The Total Cost of the Work related to the Additional Improvements shall be paid from the sum of the following funds (which sum is hereinafter referred to as the "Additional Improvements Budget"): the Additional County Contributions (as hereinafter defined), plus the Excess Initial Term Improvement Budget Funds, plus the Excess Naming Rights Revenues. The term "Additional County Contributions" means the greater of (i) Two Million Two Hundred Fifty Thousand and No/100 Dollars (\$2,250,000.00) or (ii) the proceeds of the fourth (4<sup>th</sup>) and fifth (5<sup>th</sup>) cents of tourist development tax levied by the County (the "Tourist Tax") pursuant to Ordinances No. 02-36 and No. 03-12 of St. Lucie County, Florida (the "Tourist Tax Ordinances") during the Initial Term hereof, including without limitation the proceeds of any bonds which are sold on the basis of such revenues derived from the Tourist Tax, to the extent such proceeds are allocable to the Sports Complex pursuant to the Tourist Tax Ordinances and not applied toward the Initial Term Improvements. The County shall contribute the Additional County Contributions for construction of the Additional Improvements. The County shall expend the funds in the Additional Improvements Budget as follows: (I) promptly following each of the 2006 and 2010 Florida State League baseball seasons, the County must expend on Additional Improvements mutually acceptable to SFS and County all sums accumulated through the end of such baseball season in the Additional Improvements Budget and not previously expended; and (II) promptly following the 2014 Florida State League baseball season, the County must expend on Additional Improvements mutually acceptable to SFS and County the sum of (a) all sums accumulated through the end of the 2014 Florida State League baseball season in the Additional Improvements Budget and not previously expended, and (b) the maximum net proceeds that County can generate by borrowing against the sums that will accumulate in the Additional Improvements Budget from the end of the 2014 Florida State League baseball season through the end of the Initial Term.

L. Intentionally omitted.



M. The entire amount of the County Contributions, the Additional County Contributions, the SFS Contributions Bond Revenues, the Naming Rights Bond Revenues, any Excess Initial Term Improvement Budget Funds, and any Excess Naming Rights Revenues, as and when received, shall immediately be deposited in an interest bearing account, in the name of the County, designated as the "Sports Complex Improvement Account," and all interest thereon shall be added to the Initial Improvements Budget or the Additional Improvements Budget, as the case may be. The County will issue bonds sufficient to generate the County Contributions, as provided for in this Agreement, such that the full amount of the First County Contribution will be deposited into the Sports Complex Improvement Account no later than September 1, 2003 and the full amount of the Second County Contribution will be in the Sports Complex Improvement Account and available for withdrawal no later than January 1, 2004. Upon the execution of this Agreement, the County shall advance to SFS funds in an amount not to exceed \$400,000 for use by SFS for payment of amounts incurred prior to September 1, 2003 pursuant to Sections 4 and 5 of this Agreement, provided that any such advances shall be reimbursed to the County from the SFS Contributions Bond Revenues. To the extent allowed by the bond documents, the SFS Contributions Bond Revenues and the Naming Rights Bond Revenues will be deposited into the Sports Complex Improvement Account upon County's receipt of those funds. The Additional County Contributions shall be deposited in the Sports Complex Improvement Account as and when proceeds of the Tourist Tax allocated to the Sports Complex, pursuant to the Tourist Tax Ordinances, are realized. The County shall take reasonable measures and efforts to ensure that, promptly following the 2014 Florida State League baseball season, it is able to borrow against the sums that will accumulate in the Additional Improvements Budget from the end of the 2014 Florida State League baseball season through the end of the Initial Term in such a way as to maximize the generation of proceeds therefrom, in order to fulfill its obligation to make the expenditures described in subpart (II)(B) of the last sentence of Section 5(K) above. SFS shall have the right to request that the County withdraw monies from the Sports Complex Improvement Account as needed, and the County will promptly honor such requests, withdraw the requested funds, and deliver such funds to SFS or such other person or entity according to instructions from SFS for use as contemplated under this Agreement.

N. County shall disburse funds from the Sports Complex Improvement Account, as follows, provided that in no event shall County be responsible for disbursing funds in excess of the Initial Term Improvements Budget (subject to the disbursement of funds from the Additional Improvements Budget as set forth in this Agreement):

(i) Within fifteen (15) business days following SFS's delivery to County of an invoice for the Additional Exposure Liability Coverage Insurance Premiums, County shall pay to SFS the entire amount of such invoice;

(ii) Within fifteen (15) business days following SFS's delivery to County of an invoice from the Architect with respect to the Architect's Work, County shall pay to SFS the full amount of such invoice, which payment SFS will then forward to Architect within five (5) days of SFS's receipt thereof from County;

(iii) Within fifteen (15) business days following SFS's delivery to County of an invoice from the Contractor (which invoice shall reflect the applicable retainage), accompanied by the Required Documents (as such term is defined below), County shall pay to SFS the full amount of such invoice, which payment SFS will then forward to Contractor within five (5) days of SFS's receipt thereof from County. The term "Required Documents" means: (a) an affidavit from the Contractor certifying that the invoice is true and correct; (b) a partial lien waiver from the Contractor for the full amount of the current invoice and partial lien waivers from all subcontractors, materialmen and others who have filed Notices to Owner with respect to all Work through the date of the prior invoice; (c) a certification from Architect stating that the portion of the Work described in such invoice has been completed in accordance with the Final Plans; and (d) in connection with the final disbursement to the Contractor, (I) a final lien waiver from the Contractor and from all subcontractors, materialmen and others who have filed Notices to Owner and (II) a final certificate of occupancy or a certificate of completion, as may be applicable; and

(iv) Within fifteen (15) business days following SFS's delivery to County of any invoices from any consultants engaged by SFS and/or with respect to any other costs, expenses or liabilities incurred by SFS pursuant to or as described in Section 4(H) of this Agreement, County shall pay to SFS the full amount of such invoices.

O. The County shall not rescind or adopt any amendments to the Tourist Tax Ordinances, if the effect thereof may be to reduce the revenues which would otherwise be generated thereby and are allocated thereunder to the construction, reconstruction, improvement, renovation, operation or repair or maintenance of the Sports Complex.

## 6. CONSIDERATION - PAYMENT

A. Ticket Receipts. SFS shall pay County thirty percent (30%) of the adjusted gross ticket receipts from the New York Mets Spring Training games and the Florida State League franchise's games (and, if any, from the games of the GCL Mets (as defined below in Section 13)) played at the Stadium, with SFS to retain the remaining seventy percent (70%). For all other SFS Events, SFS shall retain one hundred percent (100%) of adjusted gross ticket receipts but shall reimburse County for all pre-approved out-of-pocket expenses incurred by County including but not limited to the cost to the County of providing utilities and security in connection with each such event. For all County Events, County shall retain one hundred percent (100%) of the adjusted gross ticket receipts but shall reimburse SFS for all pre-approved out-of-pocket expenses incurred by SFS in connection with each such event. As used in this Section 6(A), the term "adjusted gross ticket receipts" means all revenues actually received by SFS from ticket sales for home games at the Sports Complex, less any and all taxes and tax surcharges or fees due to the governmental or taxing authority for ticket sales related thereto. However, County shall not levy any tax on sale of tickets except as required by state law.

**B. Concession and Souvenir Receipts.** SFS shall pay to County twenty percent (20%) of the SFS's gross sales receipts from food and beverage concession sales at SFS Events, with SFS retaining the other eighty percent (80%). SFS shall pay to County thirty-three percent (33%) of SFS's gross sales receipts from food and beverage concession sales at all County Events, with SFS retaining the other sixty-seven percent (67%). With respect to food and beverage sales in any suites at the Stadium and any catering, hospitality or picnics at the Sports Complex, SFS shall pay County seven and one-half percent (7.5%) of SFS's gross sales receipts from such sales at all Events and shall retain the remaining ninety two and one-half percent (92.5%). SFS shall retain one hundred percent (100%) of gross sales receipts under fifteen thousand dollars (\$15,000.00) in any calendar year from sales of discounted promotional concessions items. If the gross sales receipts from sales of discounted promotional concessions items exceed fifteen thousand dollars (\$15,000.00) in any calendar year, SFS shall pay to the County five percent (5%) of the portion of such gross sales receipts in excess of fifteen thousand dollars (\$15,000.00).

If at any time during the Term of this Agreement SFS is restricted or prohibited from selling alcoholic beverages at the Sports Complex, through suspension of a license or any restriction or prohibition imposed by County or any governmental authority, other than through the fault of SFS, the payments to be made to County for concessions sales under this Section 6(B) shall be reduced by a percentage equal to the average percentage of the gross sales receipts attributable to the sale of alcoholic beverages for the twelve-month period immediately prior to the time of imposition of such restriction or prohibition. For example, in connection with gross sales from food and beverage concession sales at SFS Events, if the average percentage of gross sales attributable to the sale of alcoholic beverages in the preceding twelve (12) months was 5%, then SFS shall be required to pay to the County only 15% of SFS's gross sales receipts from food and beverage concession sales at SFS Events during the period of such restriction or prohibition. Such reduction shall continue for so long as SFS is restricted or prohibited from selling alcoholic beverages at the Sports Complex.

In the event SFS elects to contract with an unaffiliated private firm to operate all food and beverage concessions, then, in lieu of the foregoing, SFS shall pay to County fifty percent (50%) of gross revenues for food and beverage sales received by SFS from the contractor. Moreover, SFS's selection of an unaffiliated private firm to operate all food and beverage concessions at the Sports Complex shall be subject to the approval of the County, which approval shall not be unreasonably withheld.

SFS shall pay to County fourteen percent (14%) of SFS's gross sales receipts from souvenir or novelty sales at the Sports Complex, with SFS retaining the other eighty-six percent (86%), except that SFS shall retain one hundred percent (100%) of gross sales receipts under fifteen thousand dollars (\$15,000.00) in any calendar year from souvenirs and novelties that are sold on a discounted basis, including without limitation for promotional purposes and as clearance or employee discount items. If the gross sales receipts from sales of discounted souvenirs and novelties exceed fifteen thousand dollars (\$15,000.00) in any calendar year, SFS shall pay to the County five percent (5%) of the portion of such gross sales receipts in excess of fifteen thousand dollars (\$15,000.00).

As used in this Section 6(B), "gross sales receipts" means revenues received from food and beverage concession sales or souvenir and novelty sales, as the case may be, less any and all taxes and tax surcharges and fees due to any governmental or taxing authority for such sales related thereto. However, County shall not levy any tax on the sale of concessions, souvenirs or novelties except as may be required by state law.

C. **Advertising Receipts.** Subject to the terms of Section 7(C) hereof with respect to Naming Rights, County grants to SFS the exclusive right to display or permit others to display advertising material at all locations in the Sports Complex at all times during the Term (including, without limitation, advertising in game or other SFS Event programs, but excluding Naming Rights), and the exclusive right to grant event sponsorship and promotional rights at the Sports Complex during SFS Events, as well as the right to assign all or any portion of such rights to any third party including specifically to the Club. SFS shall have the right to display such advertising signs at all events held at the Sports Complex, including, without limitation, County Events. The County shall not be entitled to receive any of the revenues generated by SFS or its assignees through the sale of such advertising, sponsorships and promotions. SFS or its assignee shall retain one hundred percent (100%) of all revenues from advertising at the Sports Complex during the Term and from all sponsorships and promotions during SFS Events, and SFS shall have control over the type and content of all such advertising, sponsorships and promotions. County shall have the right to review and approve all such proposed advertising, provided that County shall have no right to object to any advertising except to the extent that such advertising is indecent or incompatible with the character and dignity of the Sports Complex; any proposed advertising shall be conclusively deemed neither indecent nor incompatible if it is comparable to advertising at any other Major League spring training or minor league baseball facility within the State of Florida. County may not sell or display signage at the Sports Complex without the prior written consent of SFS, in SFS's sole discretion, except that the County may display at the Sports Complex signage that is comprised solely of the insignia or logos of the County or that is required by public safety considerations or by local, state or federal regulations subject to the approval of SFS, which approval shall not be unreasonably withheld.

D. **Parking Receipts.** SFS reserves the right to charge reasonable fees for parking areas adjacent to the Stadium for persons attending SFS Events. Fifty (50) paved parking spaces in the "major league stadium parking area" as described on the Site Plan, will be made available at all times and without charge to authorized representatives or personnel designated by SFS. One hundred fifty (150) paved parking spaces next to the "Clubhouse," as described on the Site Plan, will be made available at all times and without charge to authorized representatives, designees, or personnel of SFS. County and SFS shall cooperate and develop a visitors pass procedure that will allow free parking to authorized representatives and guests of the County and SFS.

SFS shall pay to County fifty percent (50%) of the net profits from parking at New York Mets Spring Training games and the Club's Florida State League franchise's games (and, if any, from the games of the GCL Mets (as defined below in Section 13)) played in the Stadium, with SFS to retain the remaining fifty percent (50%). For all other SFS Events, SFS shall retain one hundred percent (100%) of all parking receipts but shall reimburse County for all reasonable out-of-pocket expenses incurred by County in connection with parking at each such event. For County

Events at the Sports Complex, County shall operate all parking at its sole expense and shall retain all proceeds. For the purpose of this Section 6(D), "net profits" will be ascertained by reducing the revenues actually received by SFS from the sale of parking privileges by reasonable labor costs incurred in operating the parking facilities on paid event days and other reasonable expenses related to parking (e.g., cost of printing parking tickets and providing signage and flash lights).

E. **Program Receipts.** The parties agree that SFS shall prepare and market, or cause to be prepared and marketed, a combined program for the Major League and Florida State League (and, if Club owns or operates the GCL Mets (as defined below in Section 13), Gulf Coast League) seasons. SFS shall pay County thirty percent (30%) of the net revenues from the sale of game programs at SFS Events, with SFS to retain the remaining seventy percent (70%). For the purpose of this Section 6(E), "net revenues" means revenues actually received by SFS from the sale of such game programs (excluding all revenues related to advertisements contained therein, which shall be treated in the same manner as advertisements as specified in Section 6(C) above), less any and all taxes (including sales taxes) and tax surcharges and fees due to any governmental or taxing authority for program sales related thereto. However, County shall not levy any tax on the sale of programs except as may be required by state law.

F. **Gulf Coast League Payments.** In each year of the Term during which the GCL Mets (as defined herein) plays its home games at the Sports Complex, SFS shall pay to County (i) an additional rent payment of Three Thousand Dollars (\$3,000.00), (ii) a per-game fee for each GCL Mets game played at the Sports Complex in the amount of One Hundred and Twenty Five Dollars (\$125.00) if such game is played Monday through Friday or Three Hundred and Fifty Dollars (\$350.00) if such game is played on Saturday or Sunday, and (iii) a per-game utility fee of One Hundred and Twenty Five Dollars (\$125.00) for each GCL Mets night game that requires the use of Stadium lighting.

G. **Rent for Use of Stadium.** The rental payment by SFS for use of the Stadium shall be the net of the payments from SFS to County as provided above in Section 6, plus the payments from SFS to County as provided below in Section 7(B), plus the payment by SFS to County of SFS's share of the maintenance and operation costs of the Stadium payable pursuant to Section 15(B)(1) below. Except as otherwise specifically provided in this Agreement (including, without limitation, in Section 15(B)(1) below), only one payment shall be made each year of the net amount due from SFS to County, which annual payment shall be made prior to the commencement of the following Major League Spring Training season. County and SFS agree that such amounts paid by SFS to County shall be deemed to be the rent payment for the use and occupancy of real property pursuant to Section 212.031, Florida Statutes.

**7. TELEVISION - RADIO REVENUE; LUXURY SUITE REVENUE; NAMING RIGHTS.**

**A. Television - Radio Revenue**

It is expressly acknowledged and agreed by and between the parties, that the County shall receive no revenues from the radio or television broadcast or other transmission (including, without limitation, over cable or the Internet) of or relating to any SFS Events, nor shall the County participate, in any manner, in determining when said SFS Events shall be broadcast or otherwise transmitted. SFS has the exclusive right to sell television and radio broadcasting and other transmission rights for SFS Events and to permit others to sell such television and broadcasting and other transmission rights, and SFS or such other authorized party shall retain all revenues resulting therefrom.

**B. Suite Revenue**

SFS shall manage and control the rental of any luxury suites at the Stadium, including without limitation any luxury suites constructed as part of the Initial Term Improvements, for all events at the Sports Complex during the Term. County and SFS shall each be entitled to use and authorize others to use one luxury suite for all events during the Term, without charge to County or SFS for their occupancy of the respective suites. All other luxury suites are to be rented on a yearly basis, and SFS shall retain seventy (70%) percent of adjusted gross revenue from the rental of luxury suites, and shall pay to County the remaining thirty (30%) percent. The lessee of any luxury suite will receive admission tickets to the luxury suite for all New York Mets spring training games and all St. Lucie Mets games at no additional charge. The lessee of any luxury suite will also have the right to purchase admission tickets to the luxury suite for any other event held at the Stadium during the year, and if such tickets are purchased: (i) for all SFS Events other than New York Mets spring training games and St. Lucie Mets games, SFS shall retain one hundred (100%) percent of the adjusted gross revenue from the sale of such admission tickets; and (ii) for all County Events, SFS shall retain ten (10%) percent of the adjusted gross revenue from the sale of such admission tickets and shall pay to the County the remaining ninety (90%) percent. As used in this Section 7(B), the term "adjusted gross revenue" means all revenues actually received by SFS from the rental of luxury suites that is attributable to the particular event at issue, and all revenues actually received by SFS from the sale of tickets granting admission to the luxury suites for the event, less any and all taxes and tax surcharges or fees due to any governmental or taxing authority related thereto. Revenues from food and beverage sales in luxury suites will be shared as specifically set forth in the first paragraph of Section 6(B) above

**C. Naming Rights**

County hereby engages SFS or SFS's designee as its exclusive agent for marketing the naming rights for the Sports Complex and its constituent parts, including without limitation the Stadium but excluding the football/soccer field at the Sports Complex. SFS or its designee shall have the exclusive right to market for sale to one or more third parties the right to include such

party's name, product name and/or logo in the name of the Sports Complex and/or its constituent parts (excluding the football/soccer field), and to have such name and/or logo designated as the official name thereof for so long as this Agreement remains in effect (the "Naming Rights"). SFS or its designee may present to prospective sponsors a package that may include different names for the Sports Complex and its constituent parts, including without limitation the Stadium, the training facilities and the entire Sports Complex (but excluding the football/soccer field).

Upon the completion of SFS's negotiations with respect to the naming rights for the Stadium and/or the Sports Complex, SFS shall present to County an agreement or agreements setting forth the business terms, including the proposed name or names and the party or parties purchasing such naming rights. SFS shall select the naming rights sponsor(s), and shall negotiate all terms and conditions of the grant(s) of naming rights. County shall thereupon promptly enter into such agreement(s) granting Naming Rights ("Naming Rights Agreement"), provided that County may withhold its consent to same only to the extent any proposed name is inconsistent with the character and dignity of the Sports Complex or to the extent that the terms of such Naming Rights Agreement are so grossly unfair to the County such that no reasonable person could consider the Naming Rights Agreement to be an arm's length transaction. Upon procurement by SFS or its designee of a Naming Rights Agreement in accordance with the procedures set forth herein, the County shall promptly execute such agreement. In the event SFS is unable to negotiate an acceptable Naming Rights Agreement by the end of the 2006 Major League Baseball Spring Training season, SFS and the County shall meet and cooperate in good faith to explore an appropriate alternative means of marketing the sale of the Naming Rights.

For so long as both this Agreement and the Naming Rights Agreement remain in effect, the Stadium and the Sports Complex shall be referred to by the name(s) selected pursuant to this Section 7(C), and neither party shall advertise or refer to the Stadium or the Sports Complex by any other name. The Stadium and the Sports Complex names selected pursuant to this Section 7(C) shall be used by the parties when referring to the Stadium and the Sports Complex in any of their correspondence, press releases, promotional materials, advertisements and/or publications, and shall be used by County on all related directional traffic and pedestrian signs on highways, local streets, and all public thoroughfares in and around the Sports Complex and St. Lucie County, Florida.

County shall retain the right to market for sale to a third party the right to include such party's name, product name and/or logo in the official name of the football/soccer field at the Sports Complex (the "Football/Soccer Naming Rights"). County shall not market or entertain offers for, and shall not enter into any agreement relating to, the Football/Soccer Naming Rights until after all Naming Rights Agreements referenced above in this Section 7(C) with respect to the remainder of the Sports Complex have been entered into and approved by the Board of County Commissioners. Any agreement with respect to the Football/Soccer Naming Rights shall be subject to the approval of SFS, which approval shall not be unreasonably withheld, provided that the withholding of approval shall be conclusively deemed reasonable if the proposed agreement is with a competitor of any entity that has an advertising or naming rights agreement with SFS or Club at any facility.

D. Other Revenues

Except as otherwise expressly stated and specified in this Agreement, SFS shall be entitled to retain all revenues related to the Sports Complex.

E. Recognition of Contributions of Thomas J. White, Sr.

Wholly separate from any naming rights for the Sports Complex or the Stadium, County and SFS agree to cooperate and attempt to develop a fitting recognition of the contribution of Thomas J. White, Sr. in an appropriate and significant way.

8. TICKET SALES; PROGRAM SALES, CONCESSIONS AND PARKING.

SFS has the exclusive right to operate ticket sales, program sales, and parking lots in connection with SFS Events during the Term of this Agreement, and has the right and discretion to contract with or authorize one or more other persons or entities to operate ticket sales, parking and/or game program sales at the Sports Complex at or in connection with SFS Events.

SFS has the exclusive right and discretion to sell and authorize others to operate concessions for the sale of food and beverages (including, without limitation, catering, hospitality and picnic services), novelties, souvenirs and paraphernalia at the Sports Complex during the Term of this Agreement. The County reserves the right to schedule special events in the parking lot during non-baseball scheduled events at which concessions will be sold; SFS will operate concessions at such special events in accordance with its exclusive right to operate concessions at the Sports Complex during the Term, and will cooperate with the County with respect to the providing of concessions to community and charitable groups at such special events. SFS shall have the right to operate or authorize a third party to operate the restaurant ("Restaurant") at the Sports Complex. SFS's selection of a third party to operate the Restaurant shall be subject to the approval of the County, which approval may not be unreasonably withheld. Revenues received by SFS from the Restaurant operation shall be divided in the same manner as gross sales receipts from catering, as set forth in Section 6(B) above. During the Term of this Agreement, SFS shall provide good quality concession services to the public. The concession menu shall be subject to the approval of County, which approval shall not be unreasonably withheld, conditioned or delayed. SFS will use commercially reasonable efforts to restrict patrons from bringing any food, beverages (including alcoholic beverages) or beverage containers into the Sports Complex.

No new coin or currency operated vending machines shall be installed or located within the Sports Complex by SFS without the written permission of the County's Parks and Recreation Director, which permission shall not be unreasonably withheld. SFS will not install permanent fixtures or construct permanent improvements at the Sports Complex without the County's prior consent, which consent shall not be unreasonably withheld.



9. **PRICES.**

SFS shall, by December 1 of the year prior to the upcoming spring training season or as soon as is practicable, provide County with the proposed ticket, concession, program and parking prices which it wishes to utilize subject to County approval. Such approval will be deemed given fourteen (14) days after such prices are provided to County, unless County gives notice of disapproval within that time. County's approval shall not be unreasonably withheld, conditioned or delayed. Any withholding, conditioning or delay of any approval required under this Section shall be conclusively deemed unreasonable if the price proposed by SFS is comparable to the price charged for comparable accommodations or services at any Major League spring training or minor league stadiums within one hundred (100) miles of the Sports Complex or at any comparable Major League Spring Training facility in the State of Florida or in the Florida State League (or, if Club owns or operates the GCL Mets (as defined below in Section 13), in the Gulf Coast League).

10. **BOOKS, RECORDS AND AUDIT.**

SFS and County agree to keep accurate books and records in accordance with generally accepted accounting practices of their respective operations at the Sports Complex. SFS agrees to submit to the County, on a weekly basis during home schedules, a report containing accurate attendance information in a form agreed to by all parties. In addition, the parties agree as follows:

- A. SFS shall submit to the County a season ticket manifest as beginning inventory count.
- B. Any unsold tickets remaining after the completion of the spring training season shall be made available to County's auditors within sixty (60) days after the final spring training game.
- C. SFS shall submit daily sales (ticket, parking, program and concessions) reports following each SFS Event to the County within three (3) days after the event.
- D. All related books and records regarding ticket, parking, program and concession sales shall be jointly available to the County for suitable annual audit at a time mutually agreed to by the parties. Any audits must be performed within twelve (12) months after the end of each year of operation (January 1 - December 31). SFS shall have the same right to audit the books and records of any County operation under this Agreement, and shall have the right to review the County budget and related documents at any time upon reasonable notice.

11. **MINIMUM GAMES.**

Intentionally omitted.

12. **DIGNITARY SEATING.**

Prior to December 1 of each year, the County and SFS will cooperate and develop a dignitary seating arrangement that is reasonably acceptable to all the parties.

13. **FLORIDA STATE LEAGUE TEAM; GULF COAST LEAGUE TEAM.**

The parties acknowledge that the Club currently owns the St. Lucie Mets Florida State League team. This Agreement shall apply to the use of the facilities by the St. Lucie Mets and related operations during the Florida State League regular season and any post-season playoffs. In the event the Club terminates its ownership of a Florida State League team during the term of this Agreement, and does not either transfer ownership thereof to SFS or acquire ownership of or enter into a player development contract with another minor league team that will be scheduled to play its home games in the Stadium during the following Florida State League season, SFS shall notify the County as soon as practicable in advance of the beginning of the following Florida State League team season. In that event, the County may permit another Florida State League team to play its home games at the Stadium without the consent of SFS, provided that such minor league team's operations do not conflict with SFS's exclusive use of the Sports Complex from February through the beginning of the Florida State League season in April of each year during the Term of this Agreement or with SFS's use of the Sports Complex for GCL Mets operations (if any), as set forth in Section 16(A) below. The term "St. Lucie Mets" as used herein refers to the current or any future minor league baseball team owned or operated by or affiliated with SFS or the Club that plays its home games at the Sports Complex (excluding the GCL Mets, as defined below). The term "Florida State League" as used herein refers to the Florida State League, any successor league thereto, or any other minor league to which the St. Lucie Mets belongs.

The parties acknowledge that neither SFS nor the Club currently own a Gulf Coast League team, but that either SFS or the Club may desire to obtain or enter into a player development contract with a Gulf Coast League team and may desire for that team to use the facilities at the Sports Complex. In the event the Club obtains or enters into a player development contract with a Gulf Coast League team, all of the terms and conditions of this Agreement shall apply to the use of the facilities by that team during the Term, including without limitation for the Gulf Coast League regular season and any post-season playoffs. The term "GCL Mets" as used herein refers to any future minor league baseball team owned or operated by or affiliated with SFS or the Club that is a member of the Gulf Coast League and will play its home games at the Sports Complex, if SFS or the Club, as may be applicable, so decides in its sole discretion. The term "Gulf Coast League" as used herein refers to the Gulf Coast League or to any successor league thereto.

Other than as provided in the first paragraph of this Section 13 (and subject to SFS's right to assign this Agreement as set forth in Section 25), the County agrees that it will not permit any Florida State League baseball club other than the St. Lucie Mets, or any Gulf Coast League baseball club other than the GCL Mets, to use the Sports Complex during the Term of this Agreement.

14. INDEMNITY AND INSURANCE.

A. SFS.

To the extent allowed by law, SFS agrees to indemnify and hold County harmless from and all claims for personal injury, death, or property damage and any other losses, damages, charges or expenses, including attorneys' fees, which arise out of, in connection with, or by reason of the use of the Sports Complex by SFS or by reason of any acts or omissions in connection with any obligations which are the responsibility of SFS under this Agreement, except to the extent such losses may be caused by the negligence or willful misconduct of the County, its agents or employees or by any acts or omissions of the Architect. SFS further agrees to undertake at its own expense the defense of any action brought against the County, claiming damages arising out of, in connection with, or by reason of SFS's use of the Sports Complex by SFS or by reason of any acts or omissions in connection with any obligations which are the responsibility of SFS under this Agreement, except that in the event the claim is finally determined to have arisen due to the negligence or acts of the County, its agents or employees, the County agrees to reimburse SFS for the actual expenses, including attorneys' fees, incurred by SFS in defending the County. County agrees to cooperate in any defense by the SFS. The provisions of this paragraph shall survive the termination of this Agreement.

SFS shall maintain or cause to be maintained Comprehensive General Liability Insurance, including Property Damage and Personal Injury coverages, insuring against liability for damages or losses arising solely from the acts or omissions of SFS under this Agreement. Such policy shall name St. Lucie County as an additional insured. Limits of liability coverage to be not less than:

Bodily Injury Liability	\$1,000,000 each occurrence
Property Damage Liability	\$ 500,000 each occurrence

or

Bodily Injury and Property Damage Liability	\$1,000,000 each occurrence, combined single limit
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SFS shall maintain or cause to be maintained in effect Workers Compensation Insurance as required by Florida Statutes, covering all employees of SFS, including employer's liability insurance, with limits of not less than \$100,000 per accident.

SFS shall furnish County, not later than ten (10) business days after SFS's execution of this Agreement, a Certificate of Insurance evidencing existence of the coverages required above with an insurer reasonably acceptable to the County.

B. County.

To the extent allowed by law, the County agrees to indemnify and hold SFS and its members and affiliates harmless from any and all claims for personal injury, death, or property damage and

any other losses, damages, charges, or expenses, including attorneys' fees, which arise out of, in connection with, or by reason of the use of the Sports Complex by the County or by reason of any acts or omissions in connection with any obligations which are the responsibility of the County under this Agreement, including, without limitation, in connection with or related to the Initial Term Improvements, the Additional Improvements, and any other construction conducted by the County (itself or through contractors), except to the extent such losses may be caused by the negligence or willful misconduct of SFS, its agents or employees. County further agrees to undertake at its own expense the defense of any action brought against SFS (with counsel subject to SFS's approval in its reasonable discretion) claiming damages arising out of, in connection with, or by reason of the use of the Sports Complex by the County or by reason of any acts or omissions in connection with any obligations which are the responsibility of the County under this Agreement, except that in the event the claim is finally determined to have arisen due to the negligence or acts of SFS, its agents or employees, SFS agrees to reimburse the County for the actual expenses, including reasonable attorneys' fees, incurred by the County in defending SFS. SFS agrees to cooperate in any defense by the County. The provisions of this paragraph shall survive the termination of this Agreement.

In addition, the County agrees to procure and pay for and at all times during the term of this Agreement maintain fire and extended and "special form" coverage (including without limitation insurance from and against all losses, damages, claims and liabilities related to or arising from acts of terrorism) on all property, both real and personal, with replacement cost coverage limits of not less than the replacement cost of the Sports Complex (including, without limitation, all Initial Term Improvements and Additional Improvements while being constructed and when completed) and also covering loss of income. The County is self-insured for general liability with statutory limits of \$100,000 per person/\$200,000 per incident pursuant to Section 768.28, Florida Statutes, and waives and has waived sovereign immunity to that extent. The insurance policies referenced above in this paragraph shall further name SFS and the Club as named insureds and shall provide a thirty (30) day notice of cancellation or non-renewal and a severability of interest endorsement.

The County shall furnish SFS, not later than ten (10) business days after the County's execution of this Agreement, a Certificate of Insurance evidencing existence of the coverages required above and with an insurer reasonably acceptable to SFS.

C. County warrants and represents that it is, and throughout the Term will remain, a member of and party to the Treasure Coast Risk Management Program ("TRICO," as set forth in the Revised TRICO Interlocal Agreement dated May 1, 1996) or such other pooled risk or self-insurance program acceptable to SFS in its reasonable discretion, and that SFS will be a beneficiary of all insurance and other protections available through the TRICO Risk Management Program (or such other accepted pooled risk or self-insurance program) including, without limitation, with respect to general liability, tort liability, loss or damage to property (e.g., the Sports Complex), and personal injury or death.

The County shall furnish SFS, not later than ten (10) business days after the County's execution of this Agreement, a Certificate of Insurance evidencing existence of the coverages required above and with an insurer reasonably acceptable to SFS.

D. County and SFS each do hereby and shall mutually release each other from liability and waive all rights of recovery against each other, for any loss or damage occasioned to County or SFS, as the case may be, from perils insured against, or required hereunder to be insured against, under their respective property insurance policies, whether due to negligence or any other cause. Any property insurance policy required herein covering loss, damage, or destruction by fire or other insured casualty, shall include a waiver of the insurer's rights of subrogation against the other party.

In the event a claim is filed against a party for operations that are covered by the provisions of this Agreement, the party agrees to notify the other party of the claim within ten (10) days after the party receives the claim.

## 15. OPERATION AND MAINTENANCE RESPONSIBILITIES OF PARTIES

The operation and maintenance responsibilities of the parties shall be as follows:

### A. County.

(1) County will, at its expense, at all times keep and maintain the Sports Complex in good and clean order and repair suitable for a first-class major and minor league training, exhibition and playing complex, including without limitation maintaining the playing fields in a first-class condition appropriate for a major league baseball team, and in any event of a quality not less than present during the 2003 major league spring training season (the "Maintenance Standard"). County shall employ sufficient personnel to maintain the same properly for use and play until the end of SFS's seasonal use of the facilities as delineated in Section 2. The responsibility of County for all the maintenance of the playing and practice areas shall include but not be limited to general maintenance including such items as seeding, mowing, watering and raking of the grassy areas and full maintenance of the balance of the playing fields, preparation of the fields at the start of each season and for practice sessions and games, maintenance, repair and replacement and painting of grandstands, fences, batter's background walls and other related items. SFS shall be responsible for any maintenance, restoration or repair related to damage occurring to the Sports Complex as a result of grossly negligent acts or willful misconduct of SFS or Club, its officers, agents and employees. SFS also shall be responsible for repair of any damage to the playing fields, structures, or other facilities that occur during non-baseball SFS Events. The County and SFS shall consult annually as to a reasonable program of management, operation, and maintenance of the facilities to be carried out during the coming year; and County shall be responsible for implementation of such a reasonable program at its expense subject to reimbursement from SFS as hereinafter provided. County agrees to provide SFS with the County's proposed line item budget for the operation and maintenance of the facilities in each fiscal year during the term of this Agreement. County shall devote to the operation, maintenance, repair and improvement of the Sports Complex during the Term (a) one hundred percent (100%) of monies collected or proceeds from the first (1<sup>st</sup>) and second (2<sup>nd</sup>) cents of Tourist Tax levied by the County pursuant to the Tourist Tax Ordinances, and (b) one hundred percent (100%) of the County's share of the parking, ticket, concession, souvenir, program and any other revenues accrued by County hereunder or paid to County by SFS hereunder; provided, however, that

County's maintenance responsibilities are not limited to or by the Tourist Tax proceeds or any Sports Complex-related revenues.

(2) County shall maintain proper heating and air conditioning units in the offices, clubhouse and dressing rooms. County shall put all facilities in clean and orderly condition and made ready for occupancy by SFS at the beginning of each annual period of occupancy and continued during the use of the facilities according to the Maintenance Standard.

(3) County shall, at all times during the period of this agreement, keep the premises in clean condition and shall use reasonable care to remove trash and rubbish that may accumulate within the area of the playing fields following each practice session or game.

(4) County shall maintain the parking areas adjacent to the premises and areas adjacent to the stadium.

(5) County shall be responsible for providing and bearing the cost of an adequate number of qualified security personnel at the Sports Complex for Club major league spring training games and Florida State League games. County shall also be responsible for providing the number of quality security personnel requested by SFS for Gulf Coast League games at the Sports Complex, provided that SFS will reimburse the County for the cost thereof. The County shall be responsible for public order and safety, including the creation, establishment and implementation of security, safety and emergency plans and procedures and related contingency plans, all of which shall be in consultation with SFS and the Club. County shall be responsible for coordinating with all local, state and federal agencies to the extent appropriate, and for providing, at its expense, comprehensive training for all security personnel who work at the Sports Complex with respect to County's security, safety and emergency plans and procedures (which training shall occur at least once per year during the Term prior to the commencement of major league spring training, in consultation with SFS and the Club). County shall keep SFS and the Club fully informed with respect to its security, safety and emergency plans and procedures, and with respect to all training and coordination with local, state and federal agencies. County shall have the responsibility to eject persons from the Stadium or from the Sports Complex as necessary, including at the request of SFS; County shall consult with SFS before ejecting any persons from the Stadium during SFS Events except to the extent such consultation is impracticable in the event of an emergency.

(6) County shall be responsible for all utilities, including telephone (excluding long distance toll charges), heat, water and sewer, electricity, air conditioning, trash removal, and appropriate night lighting.

(7) In addition to the right to occupy the Sports Complex, SFS and its agents, employees, suppliers and other persons appropriate for SFS to enjoy the use of the Sports Complex premises as contemplated herein, shall have access, in common with others designated by the County, to such areas of the Sports Complex as necessary or appropriate to provide services or otherwise enjoy the use of the Sports Complex as contemplated herein, subject to customary and reasonable security precautions.

(8) If SFS contends that the County has failed to comply with a material obligation of the County pursuant to this Facilities Use Agreement with respect to the maintenance of the Sports Complex, and if as a result SFS contends that an Exigent Condition (as defined below) exists at the Sports Complex, then, in addition to any and all other remedies available to SFS, SFS shall be entitled to (a) take such measures as are strictly necessary to address the Exigent Condition, and (b) deduct the cost of such measures from the payments to be paid by SFS to the County during the year in question pursuant to Section 15(B) of this Agreement (provided that SFS shall not be entitled to deduct any amount in excess of such scheduled annual payment), subject to the County's right to object to and contest such deduction by seeking judicial intervention, which right is expressly reserved. SFS shall not be entitled to deduct such cost unless, prior to addressing the Exigent Condition, (i) SFS provides written notice to the County identifying the Exigent Condition, the measures which SFS intends to take to address it, and the cost thereof, and (ii) the County fails to remedy the Exigent Condition within a reasonable period of time following the delivery of such notice. "Exigent Condition" shall mean (x) any condition of any playing field that creates a potential substantial risk to participants in games and/or practices on the field, (y) any condition elsewhere within the Complex that creates a potential substantial health or safety risk to SFS's invitees at the Sports Complex, or (z) any condition that, if not promptly remedied, would result in the loss of substantial revenues generated at the Sports Complex.

**B. SFS.**

(1) In addition to any other payments due hereunder, SFS agrees to pay to the County the following amounts toward the cost of operating and maintaining the facilities:

<u>TERM</u>	<u>ANNUAL PAYMENT</u>
First Six (6) years (2003-2008)	\$50,000.00
Next Five (5) years (2009-2013)	\$55,000.00
Final Five (5) years (2014-2018)	\$60,000.00
First Option Term (if any) (2019-2023)	\$65,000.00
Second Option Term (if any) (2024-2028)	\$70,000.00

SFS shall pay fifty (50%) percent of the annual payment referenced above in this Section 15(B)(1) on February 1 of each year during the Term (except for the first year of the Term, when

such payment shall be made within thirty (30) days after the approval of this Agreement by the Board of County Commissioners), and shall pay the other fifty (50%) percent on August 1 of each year during the Term (except for the first year of the Term, when such payment shall be made within ninety (90) days after the approval of this Agreement by the Board of County Commissioners); provided, however, that if the Sports Complex or any portion thereof was not available for any of the Permitted Uses during the six-month period prior to any such payment due date as the result of any act or omission of the County, the money SFS shall be required to pay on such due date shall be reduced by an amount equal to the product of (a) the amount due on such payment due date times; (b) a fraction of the numerator of which is the number of SFS Events during which the Sports Complex or a portion thereof was not available and the denominator of which is the total number of SFS Events during the preceding six-month period.

(2) SFS shall not in any manner, directly or indirectly, violate any laws, ordinances, rules or regulations of any federal, state, county, city or other governmental authority or agency in connection with the use and occupancy of the Sports Complex under the terms of this Agreement.

(3) SFS shall use and occupy the Sports Complex in a reasonably safe and careful manner and exercise reasonable care not to in any way mar, deface, or injure any part of the premises, ordinary wear and tear excepted. At the conclusion of this Agreement, SFS shall surrender the premises to the County in as good condition and repair as at the beginning of SFS's occupancy, except as to ordinary wear and tear and except as to damage by fire, other casualty, or the elements.

(4) Except with respect to the Telecommunication Equipment described below in Section 15(B)(6) and any property of SFS, SFS shall not make any material permanent or structural changes, improvements or alterations to the Sports Complex without the written consent of County which shall not be unreasonably withheld, conditioned or delayed.

(5) At its expense, SFS is responsible for providing a sufficient number of ticket sellers and ushers during SFS Events.

(6) SFS shall be responsible for the installation and maintenance of any radio and television facilities and telephone systems that it deems necessary for its operations ("Telecommunication Equipment"). Prior to the installation of any such equipment, SFS shall submit plans for such installation to the County for approval, which approval may not be unreasonably withheld. Upon termination of this Agreement, SFS agrees to remove the Telecommunication Equipment and restore the premises to their prior condition. SFS may pass these costs on to parties other than County. However, County shall be responsible, at its sole expense (although County may pass such expenses along to visiting television and news trucks), for bringing the necessary utility lines to the areas designated for radio and TV facilities in the site plan and shall have them stubbed at the required points.



16. **OTHER USE OF PREMISES.**

A. SFS shall have sole and exclusive use of the Sports Complex, including the Stadium, from February through the beginning of the Florida State League season in April of each year during the Term of this Agreement (including any options). As long as SFS or its affiliates (including specifically the Club) own or operate or have a player development contract with a Florida State League team or other St. Lucie-based minor league team, SFS shall have priority use of the Sports Complex for the benefit of such team during the entire Florida State League season according to the Event Schedule set forth in Section 16(B) below, including, where applicable, post-season play. If SFS or its affiliates (including specifically the Club) acquire ownership of or the right to operate or have a player development contract with a Gulf Coast League team, SFS shall have priority use of the Sports Complex for the benefit of such team during the entire Gulf Coast League season according to the Event Schedule set forth in Section 16(B) below, including, where applicable, post-season play. SFS shall have the exclusive use and control of those portions of the Sports Complex used for SFS Events, including without limitation the exclusive right to determine and implement the rules and policies that relate to the admission of patrons to those portions of the Sports Complex used for SFS Events.

B. Subject to the SFS's uses of the Sports Complex as set forth in Section 16(A) above, each year during the Term SFS shall provide the County with a preliminary schedule of its events on or about December 1, and thereafter a definitive schedule of SFS Events and County Events to be held at the Sports Complex (hereinafter, the "Event Schedule") shall be prepared as follows:

(i) First, all dates in the months of February through the beginning of the Florida State League (or other minor league to which a St. Lucie-based baseball team owned by or affiliated with Club belongs) season in April shall be reserved on the Event Schedule exclusively for New York Mets spring training and exhibition season activities;

(ii) Second, all dates for Florida State League home games, workouts and practices, all possible dates for Florida State League post-season or playoff games or other Florida State League events (including without limitation All-Star games and pre-season games), and all dates for New York Mets minor league spring training activities and instructional league play shall be added to the Event Schedule;

(iii) Third, all dates for GCL Mets home games, workouts and practices, and all possible dates for GCL post-season or playoff games or other Gulf Coast League events (including without limitation All-Star games and pre-season games);

(iv) Fourth, after SFS informs County of the dates contemplated in subparagraphs (i), (ii) and (iii) above, SFS and County shall each be entitled to reserve the use of the Sports Complex on other dates during the year for other SFS Events and County Events, respectively, by providing a "New Event Notice" as described below, with the first to obtain approval of a New Event Notice according to the procedures set forth below in this Section 16 for each such other proposed Event obtaining the right to use the Sports Complex for such Event.

C. Whenever a party desires to add an Event to the Event Schedule pursuant to Section 16(B)(iii), it shall give written notice ("New Event Notice") to the other party of its request to do so as soon as reasonably possible, but in no event later than ten (10) days prior to the date of the proposed Event. Each New Event Notice shall include a description of the proposed Event, including the nature, starting time and estimated duration thereof; the expected attendance thereat; the identity and experience of the promoters and organizers of the proposed Event, and their principals; a description of the financial assurances (e.g., bonds, security deposit) to be provided by the Event promoters or organizers; a description of any special safety, security, cleaning, maintenance, restoration or other services that will be obtained in connection with the proposed Event; and the approximate preparation and clean-up periods for the proposed Event.

The party receiving a New Event Notice shall notify the other party as soon as reasonably possible but in no event more than five days after its receipt of such New Event Notice, whether the receiving party objects to the proposed Event. If no written notice of objection is given within such five-day period, the Event shall be deemed approved. If notice of objection is given within such five-day period, the parties shall cooperate to determine what, if any, modifications to the proposed Event, or further assurances or services in connection therewith or therefore, would cause the objecting party to consent to the proposed Event. When any proposed new Event is approved by the other party (including by a failure to object), the Event shall be added to the Event Schedule. In the event of any unresolved dispute regarding whether an Event that is the subject of a New Event Notice and an objection should be put on the Event Schedule, SFS and County will submit the dispute to non-binding mediation, and if the parties are unable to resolve the dispute through non-binding mediation, then the dispute shall promptly be resolved by arbitration pursuant to Section 38 of this Agreement on an expedited basis at the request of either party.

A proposed Event may not be added to the Event Schedule unless the scheduling thereof would be in compliance with each of the following criteria: (i) No more than one Event may be held at the Sports Complex per day without each party's consent, which either party may withhold in its sole and absolute discretion; (ii) Events shall be scheduled so as to allow reasonably sufficient preparation, clean-up and restoration periods between each Event, which shall be subject to the Maintenance Standard; (iii) No County Event may be scheduled to take place between January 16 and January 31 of each year during the term without SFS's consent, which consent may be withheld in its sole and absolute discretion; and (iv) the Event must be a specific planned Event (i.e., neither party may reserve a date on the Event Schedule on the basis that it intends to hold on such date a certain type of Event, as opposed to a specific Event).

In determining whether a party's objection to an Event proposed by the other party is reasonable, consideration shall be given to, among other things, whether the promoted or organizer of the Event: (i) is reasonably capable of producing the Event; (ii) will be providing reasonably adequate financial assurances (e.g., bonds, security deposit) to protect SFS's and County's respective rights hereunder; and (iii) will be providing reasonably adequate safety, security, cleaning, maintenance and restoration services for the Event.

D. Nothing in this Agreement shall prevent the County from using the portions of the property described in Exhibit "B" that are not used for baseball facilities or in connection with SFS's use of such facilities, provided that such uses do not interfere with SFS's use of the Sports Complex or otherwise conflict with SFS's rights under this Agreement (including, without limitation, SFS's exclusive right to operate concessions at the Sports Complex during the Term). The County agrees that during the term of this Agreement, the County shall use or authorize others to use the remaining property described above only for community events, sports and recreational purposes. The County shall be responsible to repair or replace any portion of the facilities which are altered, damaged or otherwise affected by any non-SFS use.

E. Notwithstanding any other provision of this Agreement (except Section 13, solely with respect to Florida State League play) the County agrees that it will not permit any other Major or Minor League baseball club to use the Sports Complex during the term of this Agreement or any extension thereof without SFS's approval in advance in writing in its absolute discretion.

F. Any of the property described in Exhibit "B" that is not being used by the County or SFS may be used by the parties as additional unpaved parking provided that such use does not interfere with SFS's permitted use of the Sports Complex.

17. **PUBLICITY AND PROMOTION.**

The County will promote the New York Mets and the Club's St. Lucie-based minor league team(s), as well as the sale of home game tickets for such teams. County shall submit all promotional material to SFS for approval, which approval shall not be unreasonably withheld.

18. **ADDITIONAL COVENANTS OF SFS AND COUNTY.**

A. SFS shall use and occupy the premises solely for the purposes specified in this Agreement.

B. SFS shall pay all taxes or assessments on its operation as well as on goods, merchandise, fixtures, appliances, equipment and property owned by it and located in or about the Sports Complex. SFS shall have no obligation to pay any real estate or property taxes under any circumstance.

C. To the extent that SFS desires to acquire and construct facilities at the Sports Complex which are eligible under applicable state and federal laws to be financed through the issuance by the County, solely as a conduit issuer, of either taxable or tax-exempt revenue bonds, which bonds shall not be or constitute a debt or obligation of the County, the County will cooperate with SFS to the end that the County may be a conduit issuer of such bonds and, to the extent applicable, will give SFS priority for private activity volume cap; provided, that all reasonable costs and expenses incurred by the County in connection with the consideration and consummation of such financing, which shall be disclosed in advance and in writing by the County and subject to the approval of SFS, will be borne solely by SFS.

19. **DEFAULT; TERMINATION.**

If the property covered herein shall be deserted or vacated for an entire spring training season, unless such absence is due to a labor dispute or other causes beyond SFS's control, or proceedings are commenced against SFS in any Court under a bankruptcy act or for the appointment of a trustee or receiver of SFS's property either before or after the commencement of the Term, or if there shall be a default in the payment of any monies due hereunder for more than twenty (20) days after written notice of such default to SFS, or if there shall be default in the performance of any other material covenant, agreement, condition, rule or regulation herein contained or hereafter established, on the part of SFS for more than twenty (20) days after written notice of such default by the County (or if such default is incapable of being cured within twenty (20) days, within such longer period of time as shall be reasonably required for such cure, unless SFS has taken no substantial steps to effect such cure within such period), then at the sole option of the County, this Agreement may be terminated by the County. In addition, the County may terminate this Agreement if (i) the New York Mets shall cease to be a franchise in a major league baseball league, (ii) during any spring training during the Term, Club schedules a majority of New York Mets spring training home games at a facility other than the Sports Complex for reasons other than unavailability of the Sports Complex or any breach of County's obligations hereunder, or (iii) during any Florida State League season (or, if applicable, Gulf Coast League season), Club schedules a majority of the home games of the Club's Florida State League (or, if applicable, Gulf Coast League) team at a facility other than the Sports Complex for reasons other than unavailability of the Sports Complex or any breach of County's obligations hereunder. In the event the County terminates this Agreement for the reasons set forth above in this paragraph, the County shall have the right to re-enter or repossess the property during the period of SFS's right to use thereof, either by summary proceedings, surrender or otherwise other than force, and dispossess and remove therefrom SFS, or other occupants thereof, without being liable for any prosecution therefore. Should the County reasonably incur expenses in enforcing its rights hereunder, specifically including attorneys' fees and court costs (at the lower court and appellate levels), and County prevails in such legal action, said expenses shall be reimbursed to the County by SFS.

SFS shall have the right, at any time and at its sole option, to terminate this Agreement and all of its obligations hereunder upon written notice to County provided by SFS on or before March 31 of any year during the Term, which notice shall terminate the Agreement effective as of December 31 of that calendar year. In the event of termination pursuant to this provision, County will accept the following payments from SFS as the County's sole remedy against any person relating to such termination of this Agreement:

- (a) One lump-sum payment equal to the unamortized principal balance, as of the effective date of the termination of the Agreement, of the County's outstanding debt on the bonds issued to generate the County Contributions, the SFS Contributions Bond Revenues, and the Naming Rights Bond Revenues, as set forth on the Bond Amortization Schedule attached as Exhibit "J" hereto, which payment shall be paid

not later than five (5) business days following the effective date of the termination of the Agreement; and

- (b) (i) Subject to subparagraph (b)(ii) below, one lump-sum payment equal to the full amount of the Premium (as defined below), which payment shall be paid not later than five (5) business days following the effective date of the termination of the Agreement. The "Premium" as used herein shall be (i) one million dollars (\$1,000,000) if such termination occurs as of or before December 31, 2007, (ii) nine hundred thousand dollars (\$900,000) if such termination occurs as of December 31, 2008, (iii) eight hundred thousand dollars (\$800,000) if such termination occurs as of December 31, 2009, (iv) seven hundred thousand dollars (\$700,000) if such termination occurs as of December 31, 2010, (v) six hundred thousand dollars (\$600,000) if such termination occurs as of December 31, 2011, (vi) five hundred thousand dollars (\$500,000) if such termination occurs as of December 31, 2012, (vii) four hundred thousand dollars (\$400,000) if such termination occurs as of December 31, 2013, (viii) three hundred thousand dollars (\$300,000) if such termination occurs as of December 31, 2014, (ix) two hundred thousand dollars (\$200,000) if such termination occurs as of December 31, 2015, (x) one hundred thousand dollars (\$100,000) if such termination occurs as of December 31, 2016, and (xi) zero dollars (\$0) if such termination occurs after December 31, 2016.

(ii) Notwithstanding the foregoing subparagraph (b)(i), if the County does not grant its approval to a proposed assignment of this Agreement and SFS's rights and obligations hereunder to an owner or operator of another Major League Baseball club pursuant to Section 25 below, and SFS then terminates this Agreement pursuant to the second paragraph of this Section 19, SFS shall have the option to pay the Premium as and when set forth in subparagraph (b)(i) above or, in the alternative, to pay the Premium by making annual payments only in such years after termination of the Agreement, up to and including 2018, during which no Major League baseball team plays Spring Training home games in the Sports Complex, with each such annual payment (collectively, the "Annual Premium Payments") equal to a fraction the numerator of which is the Premium and the denominator of which is the total number of calendar years after termination of the Agreement up to and including 2018, plus interest (with interest to be calculated at the prime rate plus 200 basis points, compounded and adjusted annually). Each Annual Premium Payment shall be paid, if and to the extent applicable, not later than March 31 of each calendar year during which such payment is to be made.

The parties agree that these respective amounts constitute reasonable and just compensation for such termination by SFS, and SFS hereby promises to pay to County, and the County hereby agrees to accept, the appropriate payment amount described above as liquidated damages, and not as a penalty, and as its sole and exclusive remedy related to the termination of this Agreement by SFS, and County waives all other rights and remedies in connection therewith.

If the property covered herein shall be deserted or vacated by the County either before or after the commencement of the term of this Agreement, or if there shall be a default in the payment of any monies due hereunder by the County for more than twenty (20) days after written notice of such default to the County, or if there shall be a material default in the performance of any other covenant, agreement, condition, rule or regulation herein contained or hereafter established, on the part of the County for more than twenty (20) days after written notice of such default by SFS, then at the sole option of SFS, this Agreement may be terminated by SFS. Should SFS incur expenses in enforcing its rights hereunder, specifically including attorneys' fees and court cost (at the lower and appellate levels), and SFS prevails in such legal action said expenses shall be borne by the County.

In the event SFS terminates this Agreement, SFS shall immediately vacate the Sports Complex, but reserves the right to seek damages and any or all other remedies caused by any default or breach of this Agreement by County. In the event of such termination by SFS (excluding termination of the Agreement upon proper notice as provided for in the second paragraph of this Section 19), in addition to any other remedies SFS may have, the County shall repay to SFS amounts equal to the product of (x) the SFS Contribution, times (y) a fraction the numerator of which is the number of full calendar months remaining in the Initial Term from and after such date of termination and the denominator of which is the total number of calendar months in the Initial Term.

20. DAMAGE OR DESTRUCTION.

In the event of the damage or destruction of the property described in Exhibit "B" or any of the structures (including the Stadium) or improvements located thereon by fire or other casualty, there shall be an obligation on the part of the County to use the insurance proceeds for the purpose of rebuilding such facilities. The County shall be responsible for providing the funds necessary to rebuild the facilities in the event the proceeds from the insurance referenced in Section 14(B) above are not sufficient to cover the cost of such rebuilding.

County shall complete the reconstruction and repair of the Sports Complex following any such damage or destruction, as soon as reasonably possible, and in any event within two hundred seventy (270) days following the occasion of such damage or destruction. Within thirty (30) days following the occasion of such damage or destruction, County shall provide SFS with County's architect's and/or engineer's reasonable estimate of the time required for the reconstruction and/or repair of same. In the event that the estimate shall reflect that more than two hundred seventy days shall be required for the repair and/or reconstruction, SFS shall have the right to terminate this Agreement by written notice to County, within thirty (30) days thereafter. Further, if in fact the reconstruction and repair shall not be completed within two hundred seventy (270) days (or such longer time to which SFS may agree), SFS shall have the right to terminate this Agreement by written notice to County within thirty (30) days following the end of such two hundred seventy day (or longer, as the case may be) period.

In the event of such termination, the County shall repay to SFS amounts equal to the product of (x) the SFS Contribution, times (y) a fraction the numerator of which is the number of full calendar months remaining in the Initial Term from and after such damage and destruction and the

denominator of which is the total number of calendar months in the Initial Term. During the repair and/or reconstruction of the damage or destruction to the Sports Complex, until same shall be completed, all of the obligations and responsibilities of SFS hereunder shall be abated on an equitable basis, to the extent that such damage or destruction shall interfere with the use by SFS of the Sports Complex as contemplated hereunder.

21. **EMINENT DOMAIN.**

In the event that any portion of the premises should be taken by the exercise of the right of eminent domain so as to materially affect SFS's operations, SFS may terminate this Agreement as of the date of taking. In the event that SFS does not terminate this Agreement as a result of any taking, following any such taking SFS's obligations and liabilities hereunder shall be proportionately adjusted, on an equitable basis, to the extent that such taking shall damage or otherwise materially adversely affect the use by SFS of the Sports Complex as contemplated herein. All proceeds for such taking shall be paid to the County or SFS as their interests may appear, provided that the foregoing shall not preclude SFS from pursuing a separate award for damages to SFS's furnishings, fixtures and equipment, moving expenses and any other losses relating to SFS's business permitted by law to be recovered, including, without limitation, the loss of SFS's leasehold. In the event SFS shall elect to terminate this Agreement in the event of any such taking, County shall pay to SFS an amount equal to the product of (x) the total amount of the SFS Contributions theretofore paid by SFS to County, times (y) a fraction the numerator of which is the number of full calendar months remaining in the Initial Term and the denominator of which is the total number of calendar months in the Initial Term. County agrees not to exercise its right of eminent domain on any part of the Sports Complex premises.

22. **FAMILIARITY WITH BONDS.**

Anything else in this Agreement to the contrary notwithstanding, SFS acknowledges that County is or will be bound to the holders of certain Tourist Development Bonds which relate to the Sports Complex. SFS agrees to cooperate reasonably with the County to maintain the tax-exempt status of the bonds, provided, however, that such cooperation shall not entail material modification of the terms and conditions of this Agreement nor cause SFS or any affiliate to incur any cost or expense in connection therewith.

23. **NON-DISCRIMINATION.**

SFS, as a part of the consideration hereof, does hereby covenant and agree that no person on the grounds of race, color, national origin or sex shall be excluded from participation in, be denied the benefits of, or otherwise be subject to discrimination in the use of the facilities excluding uniformed baseball personnel. The terms of this Section shall be binding upon SFS's successors in interest and assigns.

24. **CONFLICT OF INTEREST.**

The County hereby represents and warrants that neither it nor any of its directors, officers, members, partners, officials, representatives, or employees has any interest nor shall they acquire any interest, directly or indirectly, which would or may conflict in any manner or degree with the performance of rendering of the services herein provided. The County further represents and warrants that in the performance of this Agreement no person having such interest or possible interest shall be employed by it. No elected official or other officer or employee of the County of St. Lucie nor any person whose salary is payable, in whole or part, from the County Treasury, shall participate in any decision relating to this Agreement which affects his/her personal interest or the interest of any corporations, partnership or association in which he/she is, directly or indirectly, interested nor shall any such person have any interest, direct or indirect, in this Agreement or in the proceeds thereof.

25. **ASSIGNMENT; SUBLEASES AND LICENSES.**

SFS may assign any or all of its rights and obligations pursuant to this Agreement to any entity that owns and operates the New York Mets franchise, and may assign any or all of its rights and obligations with respect to use of the Sports Complex for minor league operations to any entity that owns the Florida State League affiliate (or, if applicable, the Gulf Coast League affiliate) of the New York Mets. Should Club sell its major league baseball franchise during the term of this Agreement, SFS shall make a good faith effort to assign its rights and delegate its duties under this Agreement to the entity that acquires such franchise. Subject to the approval of the County, which approval may not be unreasonably withheld, conditioned or delayed, SFS may assign all of its rights and obligations pursuant to this Agreement to an owner or operator of another Major League Baseball club, provided that SFS shall, not later than five (5) business days following the effective date of the assignment of the Agreement, pay to County one lump-sum payment equal to the unamortized principal balance, as of the effective date of the assignment, of the County's outstanding debt on the bonds issued to generate the County Contributions, the SFS Contributions Bond Revenues, and the Naming Rights Bond Revenues, as set forth on the Bond Amortization Schedule attached as Exhibit "J" hereto. Upon SFS's assignment of this Agreement and all of its rights and obligations hereunder, all of SFS's duties and obligations under this Agreement shall terminate and cease to be of any further force or effect as of the effective date of the assignment and the County shall look solely to the assignee for performance of the duties and obligations under this Agreement thereafter. Except as expressly set forth above in this Section, no party may assign its rights or obligations under this Agreement without the written consent of the other party. Notwithstanding the foregoing, SFS shall have the right to enter into subleases and/or licenses with third parties with respect to any of its rights and obligations hereunder with the consent of the County, which consent shall not be unreasonably withheld, except SFS may not, without County's prior consent, sublease or license the use of any portion of the Sports Complex to any Major League Baseball team other than the Club if such sublease or license would cause cost or expense to the County beyond those that County would otherwise incur from SFS's Permitted Uses under this Agreement.



26. **ENTIRE AGREEMENT.**

This Agreement represents the entire understanding and agreement between the parties with respect to the subject matter hereof, and supersedes all other written or oral negotiations, understandings and representations (if any) made by and between such parties.

27. **AMENDMENTS.**

The provisions of this Agreement may not be amended, supplemented, waived or changed orally, but only in writing signed by the party as to whom enforcement of any such amendment, supplement, waiver or modification is sought and making specific reference to this Agreement.

28. **FURTHER ASSURANCES.**

The parties hereby agree from time to time to reasonably execute and deliver such further and other transfers, assignment and documents and reasonably do all matters and things which may be convenient or necessary to more effectively and completely carry out the terms of this Agreement.

29. **BINDING EFFECT.**

All of the terms and provisions of this Agreement, whether so expressed or not, shall be binding upon, inure to the benefit of, and be enforceable by the parties and their respective legal representatives, successors and permitted assigns.

30. **NOTICES.**

All notices, requests, consents and other communications required or permitted under this Agreement shall be in writing (including facsimile communication but excluding e-mail) and shall be (as elected by the person giving such notice) hand delivered by messenger or courier service (with acknowledgment of receipt), telecommunicated (including by fax), or mailed by registered or certified mail (postage prepaid), return receipt requested, addressed to:

**AS TO COUNTY:**

St. Lucie County Administrator  
2300 Virginia Avenue  
Fort Pierce, Florida 33482  
Telephone: (772) 462-2130  
Facsimile: (772) 462-1648

**With a copy to:**

St. Lucie County Attorney  
2300 Virginia Avenue  
Fort Pierce, Florida 33482  
Telephone: (772) 462-1420  
Facsimile: (772) 462-1440

**AS TO SFS:**

Sterling Facility Services, L.L.C.  
Attn: Paul Taglieri, Vice President  
527 NW Peacock Boulevard  
Port St. Lucie, FL 34986  
Telephone: (772) 871-2121  
Facsimile: (772) 878-9802

**With a copy to:**

Sterling Facility Services, L.L.C.  
Attn: David Howard, Executive Vice President  
Shea Stadium, 123-01 Roosevelt Avenue  
Flushing, New York 11368  
Telephone: (718) 565-4309  
Facsimile: (718) 446-1225

**And with a copy to:**

Sterling Facility Services, L.L.C.  
Attn: General Counsel  
Shea Stadium, 123-01 Roosevelt Avenue  
Flushing, New York 11368  
Telephone: (718) 565-4397  
Facsimile: (718) 335-8066

or to such other address as any party may designate by notice complying with the terms of this Section. Each such notice shall be deemed delivered (a) on the date delivered if by personal delivery, (b) on the date telecommunicated if by facsimile device, and (c) on the date upon which the return receipt is signed or delivery is refused or the notice is designated by the postal authorities as not deliverable, as the case may be, if mailed.

31. **HEADINGS.**

The headings contained in this Agreement are for convenience of reference only, and shall not limit or otherwise affect in any way the meaning or interpretation of this Agreement.

32. **PRONOUNS.**

In this Agreement, the use of any gender shall be deemed to include both genders, and the use of the singular shall include the plural, wherever it appears appropriate from the context.

33. **SURVIVAL.**

No covenants, agreements, representations and warranties made herein or otherwise made in writing by any party pursuant hereto shall survive the termination of this Agreement except as expressly stated herein. In addition to the survival of specific Sections of this Agreement as expressly stated in such Sections, the terms of Sections 10(D), 14(D), 30 and 36 of this Agreement shall survive the termination of this Agreement.

34. **WAIVERS.**

The failure or delay of any party prior to a period which would constitute laches at any time to require performance by another party of any provision of this Agreement, even if known, shall not affect the right of such party to require performance of that provision or to exercise any right, power or remedy hereunder, and any waiver by any party of any breach of any provision of this Agreement should not be construed as a waiver of any continuing or succeeding breach of such provision, a waiver of the provision itself, or a waiver of any known right, power or remedy under this Agreement. No notice to or demand on any party in any case shall, of itself, entitle such party to any other or further notice or demand in similar or other circumstances.

35. **FORCE MAJEURE.**

Neither party shall be liable to the other for failure to perform its obligations hereunder if and to the extent that such failure to perform results from causes beyond its reasonable control ("Force Majeure Events") including, without limitation, strikes, lockouts, or other industrial disturbances (but excluding Major League Baseball strikes and lockouts); fires; unusual climatic conditions such as hurricanes, floods, tornados and the like; acts of God; or acts of a public enemy, war, police action, terrorism and the like. The party unable to perform as a result of a Force Majeure Event shall promptly notify the other of the beginning and ending of each such period. During the period of any Force Majeure Event, until same shall be concluded, all of the obligations and responsibilities of SFS hereunder shall be abated on an equitable basis, to the extent that such Force Majeure Event shall interfere with the use by SFS of the Sports Complex as contemplated hereunder. If any period of a Force Majeure Event prevents SFS from using the Sports Complex in the manner contemplated herein for all or a substantial part of any Major League Baseball Spring Training season or Florida State League season (or, if applicable, a Gulf Coast League season) and SFS does not receive satisfactory assurances from the County that a Force Majeure Event will not prevent SFS's use of the Sports Complex as contemplated in this Agreement for a substantial part of the following Major League Baseball Spring Training season, SFS shall have the right to terminate this Agreement upon sixty (60) days written notice to the County.

36. **GOVERNING LAW.**

This Agreement and all transactions contemplated by this Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Florida, applicable to agreements wholly negotiated, executed and to be performed in that state, without regard to principles of conflicts or choice of laws.

37. **AGREEMENT RUNS WITH LAND.**

This Agreement is intended to run with the land and shall be binding upon all of the County's successors and assigns. SFS and County shall enter into a short form Memorandum of this Agreement which shall be recorded in the Public Records of St. Lucie County, Florida. This

Agreement is not revocable by County and is not terminable by County except as expressly set forth herein.

38. ARBITRATION.

A. Within thirty (30) days after the date of the full execution of this Agreement, SFS and County shall cooperate to mutually select three (3) disinterested persons to serve as arbitrators in the event of an arbitrable dispute under this Agreement. If SFS and County are unable to mutually select three (3) arbitrators within such thirty (30) day period, County and SFS shall each select one arbitrator and the two (2) arbitrators so selected shall choose a third arbitrator, which arbitrator shall automatically be the first. The first arbitrator will then determine which arbitrator will initially be second and which will initially be third. The order of the later 2 arbitrators shall switch each time that one of them renders a decision hereunder.

B. The arbitration procedure herein shall be the sole and exclusive method for the determination of any issues subject to arbitration in this Agreement, and the arbitrator may award appropriate remedies, although nothing herein shall be construed to forbid either party from resorting to court for relief from, or to enforce rights under, any arbitration award. Any demand for arbitration shall be filed in writing with the other party to this Agreement and with the American Arbitration Association. In no event shall the demand for arbitration be made after the date when institution of legal or equitable proceedings based upon such dispute would be barred by the applicable statutes of limitations. Any arbitrator's award or determination hereunder shall be binding and conclusive on all parties.

C. Each dispute to be resolved by arbitration pursuant to this Agreement shall be submitted to the first arbitrator, if available, and if not, to the second, if available, and if not, to the third. The dispute and all other supporting materials shall be submitted as soon as possible after the matter is first noticed for arbitration, but in any event no more than twenty-four (24) hours thereafter. Notice of submission of a dispute to expedited arbitration shall be made by facsimile transmission to SFS, County, and the selected arbitrator. Such facsimile notice shall be effective upon receipt and sent to all of the notice parties listed in Section 30 of this Agreement at the facsimile telephone numbers set forth therein or such other facsimile telephone numbers as SFS or County may designate by notice pursuant to Section 30. Such notice of arbitration shall state that the arbitration shall be expedited, that all supporting materials must be submitted to the arbitrator within twenty-four (24) hours after the date and time of the notice, and that the arbitrator must make a determination within twenty-four (24) hours of such date and time, unless both parties agree otherwise in writing. With respect to arbitration hereunder, each arbitrator shall agree that he or she shall render his or her decision within twenty-four (24) hours of the submission to him or her of all materials pursuant to this subsection.

D. The expenses of arbitration shall be shared equally by SFS and County, but each party shall be responsible for the fees and disbursements of its own attorneys and the expenses of its own proof. SFS and County shall sign all documents and do all other things necessary to submit any such matter to arbitration and further shall, and hereby do, waive any and all rights they or either of them


may at any time have to revoke their agreement hereunder to submit to arbitration and to abide by the decision rendered thereunder.

39. SUBSERVIENCE

This Agreement and each of SFS's obligations hereunder shall in all respects be subject and subordinate to each of the following, as may be amended from time to time: (i) any present or future agreements or arrangements entered into, and binding upon the SFS or the Club, by or on behalf of Major League Baseball or any Major League Baseball clubs acting collectively (collectively, "MLB"), Minor League Baseball or any Minor League Baseball clubs acting collectively (collectively, "MiLB"), the Florida State League ("FSL") or the Gulf Coast League ("GCL") and (ii) the applicable rules, schedules, regulations, policies, bulletins or directives issued or adopted by MLB, MiLB, the FSL or the GCL.

IN WITNESS WHEREOF, the parties have executed and delivered this Agreement on dates so indicated, as follows.

ATTEST:

  
DEPUTY CLERK

BOARD OF COUNTY COMMISSIONERS  
ST. LUCIE COUNTY, FLORIDA



BY:   
VICE-CHAIRMAN

Date signed: August 1, 2003

APPROVED AS TO FORM AND  
CORRECTNESS:

BY:   
COUNTY ATTORNEY

WITNESSES:

STERLING FACILITY SERVICES, L.L.C.,  
a New York limited liability company

BY: 

Name: Paul J. Taglieri  
Title: Director of Florida Operations

Date signed: August 1, 2003

STATE OF FLORIDA  
COUNTY OF ST. LUCIE

The foregoing instrument was acknowledged before me this 1<sup>ST</sup> day of August,  
2003, by PAULA Lewis, as Vice Chairman of Board of Co. Comm.



Carol A. Bishop  
Notary Public, State of Florida  
My Commission Expires:  
Personally known  OR Produced  
Identification \_\_\_\_\_

STATE OF FLORIDA  
COUNTY OF ST. LUCIE

The foregoing instrument was acknowledged before me this 1<sup>ST</sup> day of August,  
2003, by PAUL J. Taglieri, as Director of FC Operations of STERLING FACILITY  
SERVICES, L.L.C., a New York limited liability company.



Carol A. Bishop  
Notary Public, State of Florida  
My Commission Expires:  
Personally known  OR Produced  
Identification \_\_\_\_\_

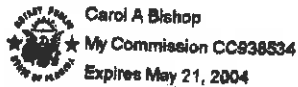


TABLE OF EXHIBITS

<u>Exhibit A</u>	<u>Stadium and Related Training Facilities</u>
<u>Exhibit B</u>	<u>Description of Real Property on Which Sports Complex Resides</u>
<u>Exhibit C</u>	<u>List of Jointly Developed Initial Term Improvements</u>
<u>Exhibit D</u>	<u>Final Plans and Specifications as Actually Constructed</u>
<u>Exhibit E</u>	<u>Initial Term Improvement Schedule</u>
<u>Exhibit F</u>	<u>Architect's Contract Requirements</u>
<u>Exhibit G</u>	<u>Contractor's Contract Requirements</u>
<u>Exhibit H</u>	<u>Owner's Contractor Protective Insurance Requirements (if applicable)</u>
<u>Exhibit I</u>	<u>SFS General Construction Liability Insurance (if applicable)</u>
<u>Exhibit J</u>	<u>Bond Amortization Schedule</u>

ST. LUCIE SPORTS COMPLEX  
FACILITIES USE AGREEMENT

TABLE OF EXHIBITS

<u>Exhibit A</u>	<u>Description of Real Property on Which Sports Complex Resides</u>
<u>Exhibit B</u>	<u>Site Plan</u>
<u>Exhibit C</u>	<u>List of Initial Term Improvements</u>
<u>Exhibit D</u>	<u>Final Plans and Specifications</u>
<u>Exhibit E</u>	<u>Initial Term Improvement Schedule</u>
<u>Exhibit F</u>	<u>Architect's Contract Requirements</u>
<u>Exhibit G</u>	<u>Contractor's Contract Requirements</u>
<u>Exhibit H</u>	<u>Owner's Contractor Protective Insurance Requirements (if applicable)</u>
<u>Exhibit I</u>	<u>SFS General Construction Liability Insurance (if applicable)</u>
<u>Exhibit J</u>	<u>Bond Amortization Schedule</u>

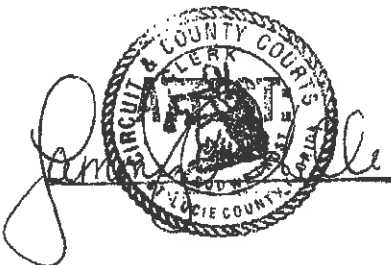
TABLE OF EXHIBITS ACKNOWLEDGED AND APPROVED:

BOARD OF COUNTY COMMISSIONERS  
ST. LUCIE COUNTY

STERLING FACILITY SERVICES, L.L.C.

By: Paula A. Lewis  
Print Name: PAULA A. LEWIS  
Title: CHAIRMAN

By: David C. Howard, EVP  
Print Name: David C. Howard  
Title: EVP



APPROVED AND  
ASSIGNED  
Wal A. [Signature]  
COUNTY CLERK



EXHIBIT A

DESCRIPTION OF  
REAL PROPERTY ON WHICH SPORTS COMPLEX RESIDES

LEGAL DESCRIPTION OF STADIUM PARCEL PROVIDED BY COUNTY

A Parcel of land lying in sections 23 and 26, Township 36 South, Range 39 East, St. Lucie County, Florida, particularly described as follows (the "Land"):

Commence at the Northeast corner of Section 24, Township 36 South, Range 39 East; thence run North 89°44'41" West along the North line of said Section 24 a distance of 5282.95 feet to the Northwest corner of said Section 24; thence run Southeasterly along the arc of a curve, concave to the Northeast, with radius of 1273.24 feet, and central angle of 31°40'04", and chord bearing of South 15°49'29" East a distance of 703.73 feet to a point of tangency; thence run South 31°39'31" East a distance of 314.70 feet to a point of curvature; thence run Southeasterly along the arc of a curve, concave to the Southwest, with radius of 1096.22 feet and central angle of 28°35'55" a distance of 547.17 feet to a point of tangency; thence run South 03°03'36" East a distance of 292.82 feet; thence run South 86°56'24" West a distance of 638.79 feet to a point of curvature; thence run Southwesterly, along the arc of a curve, concave to the Southeast, with radius of 2864.79 feet and central angle of 47°43'22" a distance of 2386.14 feet; thence run South 50°46'58" East a distance of 60.00 feet to the point of beginning; thence run South 50°25'05" East a distance of 982.20 feet; thence run South 29°08'31" East a distance of 1077.84 feet; thence run South 03°20'05" East a distance of 1328.73 feet; thence run Westerly along the arc of a curve, concave to the Southwest with a radius of 3858.28 feet and Central angle of 17°44'58" a distance of 1195.24 feet to a point of tangency; thence run South 81°00'24" West a distance of 624.60 feet to a point of curvature; thence run Northwesterly along the arc of a curve, concave to the Northeast, with radius of 25.00 feet and Central angle of 90°00'00" a distance of 39.27 feet to a point of tangency; thence run North 08°59'36" West a distance of 770.72 feet to a point of curvature; thence run Northeasterly along the arc of a curve, concave to the Southeast, with radius of 2804.79 feet and central angle of 48°12'38" a distance of 2360.04 feet to the point of beginning. Containing 100.00 acres.

EXHIBIT "A" ACKNOWLEDGED AND APPROVED:

BOARD OF COUNTY COMMISSIONERS  
ST. LUCIE COUNTY

STERLING FACILITY SERVICES, L.L.C.

By: Paula A. Lewis  
Print Name: PAULA A. LEWIS  
Title: CHAIR

By: David C. Howard, EVP  
Print Name: David C. Howard  
Title: EVP

ATTEST:

By: [Signature]  
Deputy Clerk



APPROVED AS TO FORM AND  
CORRECTNESS:

By: \_\_\_\_\_  
County Attorney

**EXHIBIT B**

**SITE PLAN**

See Thos. J. White Development Corporation  
Dwg. No. 86-100 1702, Sheet C-1 of 17, dated November 7, 1986,  
attached hereto and provided by County.

See Jack L. Gordon Architects  
Architectural Drawing T0.00 dated August 11, 2003,  
attached hereto and provided by Architect.

Note: Notwithstanding that some portions of the Sports Complex (as defined in the Agreement) referenced in the St. Lucie Sports Complex Facilities Use Agreement may not be specifically described or designated on the above-referenced drawings (e.g., the "major league stadium parking area" and the "Clubhouse" referenced in Section 6(D) of the Agreement, and the areas for radio and TV facilities referenced in Section 15(B)(6) of the Agreement), they are included within the "Site Plan."

**EXHIBIT "B" ACKNOWLEDGED AND APPROVED:**


**BOARD OF COUNTY COMMISSIONERS  
ST. LUCIE COUNTY**

**STERLING FACILITY SERVICES, L.L.C.**

By: *Paula A. Lewis*  
Print Name: PAULA A. LEWIS  
Title: CHAIRMAN

By: *David C. Howard, EIP*  
Print Name: David C. Howard  
Title: EVP

APPROVED AS TO FORM  
AND SUBSTANCE  
*Walter J. [Signature]*  
COUNTY ATTORNEY

  
*Michelle [Signature]*  
COUNTY CLERK

**EXHIBIT C**

**LIST OF INITIAL TERM IMPROVEMENTS**

PRIORITY #	DESCRIPTION
1	<b>AREA "A" - THIRD BASE EXPANSION / INTERIOR ADDITION</b> Additional Seating Party Deck w/ Concession Area Restroom Facilities Club House Expansion Storage Facilities
1A	<b>AREA "A" - HOME PLATE SEATING EXPANSION / BULLPENS</b> Additional Seating Backstop Netting New Bullpens @ Left Field, Right Field
1B	<b>AREA "A" - BATTING CAGE BUILDING</b> New Batting Cage adjacent to existing @ Left Field
2	<b>AREA "B" - FAÇADE EXTENSION / CONCOURSES / SUITES</b> Admin. Offices/Ticket Windows, Team Store Expansion Foundation Stabilization Elevator Stair Extensions Suites & Upper Party Decks Entry Plaza: Shade Structures, Fencing/Gates, Paving, Landscaping
3	<b>AREA "C" - GATE C / FIRST BASE BLEACHERS</b> Concession Stand Entry Gate/Plaza Shade Structure Paving & Landscaping
4	<b>AREA "D" - BERM AREA</b> Restroom Facilities Concession Stand Shade Structure Walkway Paving & Landscaping Scoreboard Relocation

- |   |  |
|---|--|
| 5 | <b>MINOR LEAGUE FACILITY IMPROVEMENTS</b><br>Clubhouse/Weight room Expansion/Modifications |
| 6 | <b>NEW HVAC CHILLER PLANT AND SYSTEM</b>   |

**Note:** To the extent that any portion of the Initial Term Improvements Budget is not spent on the above-listed Initial Term Improvements, such unspent portion may be used on additional improvements selected by SFS and approved by the County.

EXHIBIT "C" ACKNOWLEDGED AND APPROVED:

BOARD OF COUNTY COMMISSIONERS  
ST. LUCIE COUNTY

STERLING FACILITY SERVICES, L.L.C.

By: *Paula A. Lewis*  
Print Name: PAULA A. LEWIS  
Title: CHAIRMAN

By: *David C. Howard, EIP*  
Print Name: David C. Howard  
Title: EIP

APPROVED AS TO FORM  
AND CONTENTS  
*Paul A. Lewis*  
COUNTY ATTORNEY

ATTEST:  
*James B. ...*  
DEPUTY CLERK



## EXHIBIT D

### FINAL PLANS AND SPECIFICATIONS

The following is the Table of Contents for the Final Plans, including bidding requirements, contract forms, conditions of the contract, and a list of the applicable drawings and specifications. The Final Plans are in the possession of St. Lucie County. Dates indicated are the dates printed on each document submitted to the County by the Architect.

#### SECTION

-----	General Conditions	August 11 <sup>th</sup> , 2003
-----	Supplementary General Conditions	August 11 <sup>th</sup> , 2003

#### DIVISION 1 - GENERAL REQUIREMENTS

##### SECTION

01010	Summary of Work	August 11 <sup>th</sup> , 2003
01045	Cutting and Patching	August 11 <sup>th</sup> , 2003
01202	Progress Meetings	August 11 <sup>th</sup> , 2003
01300	Submittals	August 11 <sup>th</sup> , 2003
01310	Progress Schedules	August 11 <sup>th</sup> , 2003
01351	Selective Demolition and Alteration Work	August 11 <sup>th</sup> , 2003
01400	Testing and Inspection	August 11 <sup>th</sup> , 2003
01500	Construction Facilities and Temporary Controls	August 11 <sup>th</sup> , 2003
01600	Materials and Equipment	August 11 <sup>th</sup> , 2003

#### DIVISION 2 - SITE WORK

##### SECTION

02110	Site Preparation	August 11 <sup>th</sup> , 2003
02300	Earthwork	August 11 <sup>th</sup> , 2003
02782	Unit Pavers	August 11 <sup>th</sup> , 2003

#### DIVISION 3 - CONCRETE

##### SECTION

03050	Concrete Testing and Control	August 11 <sup>th</sup> , 2003
03100	Concrete Formwork	August 11 <sup>th</sup> , 2003
03200	Concrete Reinforcement	August 11 <sup>th</sup> , 2003
03300	Cast In Place Concrete	August 11 <sup>th</sup> , 2003
03310	Concrete Work	August 11 <sup>th</sup> , 2003
03320	Concrete Floor Topping	August 11 <sup>th</sup> , 2003
03345	Concrete Finishing	August 11 <sup>th</sup> , 2003

03450	Architectural Precast Concrete Stairs	August 11 <sup>th</sup> , 2003
03452	Architectural Precast Concrete Elements	August 11 <sup>th</sup> , 2003

#### DIVISION 4 - MASONRY

##### SECTION

04100	Mortar	August 11 <sup>th</sup> , 2003
04340	Reinforced Unit Masonry System	August 11 <sup>th</sup> , 2003
04402	Stone Counters	August 11 <sup>th</sup> , 2003
04270	Glass Unit Masonry	August 11 <sup>th</sup> , 2003
04280	Unit Masonry	August 11 <sup>th</sup> , 2003

#### DIVISION 5 - METALS

##### SECTION

05120	Structural Steel	August 11 <sup>th</sup> , 2003
05210	Steel Joists	August 11 <sup>th</sup> , 2003
05310	Metal Decking	August 11 <sup>th</sup> , 2003
05411	Light Gauge Steel Framing and Prefabricated Steel Roof Trusses	August 11 <sup>th</sup> , 2003
05500	Miscellaneous Metals	August 11 <sup>th</sup> , 2003

#### DIVISION 6 - WOOD AND PLASTICS

##### SECTION

06200	Carpentry	August 11 <sup>th</sup> , 2003
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#### DIVISION 7 - THERMAL AND MOISTURE PROTECTION

##### SECTION

07140	Liquid Membrane Waterproofing	August 11 <sup>th</sup> , 2003
07160	Metallic Oxide Waterproofing	August 11 <sup>th</sup> , 2003
07200	Building Insulation	August 11 <sup>th</sup> , 2003
07530	Single Ply Membrane Roofing	August 11 <sup>th</sup> , 2003
07600	Sheet Metal Work	August 11 <sup>th</sup> , 2003
07610	Preformed Metal Roofing	August 11 <sup>th</sup> , 2003
07700	Roof Specialties and Accessories	August 11 <sup>th</sup> , 2003
07811	Sprayed Cementitious Fireproofing	August 11 <sup>th</sup> , 2003
07820	Plastic Sunscreen Panels	August 11 <sup>th</sup> , 2003
07830	Translucent Glazing Panels	August 11 <sup>th</sup> , 2003
07840	Firestops and Smoke seals	August 11 <sup>th</sup> , 2003
07900	Joint Sealers	August 11 <sup>th</sup> , 2003

#### DIVISION 8 - DOORS AND WINDOWS

##### SECTION

08100	Steel Doors and Frames	August 11 <sup>th</sup> , 2003
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08200	Wood Doors	August 11 <sup>th</sup> , 2003
08300	Access Doors	August 11 <sup>th</sup> , 2003
08333	Roll-Up Counter Shutters	August 11 <sup>th</sup> , 2003
08410	Aluminum Entrance Assemblies	August 11 <sup>th</sup> , 2003
08480	Opening Glass Wall System	August 11 <sup>th</sup> , 2003
08520	Aluminum Windows	August 11 <sup>th</sup> , 2003
08582	Bullet-Resistant Ticket Windows	August 11 <sup>th</sup> , 2003
08700	Finish Hardware	August 11 <sup>th</sup> , 2003

DIVISION 9 - FINISHES

SECTION

09200	Lathing and Plastering	August 11 <sup>th</sup> , 2003
09250	Gypsum Drywall	August 11 <sup>th</sup> , 2003
09310	Ceramic Tile	August 11 <sup>th</sup> , 2003
09510	Acoustic Panel Ceilings	August 11 <sup>th</sup> , 2003
09650	Resilient Tile Flooring	August 11 <sup>th</sup> , 2003
09670	Rubber Flooring	August 11 <sup>th</sup> , 2003
09681	Carpet	August 11 <sup>th</sup> , 2003
09704	Resinous Flooring	August 11 <sup>th</sup> , 2003
09900	Painting and Finishing	August 11 <sup>th</sup> , 2003
09960	Wall Coverings	August 11 <sup>th</sup> , 2003

DIVISION 10 - SPECIALTIES

SECTION

10100	Markerboards	August 11 <sup>th</sup> , 2003
10160	Toilet Partitions	August 11 <sup>th</sup> , 2003
10200	Aluminum Louvers	August 11 <sup>th</sup> , 2003
10500	Lockers	August 11 <sup>th</sup> , 2003
10522	Fire Extinguishers and Cabinets	August 11 <sup>th</sup> , 2003
10800	Toilet Accessories	August 11 <sup>th</sup> , 2003

DIVISION 11 - EQUIPMENT

SECTION

11132	Projection Screens	August 11 <sup>th</sup> , 2003
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DIVISION 12 - FURNISHINGS SECTION - NOT USED

DIVISION 13 - SPECIAL CONSTRUCTION - NOT USED

DIVISION 14 - CONVEYING SYSTEMS

SECTION

14212	Hydraulic Elevators	August 11 <sup>th</sup> , 2003
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DIVISION 15 - MECHANICAL

SECTION

15010	Plumbing Work, General	August 11 <sup>th</sup> , 2003
15060	Plumbing Piping and Fittings	August 11 <sup>th</sup> , 2003
15450	Plumbing Fixtures, Trims and Drains	August 11 <sup>th</sup> , 2003
15465	Water Heating – Finned Tube Gas Boilers	August 11 <sup>th</sup> , 2003
15500	Fire Protection Systems	August 11 <sup>th</sup> , 2003
15650	HVAC General	August 11 <sup>th</sup> , 2003
15687	HVAC – Piping Chilled Water	August 11 <sup>th</sup> , 2003
15700	Central Station Air Handling Unit	August 11 <sup>th</sup> , 2003
15710	Fan Coil Air Handling Unit	August 11 <sup>th</sup> , 2003
15825	Wall Exhaust Fan Centrifugal – Belt Drive	August 11 <sup>th</sup> , 2003
15826	Fans, In-Line Centrifugal	August 11 <sup>th</sup> , 2003
15840	Ductwork, Fiberglass	August 11 <sup>th</sup> , 2003
15841	Ductwork, Sheet Metal	August 11 <sup>th</sup> , 2003
15845	Ductwork, Flexible	August 11 <sup>th</sup> , 2003
15865	Variable Air Volume Terminal Units	August 11 <sup>th</sup> , 2003
15899	Testing, Adjusting, and Balancing of Environmental Systems (Contractor)	August 11 <sup>th</sup> , 2003
15905	DDC Building Management & Temperature Control System – VAV Chilled Water	August 11 <sup>th</sup> , 2003

DIVISION 16 - ELECTRICAL

SECTION

16010	Electrical General Specifications	August 11 <sup>th</sup> , 2003
16110	Electrical Raceways	August 11 <sup>th</sup> , 2003
16120	Cable, Wire and Connectors	August 11 <sup>th</sup> , 2003
16125	Identification and Location	August 11 <sup>th</sup> , 2003
16130	Electrical Boxes and Fittings	August 11 <sup>th</sup> , 2003
16134	Panelboards and Enclosures	August 11 <sup>th</sup> , 2003
16140	Wiring Devices	August 11 <sup>th</sup> , 2003
16160	Motor Controls	August 11 <sup>th</sup> , 2003
16170	Safety and Disconnect Switches	August 11 <sup>th</sup> , 2003
16190	Equipment Supports	August 11 <sup>th</sup> , 2003
16460	Transformers – Low Voltage Dry Type	August 11 <sup>th</sup> , 2003
16475	Distribution Switchboards – Circuit Breaker	August 11 <sup>th</sup> , 2003
16485	Lighting Contactors	August 11 <sup>th</sup> , 2003
16500	Lighting Fixtures	August 11 <sup>th</sup> , 2003
16610	Transient Voltage Surge Suppression System	August 11 <sup>th</sup> , 2003
16790	Telephone/Data System	August 11 <sup>th</sup> , 2003

## Drawing List

### ARCHITECTURAL

T0.00	Title Page	August 11 <sup>th</sup> , 2003
T0.02	Title Sheet	August 11 <sup>th</sup> , 2003
A1.00	Site Plan	August 11 <sup>th</sup> , 2003
A1.01	Ground Floor Plan	August 11 <sup>th</sup> , 2003
A1.01A	Ground Floor Plan - Section A	August 11 <sup>th</sup> , 2003
A1.01B	Ground Floor Plan - Section B	August 11 <sup>th</sup> , 2003
A1.01C	Ground Floor Plan - Section C	August 11 <sup>th</sup> , 2003
A1.01D	Ground Floor Plan - Section D	August 11 <sup>th</sup> , 2003
A1.02	Concourse Plan	August 11 <sup>th</sup> , 2003
A1.02A	Concourse Plan - Section A	August 11 <sup>th</sup> , 2003
A1.02B	Concourse Plan - Section B	August 11 <sup>th</sup> , 2003
A1.03	Suite Level Plan & Press Level Plan	August 11 <sup>th</sup> , 2003
A1.03B	Suite level Plan - Section B	August 11 <sup>th</sup> , 2003
A1.04B	Press Level Plan - Section B	August 11 <sup>th</sup> , 2003
A1.05A	Roof Plan - Section A	August 11 <sup>th</sup> , 2003
A1.05C-D	Roof Plan - Sections C & D	August 11 <sup>th</sup> , 2003
A1.06	Plaza Plan	August 11 <sup>th</sup> , 2003
A1.07	Geometry Plan	August 11 <sup>th</sup> , 2003
A2.01A	Ground Floor Reflected Ceiling Plan - Section A	August 11 <sup>th</sup> , 2003
A2.01B	Ground Floor Reflected Ceiling Plan - Section B	August 11 <sup>th</sup> , 2003
A2.01C	Ground Floor Reflected Ceiling Plan - Section C	August 11 <sup>th</sup> , 2003
A2.02A	Concourse Reflected Ceiling Plan - Section A	August 11 <sup>th</sup> , 2003
A2.02B	Concourse Reflected Ceiling Plan - Section B	August 11 <sup>th</sup> , 2003
A2.03B	Suite Reflected Ceiling Plan - Section B	August 11 <sup>th</sup> , 2003
A4.00	West Stadium Elevations	August 11 <sup>th</sup> , 2003
A4.01	South Stadium Elevations	August 11 <sup>th</sup> , 2003
A4.10	Stadium Cross Sections - Section A	August 11 <sup>th</sup> , 2003
A4.20	Building Sections - Section B	August 11 <sup>th</sup> , 2003
A4.30	Building Sections - Berm	August 11 <sup>th</sup> , 2003
A5.00	Prefabricated Metal Building Batting Cage	August 11 <sup>th</sup> , 2003
A5.01	V.I.P. Entrance, Gate C & Ticket Booth	August 11 <sup>th</sup> , 2003
A5.10	Section A Toilet Building Detail Plan & Sections	August 11 <sup>th</sup> , 2003
A5.11	Section A Elevations	August 11 <sup>th</sup> , 2003
A5.15	Section A Concession Detail Plan, Elevation & Section	August 11 <sup>th</sup> , 2003
A5.20	Section B Vendor's Room Plan, Elevation & Sections	August 11 <sup>th</sup> , 2003
A5.30	Section C Concession Detail Plan, Elevation & Sections	August 11 <sup>th</sup> , 2003
A5.31	Section C Elevations	August 11 <sup>th</sup> , 2003
A5.40	Section D Plan, Elevation & Sections	August 11 <sup>th</sup> , 2003
A6.00	Main Elevator	August 11 <sup>th</sup> , 2003
A6.01	Elevator Sections	August 11 <sup>th</sup> , 2003
A6.10	Stairs 1 & 2	August 11 <sup>th</sup> , 2003
A6.11	Stairs 3 & 4	August 11 <sup>th</sup> , 2003
A6.12	Stairs 5 & 7	August 11 <sup>th</sup> , 2003
A6.20	Ramps C, D & E	August 11 <sup>th</sup> , 2003
A6.30	Berm Ramp	August 11 <sup>th</sup> , 2003
A7.01	Building Details	August 11 <sup>th</sup> , 2003
A7.02	Column Details	August 11 <sup>th</sup> , 2003

A7.03	Plaza Details	August 11 <sup>th</sup> , 2003
A7.04	Wall Sections	August 11 <sup>th</sup> , 2003
A7.10	Wall Sections	August 11 <sup>th</sup> , 2003
A7.11	Wall Sections	August 11 <sup>th</sup> , 2003
A7.12	Wall Sections	August 11 <sup>th</sup> , 2003
A7.13	Roof Details	August 11 <sup>th</sup> , 2003
A7.14	Slab Details	August 11 <sup>th</sup> , 2003
A8.00	Railing Types	August 11 <sup>th</sup> , 2003
A9.00	Door Schedule	August 11 <sup>th</sup> , 2003

### STRUCTURAL

S1.01A	Foundation Plan - Section A	August 8 <sup>th</sup> , 2003
S1.01B	Foundation Plan - Section B	August 8 <sup>th</sup> , 2003
S1.01C	Foundation Plan - Section C	August 8 <sup>th</sup> , 2003
S1.01D	Foundation Plan - Section D	August 8 <sup>th</sup> , 2003
S1.02A	Concourse Framing Plan - Section A	August 8 <sup>th</sup> , 2003
S1.02B	Concourse Framing Plan - Section B	August 8 <sup>th</sup> , 2003
S1.03B	Suite Level Framing Plan - Section B	August 8 <sup>th</sup> , 2003
S1.04B	Press Level Framing Plan - Section B	August 8 <sup>th</sup> , 2003
S1.05A	Roof Plan - Section A	August 8 <sup>th</sup> , 2003
S1.05C-D	Roof Framing Plans - Section C & D	August 8 <sup>th</sup> , 2003
S2.01	Notes, Schedules & Details	August 8 <sup>th</sup> , 2003
S3.01	Sections & Details	August 8 <sup>th</sup> , 2003
S3.02	Sections & Details	August 8 <sup>th</sup> , 2003

### MECHANICAL

M1.01A	Mechanical Ground Floor Plan - Section A	August 14 <sup>th</sup> , 2003
M1.01B	Mechanical Ground Floor Plan - Section B	August 14 <sup>th</sup> , 2003
M1.01C	Mechanical Ground Floor Plan - Section C	August 14 <sup>th</sup> , 2003
M1.01D	Mechanical Ground Floor Plan - Section D	August 14 <sup>th</sup> , 2003
M1.02A	Mechanical Concourse Floor Plan - Section A	August 14 <sup>th</sup> , 2003
M1.02B	Mechanical Concourse Floor Plan - Section B	August 14 <sup>th</sup> , 2003
M1.03B	Mechanical Suite Floor Plan - Section B	August 14 <sup>th</sup> , 2003
M1.04B	Mechanical Press Floor Plan - Section B	August 14 <sup>th</sup> , 2003
M3.00	Mechanical Schedules and Legend	August 14 <sup>th</sup> , 2003
M3.01	Mechanical Details	August 14 <sup>th</sup> , 2003
M5.00	Mechanical Control Plan	August 14 <sup>th</sup> , 2003

### ELECTRICAL

E1.00	Electrical Site Plan	August 14 <sup>th</sup> , 2003
E1.01A.1	Electrical Ground Floor Plan - Section A Lighting	August 14 <sup>th</sup> , 2003
E1.01A.2	Electrical Ground Floor Plan - Section A Power	August 14 <sup>th</sup> , 2003
E1.01A.3	Electrical Ground Floor Plan - Section A FA/Comm.	August 14 <sup>th</sup> , 2003
E1.01B.1	Electrical Ground Floor Plan - Section B Lighting	August 14 <sup>th</sup> , 2003
E1.01B.2	Electrical Ground Floor Plan - Section B Power	August 14 <sup>th</sup> , 2003
E1.01B.3	Electrical Ground Floor Plan - Section B FA/Comm.	August 14 <sup>th</sup> , 2003
E1.01C.1	Electrical Ground Floor Plan - Section C Lighting	August 14 <sup>th</sup> , 2003
E1.01C.2	Electrical Ground Floor Plan - Section C Power	August 14 <sup>th</sup> , 2003

E1.01C.3	Electrical Ground Floor Plan - Section C FA/Comm.	August 14 <sup>th</sup> , 2003
E1.01D.1	Electrical Ground Floor Plan - Section D Lighting	August 14 <sup>th</sup> , 2003
E1.01D.2	Electrical Ground Floor Plan - Section D Power	August 14 <sup>th</sup> , 2003
E1.01D.3	Electrical Ground Floor Plan - Section D FA/Comm.	August 14 <sup>th</sup> , 2003
E1.02A.1	Electrical Concourse Floor Plan - Section A Lighting	August 14 <sup>th</sup> , 2003
E1.02A.2	Electrical Concourse Floor Plan - Section A Power	August 14 <sup>th</sup> , 2003
E1.02A.3	Electrical Concourse Floor Plan - Section A FA/Comm.	August 14 <sup>th</sup> , 2003
E1.02B.1	Electrical Concourse Floor Plan - Section B Lighting	August 14 <sup>th</sup> , 2003
E1.02B.2	Electrical Concourse Floor Plan - Section B Power	August 14 <sup>th</sup> , 2003
E1.02B.3	Electrical Concourse Floor Plan - Section B FA/Comm.	August 14 <sup>th</sup> , 2003
E1.03B.1	Electrical Suite Floor Plan - Section B Lighting	August 14 <sup>th</sup> , 2003
E1.03B.2	Electrical Suite Floor Plan - Section B Power	August 14 <sup>th</sup> , 2003
E1.03B.3	Electrical Suite Floor Plan - Section B FA/Comm.	August 14 <sup>th</sup> , 2003
E1.04B.1	Electrical Press Floor Plan - Section B Lighting	August 14 <sup>th</sup> , 2003
E1.04B.2	Electrical Press Floor Plan - Section B	August 14 <sup>th</sup> , 2003
E2.00	Electrical Concession Floor Plans - 1/4" Scale	August 14 <sup>th</sup> , 2003
E3.00	Electrical Panels	August 14 <sup>th</sup> , 2003
E3.01	Electrical Details	August 14 <sup>th</sup> , 2003
E4.00	Electrical Riser	August 14 <sup>th</sup> , 2003
E4.01	Electrical Legends	August 14 <sup>th</sup> , 2003

**PLUMBING**

P1.01A	Plumbing Ground Floor Plan Section A	August 14 <sup>th</sup> , 2003
P1.01B	Plumbing Ground Floor Plan Section B	August 14 <sup>th</sup> , 2003
P1.01C	Plumbing Ground Floor Plan Section C	August 14 <sup>th</sup> , 2003
P1.01D	Plumbing Ground Floor Plan Section D	August 14 <sup>th</sup> , 2003
P1.02A	Plumbing Concourse Floor Plan Section A	August 14 <sup>th</sup> , 2003
P1.02B	Plumbing Concourse Floor Plan B	August 14 <sup>th</sup> , 2003
P1.03B	Plumbing Suite Floor Plan Section B	August 14 <sup>th</sup> , 2003
P1.04B	Plumbing Press Floor Plan Section B	August 14 <sup>th</sup> , 2003
P2.00	Plumbing Concession Floor Plans - 1/4" Scale	August 14 <sup>th</sup> , 2003
P3.00	Plumbing Schedules and Details	August 14 <sup>th</sup> , 2003
P3.01	Plumbing Schedules and Details	August 14 <sup>th</sup> , 2003
P3.02	Concession Stands - Plumbing Schedules and Details	August 14 <sup>th</sup> , 2003
P4.00	Plumbing - Sanitary Risers	August 14 <sup>th</sup> , 2003
P4.02	Concession Stands - Sanitary Risers	August 14 <sup>th</sup> , 2003
P4.03	Plumbing - Gas Risers	August 14 <sup>th</sup> , 2003

EXHIBIT "D" ACKNOWLEDGED AND APPROVED:

BOARD OF COUNTY COMMISSIONERS  
ST. LUCIE COUNTY

STERLING FACILITY SERVICES, L.L.C.

By: Paula A. Lewis  
Print Name: PAULA A. LEWIS  
Title: CHAIRMAN

By: David C. Howard, EVP  
Print Name: David C. Howard  
Title: EVP

APPROVED AS TO PLAN  
AND LEGALITY  
Walter  
COUNTY ATTORNEY

ATTEST:  
Jammy O. Beilla  
DEPUTY CLERK



**EXHIBIT E**

**INITIAL TERM IMPROVEMENT SCHEDULE**

See attached document with a "run date" of OCT/17/03 entitled:

**RODDA CONSTRUCTION, INC.**

**St. Lucie Sports Complex Renovation**

**Note:** The Initial Term Improvement Schedule is subject to change as the result of Change Orders.

**EXHIBIT "E" ACKNOWLEDGED AND APPROVED:**

**BOARD OF COUNTY COMMISSIONERS  
ST. LUCIE COUNTY**

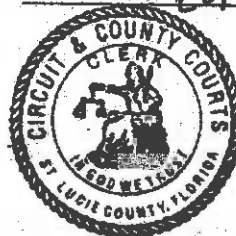
By: Paula A. Lewis  
Print Name: PAULA A. LEWIS  
Title: CHAIRMAN

**STERLING FACILITY SERVICES, L.L.C.**

By: David C. Howard, EVP  
Print Name: David C. Howard  
Title: EVP

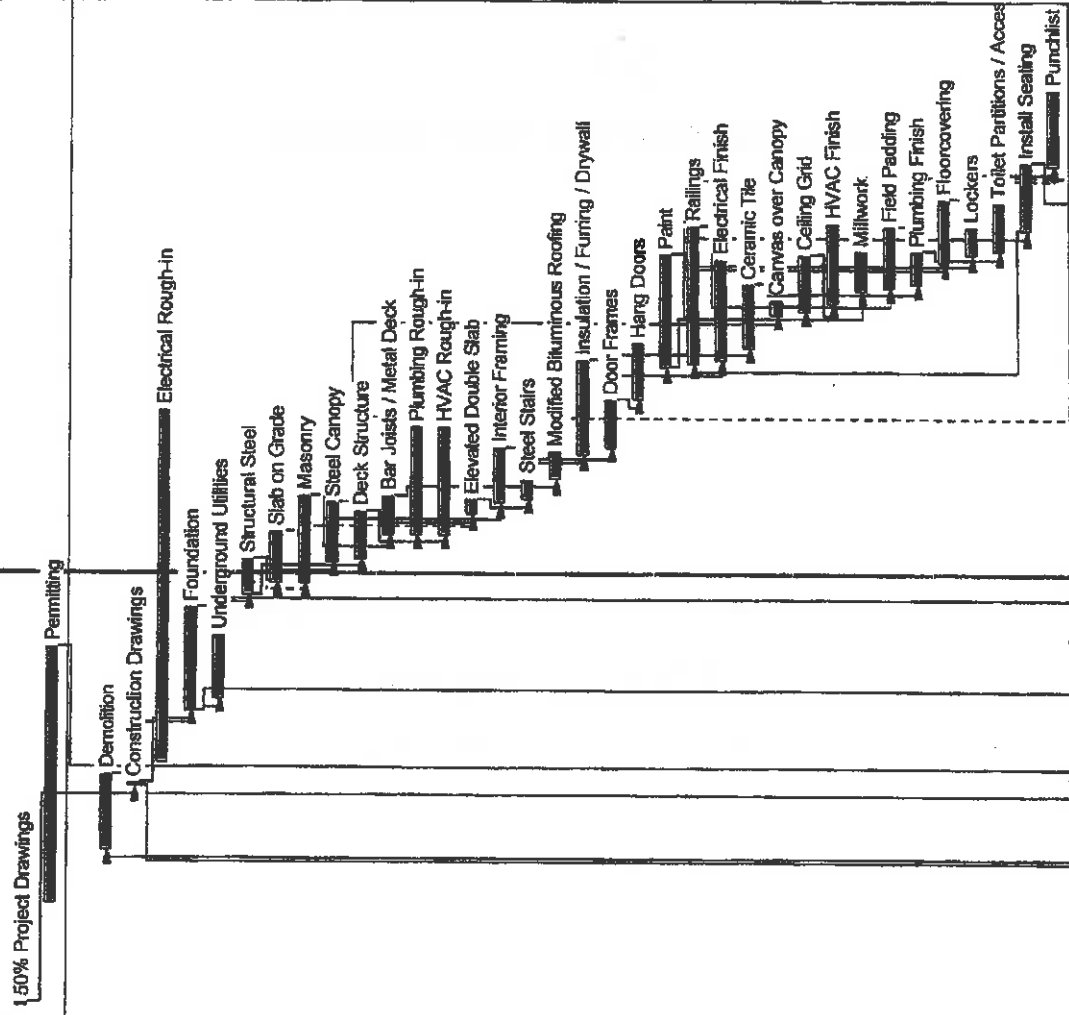
**ATTEST:**

Jimmy D. Belle



**RECONSTRUCTION**

Item	Description	1	0	JUL/03/03	JUL/03/03	100
1810	50% Project Drawings	1	0	JUL/03/03	JUL/03/03	100
2130	Permitting	15	0	JUL/29/03	SEP/30/03	100
<b>BASE SEATING EXPANSION INTERIOR ADDITION</b>						
2360	Demolition	5	0	AUG/11/03	AUG/28/03	100
2290	Construction Drawings	1	0	AUG/27/03	AUG/27/03	100
1610	Electrical Rough-in	30	30	SEP/02/03	NOV/28/03	0
1390	Foundation	23	0	SEP/15/03	OCT/10/03	100
2160	Underground Utilities	8	0	SEP/18/03	OCT/03/03	100
1560	Structural Steel	25	4	OCT/14/03	OCT/22/03	85
2370	Slab on Grade	9	9	OCT/17/03	OCT/29/03	0
1580	Masonry	16	16	OCT/17/03	NOV/07/03	0
1800	Steel Canopy	11	11	OCT/22/03	NOV/05/03	0
1600	Deck Structure	8	8	OCT/23/03	NOV/03/03	0
1820	Bar Joists / Metal Deck	8	8	OCT/29/03	NOV/07/03	0
1620	Plumbing Rough-in	19	19	OCT/29/03	NOV/24/03	0
1630	HVAC Rough-in	19	19	OCT/29/03	NOV/24/03	0
2180	Elevated Double Slab	4	4	NOV/03/03	NOV/06/03	0
1680	Interior Framing	10	10	NOV/09/03	NOV/19/03	0
2140	Steel Stairs	3	3	NOV/07/03	NOV/11/03	0
2380	Modified Bituminous Roofing	5	5	NOV/12/03	NOV/18/03	0
1690	Insulation / Furring / Drywall	17	17	NOV/19/03	DEC/11/03	0
1770	Door Frames	7	7	NOV/20/03	DEC/01/03	0
1780	Hang Doors	10	10	DEC/02/03	DEC/16/03	0
1730	Paint	18	18	DEC/10/03	JAN/06/04	0
1660	Railings	22	22	DEC/11/03	JAN/13/04	0
1700	Electrical Finish	15	15	DEC/12/03	JAN/05/04	0
1750	Ceramic Tile	11	11	DEC/15/03	DEC/30/03	0
1840	Canvas over Canopy	3	3	DEC/23/03	DEC/26/03	0
2400	Ceiling Grid	8	8	DEC/24/03	JAN/09/04	0
1710	HVAC Finish	13	13	DEC/26/03	JAN/14/04	0
1820	Millwork	7	7	DEC/29/03	JAN/07/04	0
1790	Field Padding	10	10	DEC/30/03	JAN/13/04	0
1720	Plumbing Finish	5	5	DEC/31/03	JAN/07/04	0
1740	Floorcovering	12	12	JAN/05/04	JAN/20/04	0
1830	Lockers	5	5	JAN/07/04	JAN/13/04	0
1760	Toilet Partitions / Accessories	8	8	JAN/08/04	JAN/19/04	0
1670	Install Sealing	13	13	JAN/13/04	JAN/29/04	0
2270	Punchlist	13	13	JAN/29/04	FEB/16/04	0



**Legend:**  
 Early bar  
 Progress bar  
 Critical bar  
 Summary bar  
 Start milestone point  
 Finish milestone point

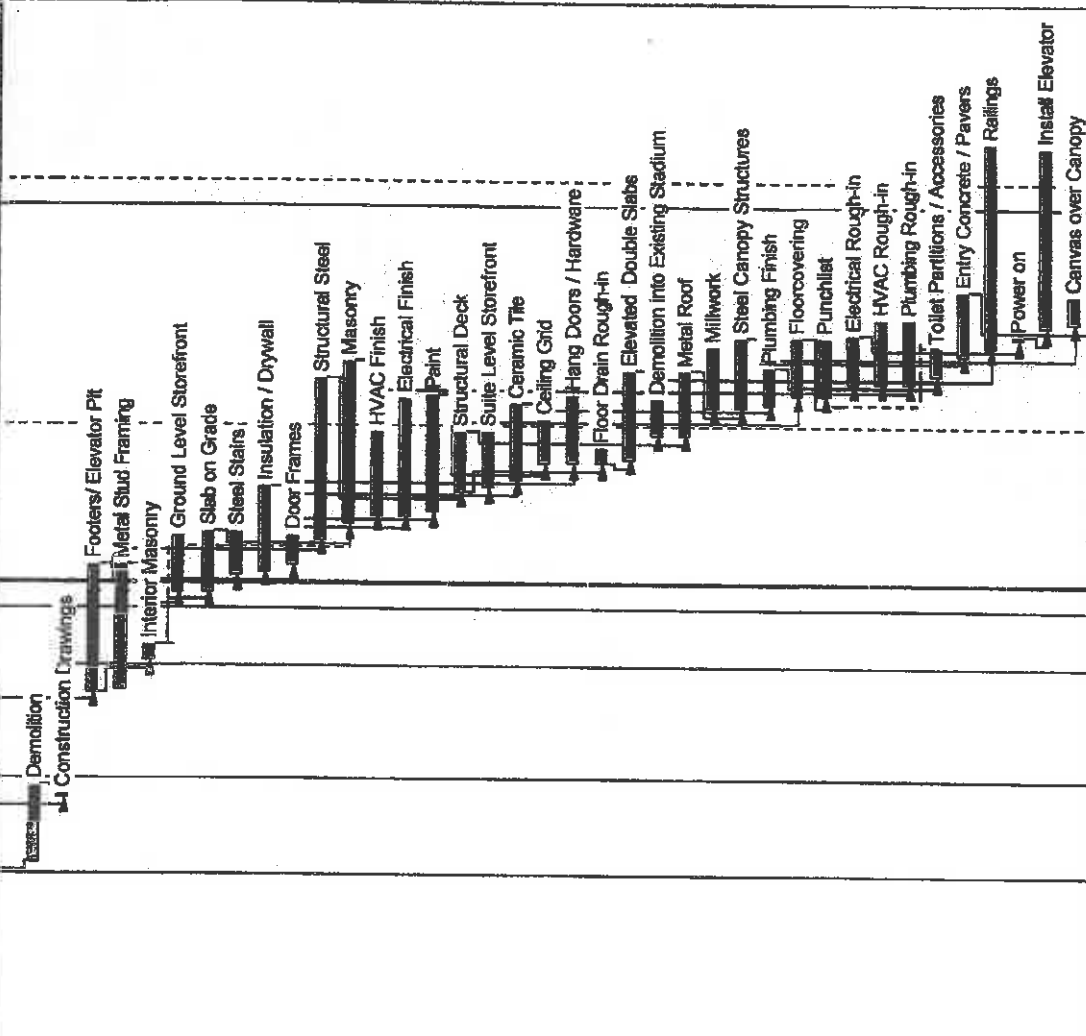
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Finish date	FEB/16/04
Data date	OCT/17/03
Run date	OCT/17/03
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**RODDA CONSTRUCTION, INC.**  
**St. Lucie Sports Complex Renovation**

FAÇADE EXTENSION / CONCOURSES / SUITES

Item	Description	8	0	AUG/11/03	AUG/29/03	100
1270	Demolition	0	0	AUG/27/03	AUG/27/03	100
1640	Construction Drawings	1	0	SEP/22/03	OCT/23/03	85
1010	Footers/ Elevator Pit	28	4	SEP/23/03	OCT/23/03	75
1340	Metal Stud Framing	20	5	SEP/30/03	OCT/30/03	100
1440	Interior Masonry	4	0	OCT/17/03	OCT/30/03	0
2170	Ground Level Storefront	10	10	OCT/17/03	OCT/30/03	0
2320	Slab on Grade	11	11	OCT/17/03	OCT/31/03	0
1420	Steel Stairs	8	8	OCT/21/03	OCT/31/03	0
1430	Insulation / Drywall	15	15	OCT/22/03	NOV/11/03	0
1380	Door Frames	5	5	OCT/24/03	OCT/30/03	0
1280	Structural Steel	26	26	NOV/03/03	DEC/09/03	0
1310	Masonry	29	29	NOV/03/03	DEC/12/03	0
1500	HVAC Finish	15	15	NOV/05/03	NOV/25/03	0
1490	Electrical Finish	20	20	NOV/05/03	DEC/03/03	0
1450	Paint	20	20	NOV/06/03	DEC/04/03	0
1280	Structural Deck	10	10	NOV/11/03	NOV/25/03	0
2350	Suite Level Storefront	10	10	NOV/12/03	NOV/25/03	0
1470	Ceramic Tile	12	12	NOV/14/03	DEC/02/03	0
1510	Ceiling Grid	8	8	NOV/18/03	NOV/28/03	0
1530	Hang Doors / Hardware	12	12	NOV/18/03	DEC/04/03	0
2330	Floor Drain Rough-in	3	3	NOV/18/03	NOV/21/03	0
1290	Elevated Double Slabs	14	14	NOV/19/03	DEC/10/03	0
1300	Demolition into Existing Stadium	5	5	NOV/25/03	DEC/03/03	0
1330	Metal Roof	10	10	NOV/25/03	DEC/10/03	0
1540	Millwork	11	11	DEC/02/03	DEC/16/03	0
1400	Steel Canopy Structures	12	12	DEC/02/03	DEC/18/03	0
1480	Plumbing Finish	7	7	DEC/03/03	DEC/11/03	0
1460	Floorcovering	10	10	DEC/05/03	DEC/18/03	0
1570	Punchlist	10	10	DEC/05/03	DEC/18/03	0
1350	Electrical Rough-in	10	10	DEC/08/03	DEC/19/03	0
1360	HVAC Rough-in	12	12	DEC/08/03	DEC/23/03	0
1370	Plumbing Rough-in	12	12	DEC/08/03	DEC/23/03	0
1520	Toilet Partitions / Accessories	5	5	DEC/10/03	DEC/16/03	0
2410	Entry Concrete / Pavers	10	10	DEC/15/03	DEC/30/03	0
1590	Railings	33	33	DEC/17/03	FEB/04/04	0
1630	Power on	1	1	DEC/19/03	DEC/19/03	0
1320	Install Elevator	30	30	DEC/22/03	FEB/03/04	0
2040	Canvas over Canopy	3	3	DEC/23/03	DEC/29/03	0



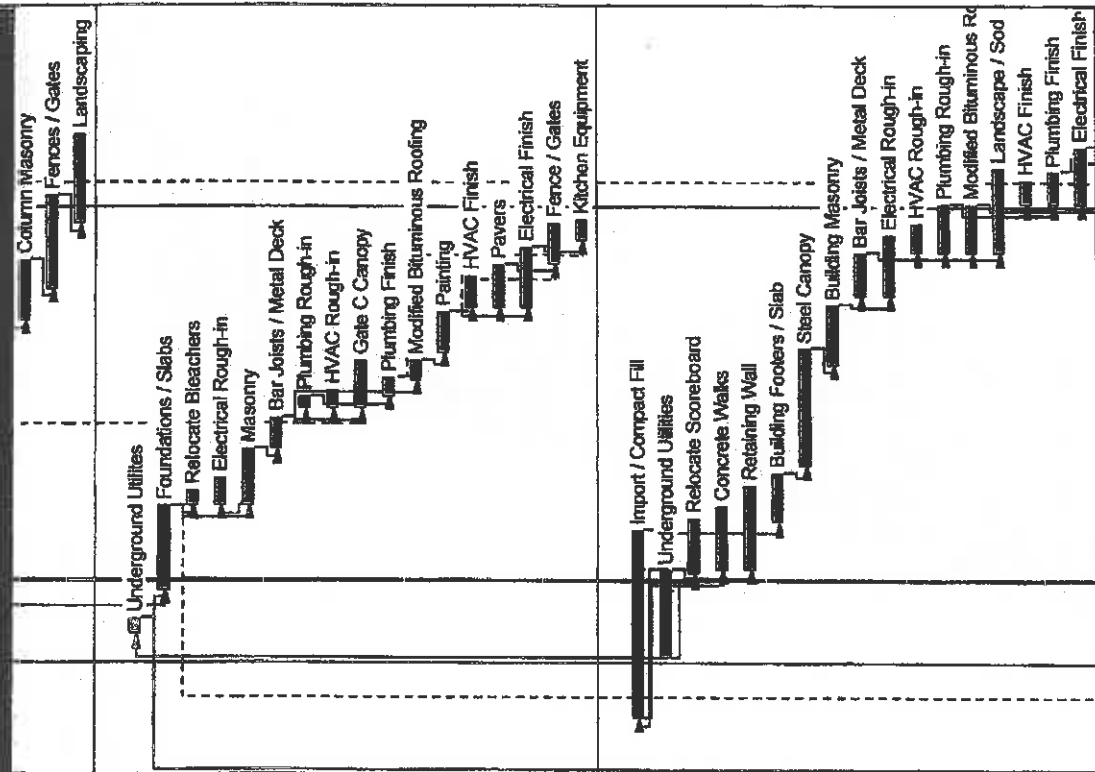
RODDA CONSTRUCTION, INC.  
St. Lucie Sports Complex Renovation

Start date: JUL/01/03  
 Finish date: FEB/16/04  
 Date date: OCT/17/03  
 Run date: OCT/17/03  
 Page number: 2A

Early bar  
 Progress bar  
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 Summary bar  
 Start milestone point  
 Finish milestone point

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Activity	Start date	Duration	End date	Early start	Early finish	Activity	Start date	Duration	End date	Early start	Early finish
1410 Column Masonry	8 DEC/23/03	8	JAN/06/04	0	100	1040 Import / Compact Fill	8 SEP/15/03	32	OCT/13/03	75	75
2110 Fences / Gates	15 DEC/31/03	15	JAN/22/04	0	0	1000 Underground Utilities	5 SEP/30/03	5	OCT/21/03	50	50
2420 Landscaping	15 JAN/16/04	15	FEB/05/04	0	0	1120 Relocate Scoreboard	10 OCT/21/03	10	NOV/03/03	0	0
<b>GATE C - BLEASER BLEACHERS</b>											
1990 Underground Utilities	5 OCT/06/03	5	OCT/09/03	100	100	1050 Concrete Walks	12 OCT/22/03	12	NOV/06/03	0	0
1940 Foundations / Slabs	15 OCT/17/03	15	NOV/06/03	0	0	1020 Retaining Wall	15 OCT/22/03	15	NOV/11/03	0	0
2200 Relocate Bleachers	2 NOV/07/03	2	NOV/10/03	0	0	1060 Building Footers / Slab	10 NOV/03/03	10	NOV/14/03	0	0
1990 Electrical Rough-in	5 NOV/07/03	5	NOV/13/03	0	0	1080 Steel Canopy	20 NOV/17/03	20	DEC/15/03	0	0
1950 Masonry	10 NOV/07/03	10	NOV/20/03	0	0	1070 Building Masonry	10 DEC/12/03	10	DEC/26/03	0	0
1960 Bar Joists / Metal Deck	5 NOV/21/03	5	NOV/28/03	0	0	1190 Bar Joists / Metal Deck	8 DEC/29/03	8	JAN/08/04	0	0
2000 Plumbing Rough-in	3 DEC/01/03	3	DEC/03/03	0	0	1100 Electrical Rough-in	10 DEC/29/03	10	JAN/12/04	0	0
2010 HVAC Rough-in	5 DEC/01/03	5	DEC/06/03	0	0	1090 HVAC Rough-in	5 JAN/09/04	5	JAN/15/04	0	0
1970 Gate C Canopy	10 DEC/01/03	10	DEC/12/03	0	0	1110 Plumbing Rough-in	8 JAN/09/04	8	JAN/20/04	0	0
2050 Plumbing Finish	3 DEC/04/03	3	DEC/08/03	0	0	1200 Modified Bituminous Roofing	8 JAN/09/04	8	JAN/20/04	0	0
2090 Modified Bituminous Roofing	5 DEC/08/03	5	DEC/12/03	0	0	1220 Landscaping / Sod	15 JAN/09/04	15	JAN/29/04	0	0
2020 Painting	8 DEC/15/03	8	DEC/24/03	0	0	1170 HVAC Finish	4 JAN/21/04	4	JAN/26/04	0	0
2060 HVAC Finish	5 DEC/26/03	5	JAN/02/04	0	0	1160 Plumbing Finish	6 JAN/21/04	6	JAN/28/04	0	0
2080 Pavers	6 DEC/28/03	6	JAN/05/04	0	0	1180 Electrical Finish	10 JAN/21/04	10	FEB/03/04	0	0
2070 Electrical Finish	10 DEC/28/03	10	JAN/09/04	0	0						
2100 Fence / Gates	8 JAN/06/04	8	JAN/15/04	0	0						
2290 Kitchen Equipment	6 JAN/12/04	6	JAN/19/04	0	0						



**RODDA CONSTRUCTION, INC.**  
St. Lucie Sports Complex Renovation

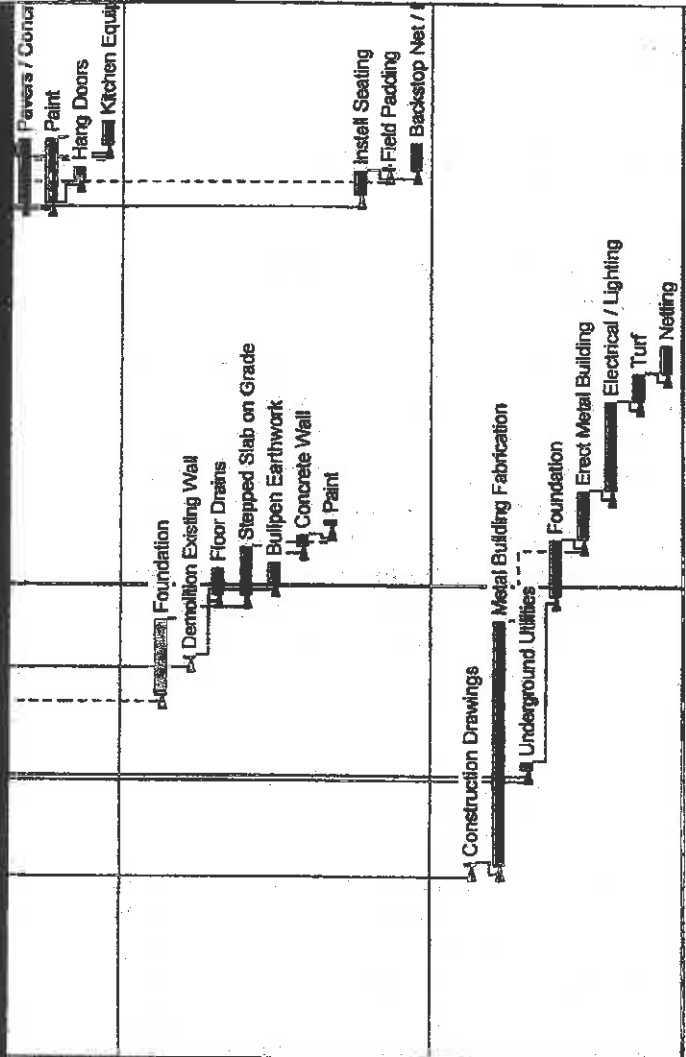
Start date: JUL/01/03  
 Finish date: FEB/16/04  
 Data date: OCT/17/03  
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 Page number: 3A

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1210	Pavers / Concrete	12	12	JAN/21/04	FEB/05/04	0
1250	Paint	12	12	JAN/21/04	FEB/05/04	0
1150	Hang Doors	3	3	JAN/27/04	JAN/28/04	0
1230	Kitchen Equipment	4	4	FEB/04/04	FEB/08/04	0
<b>HOME PLATE SEATING EXPANSION - BULLPENS</b>						
1890	Foundation	5	0	SEP/22/03	OCT/10/03	100
1850	Demolition Existing Wall	1	0	OCT/01/03	OCT/01/03	100
1890	Floor Drains	5	5	OCT/17/03	OCT/23/03	0
1890	Stepped Slab on Grade	8	8	OCT/17/03	OCT/28/03	0
2190	Bullpen Earthwork	5	5	OCT/20/03	OCT/24/03	0
1870	Concrete Wall	3	3	OCT/29/03	OCT/31/03	0
1910	Paint	2	2	NOV/03/03	NOV/04/03	0
1900	Install Seating	4	4	JAN/23/04	JAN/28/04	0
2190	Field Padding	1	1	JAN/29/04	JAN/29/04	0
2050	Backstop Net / Poles	5	5	JAN/29/04	FEB/04/04	0
<b>NEW BATTING CAGE</b>						
2300	Construction Drawings	1	0	AUG/11/03	AUG/11/03	100
2310	Metal Building Fabrication	44	0	AUG/11/03	OCT/10/03	100
2210	Underground Utilities	5	0	SEP/04/03	SEP/05/03	100
2220	Foundation	10	10	OCT/17/03	OCT/30/03	0
2230	Erect Metal Building	8	8	OCT/31/03	NOV/11/03	0
2240	Electrical / Lighting	15	15	NOV/12/03	DEC/03/03	0
2260	Turf	5	5	DEC/04/03	DEC/10/03	0
2250	Netting	5	5	DEC/11/03	DEC/17/03	0



**RODDA CONSTRUCTION, INC.**  
St. Lucie Sports Complex Renovation

Start date	JUL/01/03
Finish date	FEB/16/04
Data date	OCT/17/03
Run date	OCT/17/03
Page number	4A

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 ◆ Finish milestone point

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## EXHIBIT F

### ARCHITECT'S CONTRACT REQUIREMENTS

The Architect's Contract shall, *inter alia*, contain terms and conditions with generally the same substance as the following two paragraphs:

Periodically during the construction process, at such times as reasonably determined by SFS and County, the Architect will observe the conduct of construction of the Initial Term Improvements and notify County and SFS in writing of observed deficiencies in the Work being deemed completed (including deficiencies which preclude the Work being deemed completed), notify the County and SFS of any item not in strict accordance with the final plans, and otherwise create a punchlist of minor finishing and adjustment in any other items which the Contractor has not finally completed in strict accordance with the final plans. Failure to include an item on the punchlist will not diminish the responsibility of the Contractor to complete the work in accordance with the final plans.

The Architect will use commercially reasonable efforts based upon prudent standards in the architecture industry to monitor and observe the construction of the Work in order to ensure that the Work is constructed in accordance with the final plans and on schedule. The Architect will, to the extent requested by SFS, conduct regular meetings with SFS and with the County or its designee and other appropriate parties to assist SFS in verifying that all Work is being performed according to the Final Plans and any authorized change orders. The Architect will prepare meeting minutes after such meeting and submit same to the County and SFS, regarding the status of construction, including any material variance from the Final Plans and/or schedule of which Architect is aware.

The Architect's Contract shall also require the Architect to procure a policy or policies of insurance that relate to the Work at least as favorable to SFS as the following (subject to applicable policy exclusions, conditions and terms such as aggregates and deductibles, among others):

a. Liability Insurance. Commercial general liability insurance with limits of not less than \$1,000,000 per occurrence/\$2,000,000 aggregate. The policy shall be written on a per occurrence basis.

b. Workers' Compensation and Employers Liability Insurance. Workers' Compensation and Employers Liability insurance in accordance with New York statutory requirements.

c. Umbrella Liability Insurance. Umbrella or excess liability coverage at not less than a \$1,000,000 limit.

d. Architects Professional Liability Insurance. Architects Professional Liability Insurance at not less than a \$2,000,000 limit.

EXHIBIT "F" ACKNOWLEDGED AND APPROVED:

BOARD OF COUNTY COMMISSIONERS  
ST. LUCIE COUNTY

STERLING FACILITY SERVICES, L.L.C.

By: Paula A. Lewis  
Print Name: PAULA A. LEWIS  
Title: CHAIRMAN

By: David C. Howard, EVP  
Print Name: David C. Howard  
Title: EVP

PROVEN AS TO FORM

AND CONTENTS:

Walter H. [Signature]  
COUNTY ATTORNEY

ATTEST

Jimmy O. Beville  
DEPUTY CLERK



## EXHIBIT G

### CONTRACTOR'S CONTRACT REQUIREMENTS

The Contract between SFS and the Contractor shall, *inter alia*, contain terms and conditions with generally the same substance as the following two paragraphs:

The Work will, as of the completion of same, be constructed and installed in a good and workmanlike manner, in material conformity with the final plans and in accordance with applicable federal, state and local laws, ordinances and building and zoning codes and requirements of all public authorities. In addition, the Work will be constructed under the supervision and control of a certified general contractor; the Contractor shall achieve completion of the Work on or before the required completion date, subject to force majeure events and SFS delay; and the Contractor will cause the Work to be completed for a cost that shall not exceed the fixed contract price, subject only to increases due to authorized change orders.

SFS will be entitled to enforce all warranties from all contractors and manufacturers on behalf of SFS to the extent such warranties are not fully in favor of the County. Without cost to SFS, the Contractor will repair, replace, restore or rebuild any work included in the Work to the extent that such Work contains defects in materials or workmanship or to which damage has occurred because of such defects.

The Contract between SFS and the Contractor shall also require the Contractor to procure a policy or policies of insurance that relate to the Work at least as favorable to SFS as the following (subject to applicable policy exclusions, conditions and terms such as aggregates and deductibles, among others):

- a. Liability Insurance. Commercial general liability insurance with limits of not less than \$1,000,000 per occurrence/\$2,000,000 aggregate. The policy shall be written on a per occurrence basis.
- b. Workers' Compensation and Employers Liability Insurance. Workers' Compensation and Employers Liability insurance in accordance with Florida statutory requirements.
- c. Automobile Liability Insurance. Automobile liability coverage with limits of not less than \$1,000,000 each accident, combined single limit for bodily injury or death and property damage.

d. Umbrella Liability Insurance. Umbrella or excess liability coverage at not less than a \$10,000,000 limit.

EXHIBIT "G" ACKNOWLEDGED AND APPROVED:

BOARD OF COUNTY COMMISSIONERS  
ST. LUCIE COUNTY

STERLING FACILITY SERVICES, L.L.C.

By: *Paula A. Lewis*  
Print Name: PAULA A. LEWIS  
Title: CHAIRMAN

By: *David C. Howard*, EVP  
Print Name: David C. Howard  
Title: EVP



APPROVED AS TO FORM  
AND CORRECTNESS:  
*David C. Howard*  
COUNTY ATTORNEY

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**EXHIBIT H**

**OWNER'S CONTRACTOR PROTECTIVE INSURANCE REQUIREMENTS**

Not applicable. Intentionally omitted.

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**EXHIBIT I**

**SFS GENERAL CONSTRUCTION LIABILITY INSURANCE REQUIREMENTS**

Not applicable. Intentionally omitted.

**EXHIBIT J**

**BOND AMORTIZATION SCHEDULE**

**I. St. Lucie County, Florida Tourist Development Tax Revenue Bond, Series 2003**

<u>Period Ending</u>	<u>Outstanding Principal Balance (Prior)</u>	<u>Debt Service Principal</u>	<u>Coupon Ann. Rate</u>	<u>Debt Service Interest</u>	<u>Debt Service Total</u>	<u>Unamortized Principal Balance Remaining</u>
9/10/2003	\$6,055,000.00	-----	-----	-----	-----	-----
11/1/2003	\$6,055,000.00	-----	4.605%	\$39,501.31	\$39,501.31	\$6,055,000.00
5/1/2004	\$6,055,000.00	\$189,000.00	4.605%	\$139,416.38	\$328,416.38	\$5,866,000.00
11/1/2004	\$5,866,000.00	\$151,000.00	4.605%	\$135,064.65	\$286,064.65	\$5,715,000.00
5/1/2005	\$5,715,000.00	\$155,000.00	4.605%	\$131,587.88	\$286,587.88	\$5,560,000.00
11/1/2005	\$5,560,000.00	\$159,000.00	4.605%	\$128,019.00	\$287,019.00	\$5,401,000.00
5/1/2006	\$5,401,000.00	\$162,000.00	4.605%	\$124,358.03	\$286,358.03	\$5,239,000.00
11/1/2006	\$5,239,000.00	\$166,000.00	4.605%	\$120,627.98	\$286,627.98	\$5,073,000.00
5/1/2007	\$5,073,000.00	\$170,000.00	4.605%	\$116,805.83	\$286,805.83	\$4,903,000.00
11/1/2007	\$4,903,000.00	\$174,000.00	4.605%	\$112,891.58	\$286,891.58	\$4,729,000.00
5/1/2008	\$4,729,000.00	\$177,000.00	4.605%	\$108,885.23	\$285,885.23	\$4,552,000.00
11/1/2008	\$4,552,000.00	\$182,000.00	4.605%	\$104,809.80	\$286,809.80	\$4,370,000.00
5/1/2009	\$4,370,000.00	\$186,000.00	4.605%	\$100,619.25	\$286,619.25	\$4,184,000.00
11/1/2009	\$4,184,000.00	\$190,000.00	4.605%	\$96,336.60	\$286,336.60	\$3,994,000.00
5/1/2010	\$3,994,000.00	\$195,000.00	4.605%	\$91,961.85	\$286,961.85	\$3,799,000.00
11/1/2010	\$3,799,000.00	\$199,000.00	4.605%	\$87,471.98	\$286,471.98	\$3,600,000.00
5/1/2011	\$3,600,000.00	\$204,000.00	4.605%	\$82,890.00	\$286,890.00	\$3,396,000.00
11/1/2011	\$3,396,000.00	\$208,000.00	4.605%	\$78,192.90	\$286,192.90	\$3,188,000.00
5/1/2012	\$3,188,000.00	\$213,000.00	4.605%	\$73,403.70	\$286,403.70	\$2,975,000.00
11/1/2012	\$2,975,000.00	\$218,000.00	4.605%	\$68,499.38	\$286,499.38	\$2,757,000.00
5/1/2013	\$2,757,000.00	\$223,000.00	4.605%	\$63,479.93	\$286,479.93	\$2,534,000.00
11/1/2013	\$2,534,000.00	\$228,000.00	4.605%	\$58,345.35	\$286,345.35	\$2,306,000.00
5/1/2014	\$2,306,000.00	\$234,000.00	4.605%	\$53,095.65	\$287,095.65	\$2,072,000.00
11/1/2014	\$2,072,000.00	\$239,000.00	4.605%	\$47,707.80	\$286,707.80	\$1,833,000.00
5/1/2015	\$1,833,000.00	\$244,000.00	4.605%	\$42,204.83	\$286,204.83	\$1,589,000.00
11/1/2015	\$1,589,000.00	\$250,000.00	4.605%	\$36,586.73	\$286,586.73	\$1,339,000.00
5/1/2016	\$1,339,000.00	\$256,000.00	4.605%	\$30,830.48	\$286,830.48	\$1,083,000.00
11/1/2016	\$1,083,000.00	\$262,000.00	4.605%	\$24,936.08	\$286,936.08	\$821,000.00
5/1/2017	\$821,000.00	\$267,000.00	4.605%	\$18,903.53	\$285,903.53	\$554,000.00
11/1/2017	\$554,000.00	\$274,000.00	4.605%	\$12,755.85	\$286,755.85	\$280,000.00
5/1/2018	\$280,000.00	\$280,000.00	4.605%	\$6,447.00	\$286,447.00	-----



**II. St. Lucie County, Florida Tourist Development Tax Taxable Revenue Bond,  
Series 2003C**

<u>Period Ending</u>	<u>Outstanding Principal Balance (Prior)</u>	<u>Debt Service Principal</u>	<u>Coupon Ann. Rate</u>	<u>Debt Service Interest</u>	<u>Debt Service Total</u>	<u>Unamortized Principal Balance Remaining</u>
9/10/2003	\$2,627,500.00	-----	-----	-----	-----	-----
11/1/2003	\$2,627,500.00	-----	5.620%	\$18,048.01	\$18,048.01	\$2,627,500.00
5/1/2004	\$2,627,500.00	\$73,500.00	5.620%	\$73,832.75	\$147,332.75	\$2,554,000.00
11/1/2004	\$2,254,000.00	\$61,000.00	5.620%	\$71,767.40	\$132,767.40	\$2,493,000.00
5/1/2005	\$2,493,000.00	\$63,000.00	5.620%	\$70,053.30	\$133,053.30	\$2,430,000.00
11/1/2005	\$2,430,000.00	\$64,500.00	5.620%	\$68,283.00	\$132,783.00	\$2,365,500.00
5/1/2006	\$2,365,500.00	\$66,500.00	5.620%	\$66,470.55	\$132,970.55	\$2,299,000.00
11/1/2006	\$2,299,000.00	\$68,500.00	5.620%	\$64,601.90	\$133,101.90	\$2,230,500.00
5/1/2007	\$2,230,500.00	\$70,000.00	5.620%	\$62,677.05	\$132,677.05	\$2,160,500.00
11/1/2007	\$2,160,500.00	\$72,500.00	5.620%	\$60,710.05	\$133,210.05	\$2,088,000.00
5/1/2008	\$2,088,000.00	\$74,000.00	5.620%	\$58,672.80	\$132,672.80	\$2,014,000.00
11/1/2008	\$2,014,000.00	\$76,500.00	5.620%	\$56,593.40	\$133,093.40	\$1,937,500.00
5/1/2009	\$1,937,500.00	\$78,500.00	5.620%	\$54,443.75	\$132,943.75	\$1,859,000.00
11/1/2009	\$1,859,000.00	\$81,000.00	5.620%	\$52,237.90	\$133,237.90	\$1,778,000.00
5/1/2010	\$1,778,000.00	\$83,000.00	5.620%	\$49,961.80	\$132,961.80	\$1,695,000.00
11/1/2010	\$1,695,000.00	\$85,500.00	5.620%	\$47,629.50	\$133,129.50	\$1,609,500.00
5/1/2011	\$1,609,500.00	\$87,500.00	5.620%	\$45,226.95	\$132,726.95	\$1,522,000.00
11/1/2011	\$1,522,000.00	\$90,000.00	5.620%	\$42,768.20	\$132,768.20	\$1,432,000.00
5/1/2012	\$1,432,000.00	\$93,000.00	5.620%	\$40,239.20	\$133,239.20	\$1,339,000.00
11/1/2012	\$1,339,000.00	\$95,500.00	5.620%	\$37,625.90	\$133,125.90	\$1,243,500.00
5/1/2013	\$1,243,500.00	\$98,000.00	5.620%	\$34,942.35	\$132,942.35	\$1,145,500.00
11/1/2013	\$1,145,500.00	\$101,000.00	5.620%	\$32,188.55	\$133,188.55	\$1,044,500.00
5/1/2014	\$1,044,500.00	\$103,500.00	5.620%	\$29,350.45	\$132,850.45	\$941,000.00
11/1/2014	\$941,000.00	\$106,500.00	5.620%	\$26,442.10	\$132,942.10	\$834,500.00
5/1/2015	\$834,500.00	\$109,500.00	5.620%	\$23,449.45	\$132,949.45	\$725,000.00
11/1/2015	\$725,000.00	\$112,500.00	5.620%	\$20,372.50	\$132,872.50	\$612,500.00
5/1/2016	\$612,500.00	\$116,000.00	5.620%	\$17,211.25	\$133,211.25	\$496,500.00
11/1/2016	\$496,500.00	\$119,000.00	5.620%	\$13,951.65	\$132,951.65	\$377,500.00
5/1/2017	\$377,500.00	\$122,500.00	5.620%	\$10,607.75	\$133,107.75	\$255,000.00
11/1/2017	\$255,000.00	\$126,000.00	5.620%	\$7,165.50	\$133,165.50	\$129,000.00
5/1/2018	\$129,000.00	\$129,000.00	5.620%	\$3,624.90	\$132,624.90	-----

The unamortized principal balance of the County's outstanding debt on the bonds issued to generate the County Contributions, the SFS Contributions Bond Revenues, and the Naming Rights Bond Revenues (as referenced in Sections 19(a) and 25 of the Agreement) as of a given date is equal to the sum of the dollar amounts reflected in the column for "Unamortized Principle Balance Remaining" under subparts I and II,

respectively, of this Exhibit J corresponding to the "Period Ending" date occurring immediately prior to the given date at issue.

County acknowledges that SFS is relying upon bond amortization schedules provided by the County as incorporated into subparts I and II of this Exhibit J, and that such reliance is reasonable.

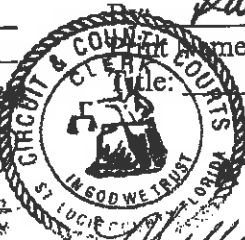
EXHIBIT "J" ACKNOWLEDGED AND APPROVED:

BOARD OF COUNTY COMMISSIONERS  
ST. LUCIE COUNTY

STERLING FACILITY SERVICES, L.L.C.

By: Paula Lewis  
Print Name: Paula Lewis  
Title: Chair, BOCC

David C. Howard, EIP  
Name: David C. Howard  
Title: EIP



TESTED BY:

Miller L. Lewis  
Deputy Clerk

C03-08-457

**SECOND AMENDMENT TO  
ST. LUCIE SPORTS COMPLEX  
FACILITIES USE AGREEMENT**

**THIS AMENDMENT ("Amendment")**, made and entered into in triplicate as of September 27, 2011, by and between **ST. LUCIE COUNTY**, a political subdivision of the State of Florida ("County"), and **STERLING FACILITY SERVICES, L.L.C.**, a New York limited liability company ("SFS").

**WITNESSETH:**

**WHEREAS**, as of August 1, 2003, the County and SFS entered into a Facilities Use Agreement for the St. Lucie County Sports Complex which Agreement was amended as of October 21, 2003 (as amended, the "FUA"); and

**WHEREAS**, SFS and the County desire to renovate the Sports Complex beyond the improvements contemplated in the FUA (the "2011 Improvements" defined below); and

**WHEREAS**, in consideration of the County agreeing to fund the 2011 Improvements and to grant SFS an additional five-year extension option and the other consideration herein contained, SFS desires to exercise its first option to extend the FUA, through December 31, 2023, with additional option periods, in accordance with the provisions hereinafter contained;

**WHEREAS**, the parties desire to enter into an amendment to the FUA on the terms herein contained.

**NOW, THEREFORE**, in consideration of the mutual covenants and promises herein contained, **IT IS AGREED AS FOLLOWS:**

1. **AMENDMENT OF SECTION 2(B) OF THE FUA**

The FUA is hereby amended by deleting Section 2(B) thereof and replacing it with the following:

"B. **Option Terms:** At the end of the Initial Term, SFS shall have three options (the "Options") to extend this Agreement, each for an additional five (5) year period, (each, an "Option Term," if exercised, together with the Initial Term, the "Term"), upon the same terms as are herein set forth. The first Option is hereby exercised by SFS, and the first Option Term shall commence on January 1, 2019 and end on December 31, 2023. The second Option may be exercised by SFS giving its written notification to the County on or before June 30, 2023 and, if exercised, the second Option Term shall commence on January 1, 2024 and end on December 31, 2028. If the second Option is exercised, the third Option may be exercised by SFS giving its written notification to the County on or before June 30, 2028 and, if exercised, the third Option Term shall commence on January 1, 2029 and end on December 31, 2033."

2. **AMENDMENT OF SECTION 3(A) OF THE FUA**

The FUA is hereby amended by deleting the last paragraph of Section 3(A) thereof (as reflected in the First Amendment to St. Lucie Sports Complex Facilities Use Agreement) and replacing it with the following:

"In addition, the County will contribute such additional amounts toward Additional Improvements to be made in years 2005 through 2023, as provided in Section 5(K) of this Agreement."

3. **AMENDMENT OF SECTION 3(C) OF THE FUA**

The FUA is hereby amended by deleting the last paragraph of Section 3(C) thereof and replacing it with the following:

"If the total consideration to be provided by the Naming Rights sponsor under the Naming Rights Agreement exceeds \$2,250,000, then any excess (the "Excess Naming Rights Revenues") shall be added or devoted to the Additional Improvements Budget (as such term is defined below in Section 5(K)), subject to the proviso set forth in the definition of "Additional Improvements Budget" with respect to the years 2019-2023."

4. **AMENDMENT OF SECTION 5(K) OF THE FUA**

The FUA is hereby amended by deleting Section 5(K) thereof and replacing it with the following:

"K. 1. The County intends to issue its Tourist Development Tax Revenue Bond, Series 2011A (the "Series 2011A Bond") and its Taxable Tourist Development Tax Revenue Bond, Series 2011B (the "Series 2011B Bond" and, together with the Series 2011A Bond, the "2011 Improvement Bonds"). A portion of the proceeds of the Series 2011A Bond will be used to finance the 2011 Improvements. The County and SFS agree that the 2011 Improvement Bonds will be secured by a pledge by the County of and first lien upon the Tourist Tax defined below, which lien shall be senior in priority to any lien in favor of SFS arising hereunder. In addition to the Initial Term Improvements and the 2011 Improvements, as agreed upon by the parties in good faith cooperation, County shall fund, to the extent funds are available as set forth below, during the calendar years 2005 thru 2023 certain additional improvements to the Sports Complex (the "Additional Improvements"). The Additional Improvements to be constructed and the schedule for the construction of the Additional Improvements shall be determined so as to provide material benefit to SFS to be enjoyed by SFS during the Initial Term and the first Option Term. The Total Cost of the Work related to the Additional Improvements shall be paid from the following funds (which sum is herein referred to as the "Additional Improvements Budget"): the Additional County Contributions as herein defined, plus the Excess Initial Term Improvement Budget Funds, plus the Excess Naming Rights Revenues (provided that, for the years 2019-2023, the Excess Naming Rights Revenues shall only be added to the Additional Improvements Budget to the extent the County does not need such funds to pay the debt service on the 2011 Improvement Bonds), plus the Excess 2011 Improvement Budget Funds (each as defined in this Agreement, as amended). The term "Additional County Contributions" means (i) funding in the amount of \$160,423.00 in each year from 2005 through 2011, which funding shall be added to the Additional Improvements Budget by the County promptly following the Florida State League baseball season in each such year, and (ii) funding in the amount of the Remaining Amount in each year from

2012 through 2023, which funding shall be added to the Additional Improvements Budget on November 1 of each such year. The County shall provide the Additional County Contributions and the other funds for the Additional Improvements Budget, such funds to be used by SFS to pay for Additional Improvements mutually acceptable to SFS and County, acting in good faith cooperation, and for other purposes set forth herein. Notwithstanding anything herein to the contrary, the provision of the Additional County Contributions by the County to the Additional Improvements Budget is subject to the existence of a Remaining Amount after full and timely payment of debt requirements on the 2011 Improvement Bonds from the sum set forth in clause (x) of the definition of "Remaining Amount" below, and the County shall make full and timely payment of debt requirements on the 2011 Improvement Bonds. Funds in the Additional Improvements Budget not expended in any given year will be rolled over to the following year to be used toward Additional Improvements mutually acceptable to SFS and County, acting in good faith cooperation. SFS shall have the right to request that the County provide monies from the Additional Improvements Budget, and the County will promptly honor such requests and deliver such funds to SFS or such other person or entity according to instructions from SFS for use as contemplated under this Agreement (including to pay for the Total Cost of the Work related to the Additional Improvements, and to pay for Total Cost of the Work in connection with the 2011 Improvements to the extent such Total Cost of the Work exceeds the 2011 Improvements Budget, as addressed below in Section 11). To the extent that the Remaining Amount exceeds the Capped Amount (prior to application of the proviso at the end of the definition of "Remaining Amount"), the excess funding shall be used by the County solely for capital expenditures for the direct benefit of the Sports Complex and for no other purpose. In accordance with Treasury Regulation Section 1.141-4(c)(3)(v), it is the express official intent and expectation of the County that any capital improvement provided to the Sports Complex using Excess Naming Rights Revenues under the Agreement during the period this Agreement is in effect shall be the result of expenditures made by the Naming Rights sponsor out of its own funds pursuant to the provisions of this Agreement, and as such shall be allocated to the Naming Rights sponsor's equity funds rather than funds of the County. Since the Naming Rights sponsor is expected to make such payments from its own funds for these capital expenditures at the time the expenditures are incurred, it is expected by the County that all such private payments for capital expenditures for improvements and capital repairs and renovations will be made not later than 18 months after the later of the date the expenditure is paid or the date the improvements are placed in service.

## 2. Additional Definitions

The "Remaining Amount" as used herein means the amount by which (x) the sum of (a) the SFS Contributions for the year in question plus (b) the total of all consideration to be provided by the sponsor of the Naming Rights for the year in question under the Naming Rights Agreement plus (c) the Naming Rights Shortfall Payments for the year in question plus (d) an amount equal to the sum of 100% of the proceeds of the fourth (4<sup>th</sup>) cent and 67% of the proceeds of the fifth (5<sup>th</sup>) cent of tourist development tax levied by the County (the "Tourist Tax") pursuant to Ordinances No. 02-36, No. 03-12 and No. 11-028 of St. Lucie County, Florida (the "Tourist Tax Ordinances") during the twelve month period ending on November 1 of the year in question, exceeds (y) the amount of debt service payments paid by the County on the 2011 Improvement Bonds during the twelve month period ending on November 1 of the year in question (excluding debt service payments to the extent attributable to \$505,000 of principal and costs of issuance in connection with the Series 2011A Bond), provided that the Remaining Amount in any year shall not exceed the Capped Amount.

The "Capped Amount" as used herein means, (I) in 2012, \$160,243.00, and (II) in each year after 2012 when \$160,243.00 exceeded the Remaining Amount in the immediately preceding year, the Capped Amount from the immediately preceding year increased by the amount by which \$160,243.00 exceeded the Remaining Amount in the immediately preceding year, and (III) in each year after 2012 when the Remaining Amount exceeded \$160,243.00 in the immediately preceding year, the Capped Amount from the immediately preceding year decreased by the amount by which the Remaining Amount exceeded \$160,243.00 in the immediately preceding year, provided that the Capped Amount shall under no circumstances be less than \$160,243.00."

5. **AMENDMENT OF SECTION 9 OF THE FUA**

The FUA is hereby amended by adding the following as the last sentence of Section 9 of the FUA:

"In considering whether to approve of proposed prices for New York Mets Major League Spring Training tickets to the renovated right field seating and concessions area of the Stadium constructed as part of the 2011 Improvements, the County may consider, among other things, whether such prices are likely to generate less revenue than was generated from the sale of tickets to the same area of the Stadium prior to the 2011 Improvements, based upon average revenue per game generated from such area during the 2011 New York Mets Major League Spring Training season."

6. **AMENDMENT OF SECTION 11 OF THE FUA**

The FUA is hereby amended by deleting Section 11 thereof (with the heading "Minimum Games") and replacing it with the following:

"11. **2011 IMPROVEMENTS**

A. **2011 IMPROVEMENTS - BUDGET.**

The County shall provide \$2,750,000.00 of funding (the "2011 Improvements Budget") for the design and construction of certain improvements to the Sports Complex (the "2011 Improvements") which shall include the improvements described on Exhibit "K" hereto, it being understood that not more than \$250,000.00 of the 2011 Improvements Budget may be used for the design and construction of the Fan Shop Expansion referenced on Exhibit K. (Such \$250,000.00 amount, reduced by the portion (if any) of the 2011 Improvements Budget in excess of \$2,500,000 that is used for the Total Cost of the Work in connection with the 2011 Improvements other than the Fan Shop Expansion, is referred to herein as the "Fan Shop Sub-Budget".) Nothing in this Agreement shall obligate the County to provide funding for the 2011 Improvements in excess of the 2011 Improvements Budget; provided, however, that to the extent the Total Cost of the Work in connection with the 2011 Improvements exceeds the 2011 Improvements Budget or the Total Cost of the Work in connection with the Fan Shop Expansion exceeds the Fan Shop Sub-Budget, SFS may use and apply funds in the Additional Improvements Budget (as such term is defined in Section 5(K)) to pay for the Total Cost of the Work. The 2011 Improvements Budget shall be used to fund the 2011 Improvements only and for no other purpose (except as provided herein).

B. 2011 IMPROVEMENTS - PLANS.

1. SFS shall engage an architect reasonably satisfactory to County (the "Architect" referred to in this Section 11). The Architect shall be responsible for (1) developing a conceptual plan and general specifications (the "Conceptual Plans" referred to in this Section 11) for the 2011 Improvements; (2) developing preliminary plans and specifications for the 2011 Improvements; (3) preparing working drawings and requests for bids; (4) obtaining all permits, other than building permits, needed to construct the 2011 Improvements; (5) assisting SFS in evaluating the qualifications of potential contractors; (6) providing contract administration; and (7) performing construction inspections as needed to provide certified as-built drawings after the 2011 Improvements are constructed (the "Architect's Work" referred to in this Section 11). Without limiting the foregoing, the County hereby approves of Gensler as a satisfactory Architect. SFS shall enter into a contract (the "Architect's Contract" referred to in this Section 11) with the Architect which Architect's Contract shall, *inter alia*, contain the terms and conditions set forth in Exhibit "L" hereto. The County shall be named as a third party beneficiary in the Architect's Contract. The County shall, upon request, enter into a joinder to the Architect's Contract substantially similar to the Joinder entered into by the County dated October 21, 2003 in connection with the Construction Contract dated as of August 1, 2003 between SFS and Rodda Construction, Inc. Without limiting the foregoing, the Architect's Contract shall require the Architect to procure policies of insurance that relate to the Architect's Work, with terms, limits, coverages and specifications at least as favorable for SFS as those reflected in Exhibit "L", and should provide that Architect will not receive payment for any portion of the Architect's Work or any other amounts due until the date that is at least five (5) days after County has paid the amount due to SFS as set forth in Section 11(C)(9)(b) below. SFS shall have the right to refuse to enter into any Architect's Contract with terms that are not commercially reasonable as determined by SFS. County agrees that the Architect shall not be considered an agent of SFS for any purpose and that the Architect shall be solely responsible for the Architect's Work, and that the County will look solely to the Architect, and in no event to SFS, with respect to the performance of the Architect's Work and any damages or losses which may arise from or out of any acts or omissions of the Architect. Within twenty (20) days following the date of approval of this Agreement by the Board of County Commissioners, SFS shall cause Architect to furnish to County the Conceptual Plans for the 2011 Improvements (provided that if Conceptual Plans for the Fan Shop Expansion are not completed at such time, such Conceptual Plans may be provided later). To the extent practicable, SFS shall also cause the Architect to provide the County with an estimate of the cost of each proposed capital improvement. County shall have a period of ten (10) business days from delivery of the Conceptual Plans within which to review and to disapprove of the Conceptual Plans, in writing. County shall have no right to disapprove of the Conceptual Plans except to the extent that the improvements described therein are materially inconsistent with the description of the 2011 Improvements set forth on Exhibit "K" hereto or to the extent the Conceptual Plans reflect estimated costs in excess of the 2011 Improvements Budget. Subject to the foregoing, County shall not unreasonably withhold its consent to any Conceptual Plans. If County disapproves of the Conceptual Plans, County shall express the grounds for its disapproval in reasonable detail. If County shall not disapprove within such ten (10) business day period, the Conceptual Plans shall be deemed approved.

2. As soon as is reasonably practicable following the approval of the Conceptual Plans, SFS shall cause Architect to prepare and deliver to County and SFS preliminary plans and specifications for the 2011 improvements in accordance with the approved Conceptual Plans (the "Preliminary Plans" referred to in this Section 11). County and SFS shall have a period of ten (10) days

within which to review and to approve or disapprove of the Preliminary Plans in writing. County shall have no right to disapprove of the Preliminary Plans except to the extent the Preliminary Plans shall be materially inconsistent with the Conceptual Plans. If County or SFS disapprove of the Preliminary Plans, it or they shall express the grounds for its disapproval in reasonable detail. If County or SFS shall not respond with disapproval within such ten (10) day period, the Preliminary Plans shall be deemed approved.

3. As soon as is reasonably practicable following the approval of the Preliminary Plans, SFS shall cause the Architect to prepare working drawings for the 2011 Improvements (or such of the 2011 Improvements as shall be designated by SFS), in accordance with the approved Preliminary Plans and to deliver same to County and SFS (the "Final Plans" referred to in this Section 11). County and SFS shall have a period of ten (10) days from receipt of the completed Final Plans to review and approve or disapprove of the Final Plans in writing. County shall have no right to disapprove of the Final Plans except to the extent such Final Plans shall be materially inconsistent with the Preliminary Plans. If County or SFS shall disapprove of the Final Plans, it or they shall express the grounds for its disapproval in writing and in reasonable detail. If neither County nor SFS disapprove within such ten (10) day period, the Final Plans shall be deemed approved. Once approved, the Final Plans shall be incorporated into this Agreement as Exhibit "M".

4. SFS shall, through a competitive bidding or proposal process (consisting of the solicitation of bids or proposals from at least three contractors), engage a contractor (the "Contractor" referred to in this Section 11) for the construction of the 2011 Improvements in accordance with the Final Plans (the "Work" referred to in this Section 11). SFS shall have the right to prequalify contractors and to refuse to engage any contractor upon terms that are not commercially reasonable as determined by SFS or who is not determined by SFS to have submitted the best qualified bid or proposal. SFS's selection of any Contractor and the terms of the agreement between SFS and the Contractor (the "Contract" referred to in this Section 11) shall be subject to the approval of the County, which approval shall not be unreasonably withheld.

5. The Contract shall, *inter alia*, include the terms and conditions set forth in Exhibit "N" hereto and shall include each of the following requirements: (i) the furnishing of a public construction bond in a form consistent with Section 255.05, Florida Statutes, with the County named as co-obligee, and with terms acceptable to SFS; (ii) retainage in an amount acceptable to SFS for the Work, until the Completion of the Work (including a retainage of 10% of the total value of the construction contract); (iii) payment by the Contractor of liquidated damages equal to One Thousand Dollars (\$1,000.00) for each day from and after the Required Completion Date (if and as that term or its equivalent is defined in the Contract) until the actual date of Completion; (iv) a requirement that the Contractor perform and achieve Completion of the Work for a fixed stipulated sum (the "Fixed Contract Price" referred to in this Section 11), by no later than the Required Completion Date; (v) the furnishing of an "installation floater" insurance policy or such other policy of insurance covering goods in transit and while the Work is being performed, with terms, limits, coverages and specifications acceptable to SFS (and the furnishing by any subcontractors of policies of insurance that relate to the Work naming SFS, Club and the County as additional insureds, with terms, limits, coverages and specifications acceptable to SFS); (vi) at SFS's election, the provision on behalf of SFS of an Owner's Contractor Protective policy of insurance, including extensions for products and completed operations coverage and similar extended coverage at least through Completion (as defined herein) of the Work, or another policy of insurance acceptable to SFS, with SFS as a named insured; and (vii) Contractor must agree that



it will not receive payment for any portion of the Contractor's Work or any other amounts due until the date that is at least five (5) days after County has paid the amount due to SFS as set forth in Section 11(C)(9)(c) below. The County shall be named as a third party beneficiary in the Contract between the Contractor and SFS. The County shall, upon request, enter into a joinder to the Contract between the Contractor and SFS substantially similar to the joinder entered into by the County dated October 21, 2003 in connection with the Construction Contract dated as of August 1, 2003 between SFS and Rodda Construction, Inc.

6. SFS agrees to include the following provisions (or substantively equivalent provisions) in the Contract:

(a) Punchlist Procedures. Punchlist procedures to render the Work complete, satisfactory and acceptable are established as follows:

There shall be the development of a single checklist of items required to render complete, satisfactory, and acceptable, the construction services. Within twenty (20) days of Substantial Completion of the construction services purchased as defined in the Contract, Contractor shall schedule a walkthrough with SFS ("Initial Walkthrough" a/k/a "IW"). The purpose of the IW is to develop a checklist ("Checklist") of items to be performed by the Contractor, based upon observations made between the Contractor and SFS during the IW. The IW is to occur within twenty (20) days of Substantial Completion of the Work as defined by the Contract, again predicated upon the Contractor's timely initiation of a request for the IW.

No later than forty (40) calendar days after reaching Substantial Completion, Contractor shall again initiate and request a second walkthrough of the Project with SFS. The purpose of this second walkthrough is to identify which items remain to be performed from the IW Checklist and for the purpose of developing a single and Final Punchlist.

The intent of this section is for SFS and the Contractor to cooperate to develop a single Final Punchlist to be completed no later than sixty (60) calendar days from the date of reaching Substantial Completion of the construction services purchase as defined in the Contract. The single Final Punchlist shall be delivered no later than five (5) calendar days after the Punchlist has been developed and reviewed in accordance with this section. If the Construction services provided in this Contract relate to more than one building or structure, or involves a multi-phased project, the single Final Punchlist is required to render complete, satisfactory, and acceptable all the construction services for each building, structure, or phase of the Project and is due within the time periods set forth in this section.

In no event may the Contractor request payment of final retainage until the Contractor considers the Final Punchlist to be 100% complete.

Contractor agrees to complete the Final Punchlist items and the Final Contract Completion Date must be thirty (30) calendar days after the delivery date of the Final Punchlist. The failure to include any corrective work or pending items not yet completed on the list does not alter the responsibility of the Contractor to complete all the construction services purchased pursuant to this Contract.

Contractor acknowledges and agrees that no item contained on the Final Punchlist shall be considered a warranty item until such time as (a) the Final Punchlist is 100% complete, and (b) SFS has been able to operate or utilize the affected Punchlist item for an additional period of fifteen (15) days.

Contractor acknowledges and agrees that SFS may, at its option, during performance of the Work and prior to Substantial Completion, issue lists of identified non-conforming or corrective work for the Contractor to address. The Intent of any such generated list prior to Substantial Completion is to attempt to streamline the Punchlist process upon achieving Substantial Completion, and to allow for the Contractor to address needed areas of corrective work as they may be observed by SFS during performance of the Work.

Contractor acknowledges and agrees that SFS shall determine whether an item on the Final Punchlist is completed and shall calculate the amount of payment to withhold if an item is incomplete, with SFS having the right to withhold the greater of 150% of the value of the item on the Final Punchlist that is incomplete or the amount of the retainage under this Contract. Contractor acknowledges and agrees that in calculating the amount of payment that may be withheld by SFS as to any Final Punchlist item for which a good faith basis exists to determine that it is incomplete, SFS may, in calculating the amount equal to 150% of the value of the item (if SFS decides to withhold such amount rather than the amount of the retainage under this Contract), include within such percentage calculation its total costs for completing such item of work, including its administrative costs as well as costs to address other services needed or areas of work which may be affected in order to achieve full completion of the Final Punchlist item. Such percentage shall in no event relate to the schedule of value associated with such Work activity, but rather total costs are based upon the value (i.e. cost) of completing such Work activity based upon market conditions at the time of Final Punchlist completion.

(b) Deduction of Retainage Procedures. Contractor may request a reduction of retainage to from ten (10%) percent of the total value of the Contract to five (5%) percent after fifty (50%) percent completion of the Work. The term "Fifty Percent Completion" shall be defined as follows, in lieu of any other definition:

"Fifty Percent Completion" of the Work is defined as that point in time where 50% of the overall value of Work items incorporated and which will remain in place subsequent to final completion of the Work have been completed, based upon the schedule of values contained in the Contract. As such, and by way of example, the value of Contractors mobilization, general conditions, supervision or like items which do not involve permanent incorporation of Work do not apply to the determination of "Fifty Percent Completion" of the Work for purposes of establishing entitlement to a reduction of retainage.

(c) Definition of Substantial Completion. For purposes of this Contract, and for compliance of those procedures, duties and obligations, the term Substantial Completion shall be as follows, in lieu of any other definition:

"Substantial Completion" is defined as that point where SFS is able to enjoy beneficial occupancy of the Work and where the Work has achieved that level of completion such that SFS is able to utilize the entire Project for its intended purposes, including but not limited to the completion of all specified systems and items relating to life safety and regulatory use, with the exception of incidental and incomplete items except where a lack of completion of such incidental or incomplete items of Work will adversely affect the complete operation of other areas of the Work

(d) Subcontractors. In the event Contractor requires the services of any contractor or professional associate in connection with the Work to be performed under this Contract, the Contractor shall secure the written approval of SFS before engaging such contractor or professional associate. A subcontractor who receives payment must remit undisputed payment due to those subcontractors and suppliers within 7 days after subcontractor's receipt of payment.

7. County agrees that the Contractor shall not be considered an agent of SFS for any purpose and shall be solely responsible for the Contractor's Work, and that the County will look solely to the Contractor, and in no event to SFS, with respect to the performance of the Contractor's Work and any damages or losses which may arise from or out of any acts or omissions of the Contractor.

8. SFS shall have the right to purchase general construction liability insurance or other construction-related insurance acceptable to SFS, with terms, coverages, specifications and limits as determined by SFS as being reasonable in its sole discretion. The cost of such insurance shall be included in the Total Cost of the Work (as defined in this Section 11). County shall be an additional insured on such insurance policy, if any is purchased by SFS.

9. The fees and costs of the Contractor, the Architect and the remainder of the Total Cost of the Work shall be paid by the County in accordance with the procedures set forth in Section 11(C)(9), below, out of the 2011 Improvements Budget. The term "Total Cost of the Work" referred to in this Section 11 shall mean the sum of (i) the fees and expenses of the Architect in connection with all stages of the Architect's Work hereunder, including without limitation the Architect's consultants' fees and expenses, which fees and expenses shall not exceed \$230,000.00, and all fees and expenses related to the obtaining of permits needed to construct the 2011 Improvements, plus (ii) the Fixed Contract Price, plus (iii) the fees and expenses of any consultants engaged by SFS, [which fees and expenses shall not exceed \$120,000.00, plus (iv) any other costs, expenses or liabilities incurred by SFS as a consequence of SFS's engagement of the Contractor, Architect or other consultants hereunder, including but not limited to SFS's attorneys' fees in connection therewith, plus (v) the costs of all permits required for the Work, plus (vi) the premium cost of all insurance, including without limitation comprehensive general liability insurance, general construction liability insurance, Owner's Contractor Protective insurance, products and completed operations or other extended insurance, or other insurance acceptable to SFS, as SFS may elect to obtain, whether directly or through another person or entity acting on SFS's behalf, as a consequence of SFS's engagement of the Architect and Contractor hereunder (referred to in this Section 11 as the "Additional Exposure Liability Insurance Coverage Insurance Premiums"). The Total Cost of the Work shall be subject to increase only as a consequence of Authorized Change Orders (as defined in this Section 11), to the extent such Authorized

Change Orders actually increase the Total Cost of the Work, provided, however, that the County's obligations shall be limited to the 2011 Improvements Budget and (to the extent applicable under Sections 5(K) and 11(A)) the providing of monies from the Additional Improvements Budget. The Total Cost of the Work shall not include any other costs or fees whatsoever, including, without limitation, fees for construction, coordination, supervision or for review and approval of plans and specifications or proposed Change Orders by SFS or County, except as otherwise specifically set forth in this Agreement.

C. 2011 IMPROVEMENT FACILITIES - CONSTRUCTION

1. Promptly following the execution of the Contract and the issuance of all required approvals and permits, SFS shall cause the Contractor to commence the Work and to diligently and continuously pursue the Work to Completion. The term "Completion" as used in this Section 11 shall mean the completion of the Work, as evidenced by the issuance of a temporary or final certificate of occupancy or completion, as applicable, and the completion of all "punch-list" items.

2. County will cooperate in good faith to assist Architect and Contractor in obtaining all permits required for the construction of the Work from all applicable governmental authorities.

3. There shall be no change to the Final Plans, except pursuant to an Authorized Change Order (as such term is defined below). SFS shall have the right to request changes in the Work. As used in this Section 11, an "Authorized Change Order" shall mean a written instrument initiated and prepared by SFS and signed by County if required herein (or deemed approved as set forth herein), SFS and the Architect stating their agreement upon all of the following: (i) the agreed change in the Work; and (ii) the extent of the adjustment in the Total Cost of the Work, if any. County shall have a period of ten (10) business days following receipt of a request to approve a Change Order within which to review same. If County fails to respond within such ten (10) business day period after the receipt of the proposed Change Order, then such proposed Change Order shall be deemed approved provided, however, that in no event shall the County be obligated to pay any costs associated with Change Orders in the event such costs cause the Total Cost of the Work to exceed the 2011 Improvements Budget and the monies available in the Additional Improvements Budget (to the extent applicable under Sections 5(K) and 11(A)) without a separate written consent from the County identifying the additional funds to be provided. Such separate written consent shall not be deemed to have been provided by the County's failure to object to a Change Order. County shall not unreasonably withhold its consent to any proposed Change Order. County has the right to suggest Change Orders to SFS, and SFS agrees to consider each County request for a Change Order in good faith, provided that any Change Order proposed by County shall not have the effect of increasing the Total Cost of the Work, and to initiate an Authorized Change Order as set forth in this paragraph if SFS determines that such a Change Order is appropriate. Changes in the Total Cost of the Work due to an Authorized Change Order shall be limited to the actual net increase in the cost included in the definition of the Total Cost of the Work.

4. SFS and the County shall have the right to monitor the construction process of the 2011 Improvements at all times, provided that County shall not give direction, whether verbally or in writing or otherwise, to any Contractor, Architect or consultant engaged by SFS, except in an emergency situation. Without limiting the foregoing, the County hereby consents to the engagement by SFS of Sterling Project Development ("SPD") as a consultant, provided that SPD shall not charge any fee for its services, but SPD shall be reimbursed in full from the 2011 Improvements Budget

for all of its out-of-pocket expenses in connection with the provision of such services, including but not limited to the costs of travel, transportation, lodging and meals for SPD personnel in connection with the project and SPD's reasonable fees, costs and expenses related to the work of outside counsel in connection with the engagement of the Architect and the Contractor.

5. In the event of any contractual dispute between the parties hereto that (i) occurs before Completion (as defined in this Section 11) of the 2011 Improvements, and (ii) relates to the preparation and/or approval of the Conceptual Plans, Preliminary Plans, Final Plans or any Change Order for any Phase of the Work, SFS and County shall attempt in good faith to agree to the resolution of the disagreement and/or the curative measures, if any, that are required to be undertaken, and will submit the dispute to non-binding mediation in an effort to resolve the dispute if the parties are unable to reach a resolution without outside intervention. If the parties are unable to resolve such dispute through non-binding mediation, then the dispute shall promptly be resolved by arbitration pursuant to Section 38 in the Agreement on an expedited basis at the request of either party.

6. It shall be the responsibility of Architect and Contractor, as may be appropriate, to coordinate activities with interested governmental agencies in connection with the construction process.

7. The Contractor shall be responsible for the construction of the 2011 Improvements in accordance with the approved Final Plans and for obtaining all certificates of occupancy and completion so that the improvements can be used.

(a) The 2011 Improvement Schedule, which shall be Exhibit "O" hereto, shall show:

(i) The anticipated time of commencement and completion of each of the various operations to be performed under this contract; and,

(ii) The sequence and inter-relationship of each of these operations with the others and with those of other related contracts; and,

(iii) The estimated time required for fabrication or delivery, or both, of all materials and equipment for the Work.

(b) SFS shall not be responsible for the funding of the Work, nor shall it be obligated to pay for any cost overruns related to the planning, design or construction of the 2011 Improvements, whether due to hidden or unforeseen conditions or otherwise. County shall not be responsible for such cost overruns, except for providing monies from the Additional Improvements Budget to the extent applicable under Sections 5(K) and 11(A), without a separate written consent from the County identifying the additional funds to be provided.

(c) The 2011 Improvement Schedule shall be revised by SFS as and when needed. SFS shall provide the County with written notice in the event that any revision as to the 2011 Improvement Schedule changes the Required Completion Date (if and as that term or its equivalent is defined in the Contract).

8. The County shall issue the 2011 Improvement Bonds such that the portion of the proceeds of the 2011 Improvement Bonds that is not used to pay off the County's Tourist Development Tax Revenue Bond, Series 2003 and the County's Tourist Development Tax Taxable Revenue Bond, Series 2003C or to pay the costs of issuance of the 2011 Improvement Bonds equals \$3,000,000. Such \$3,000,000 in proceeds shall initially be distributed as follows: (a) \$2,750,000 to the 2011 Improvements Budget, and (b) \$250,000 to the County (the "County Share of Proceeds", together with the additional amounts added thereto pursuant to Section 11(C)(9)(e)(ii)). The County Share of Proceeds shall be used by the County for the following purposes, in each case so as to provide material benefit to SFS to be enjoyed by SFS during the Initial Term and the first Option Term and for no other purpose: (i) to purchase certain equipment, as described on Exhibit "P" hereto (the "2011 Equipment"), to be used solely in connection with and for the direct benefit of the Sports Complex, and (ii) to pay for improvements to the Sports Complex. Promptly after execution of the Second Amendment to St. Lucie Sports Complex Facilities Use Agreement, but in any event not later than October 1, 2011, the County shall deposit the entire amount of the funds that comprise the 2011 Improvements Budget in an interest bearing account, in the name of the County, designated (and referred to in this Section 11) as the "2011 Improvement Account," and all interest thereon shall be added to the 2011 Improvements Budget. The County will issue bonds in an amount sufficient to generate \$2,750,000 of funding for the 2011 Improvements Budget, as provided for in this Section 11. Notwithstanding any provision in the Second Amendment to the contrary, the County shall have no obligation to provide funds for the 2011 Improvements Budget in excess of the \$2,750,000 provided with the proceeds of the County's 2011 Improvement Bonds without the express written consent of the County identifying the additional funds provided, provided that the foregoing shall not be construed to limit the use of monies from the Additional Improvements Budget toward the 2011 Improvements in accordance with Sections 5(K) and 11(A) to the extent applicable.

9. County shall disburse funds from the 2011 Improvement Account, as follows, provided that in no event shall County be responsible for disbursing funds in excess of the 2011 Improvements Budget for the Total Cost of the Work (except for funds from the Additional Improvements Budget, to the extent the Total Cost of the Work in connection with the 2011 Improvements exceeds the 2011 Improvements Budget):

(a) Within twenty (20) business days following SFS's delivery to County of an invoice for the Additional Exposure Liability Coverage Insurance Premiums, County shall pay to SFS the entire amount of such invoice;

(b) Within twenty (20) business days following SFS's delivery to County of an invoice from the Architect with respect to the Architect's Work, County shall pay to SFS the full amount of such invoice, which payment SFS will then forward to Architect within five (5) days of SFS's receipt thereof from County;

(c) Within twenty (20) business days following SFS's delivery to County of an invoice from the Contractor (which invoice shall reflect the applicable retainage), accompanied by the Required Documents (as such term is defined below), County shall pay to SFS the full amount of such invoice, which payment SFS will then forward to Contractor within five (5) days of SFS's receipt thereof from County. The term "Required Documents" referred to in this Section 11 means: (i) an affidavit from the Contractor certifying that the invoice is true and correct; (ii) a partial lien waiver from the Contractor for the full amount of the current invoice and partial lien waivers from all

subcontractors, materialmen and others who have filed Notices to Owner with respect to all Work through the date of the prior invoice; (iii) a certificate from Architect stating that the portion of the Work described in such invoice has been completed in accordance with the Final Plans; and (iv) in connection with the final disbursement to the Contractor (A) a final lien waiver from the Contractor and from all subcontractors, materialmen and others who have filed Notices to Owner and (B) a final certificate of occupancy or a certificate of completion, as may be applicable;

(d) Within twenty (20) business days following SFS's delivery to County of any invoices from any consultants engaged by SFS and/or with respect to any other costs, expenses or liabilities incurred by SFS pursuant to or as described in Section 11(B)(9) of this Agreement, County shall pay to SFS the full amount of such invoices; and

(e) Upon Completion:

(i) to the extent that \$2,500,000.00 exceeds the Total Cost of the Work in connection with the 2011 Improvements other than the Fan Shop Expansion (with the amount of such excess hereafter referred to as the "Excess 2011 Improvement Budget Funds"), the Excess 2011 Improvement Budget Funds shall be added or devoted to the Additional Improvements Budget (as such term is defined in Section 5(K)); and

(ii) to the extent that the Fan Shop Sub-Budget portion of the 2011 Improvements Budget exceeds the Total Cost of the Work in connection with the Fan Shop Expansion, the excess shall be added to the County Share of Proceeds described above in Section 11(C)(8)."

7. **AMENDMENT OF SECTION 15(B) OF THE FUA**

The FUA is hereby amended by deleting the chart that appears in Section 15(B)(1) thereof and replacing it with the following:

<u>TERM</u>	<u>ANNUAL PAYMENT</u>
First Six (6) years (2003-2008)	\$50,000.00
Next Five (5) years (2009-2013)	\$55,000.00
Final Five (5) years (2014-2018)	\$60,000.00
First Option Term (2019-2023)	\$65,000.00
Second Option Term (if any) (2024-2028)	\$70,000.00

Third Option Term (if any)      \$75,000.00"  
(2029-2033)

8.      **AMENDMENT OF SECTION 19 OF THE FUA**

The FUA is hereby amended by deleting paragraph (a) and subparagraph (b)(i) within the second paragraph of Section 19 of the FUA and replacing it with the following:

“(a)      A series of semi-annual payments tied to the County's schedule of debt service payments in connection with the 2011 Improvement Bonds (excluding \$505,000 of principal and costs of issuance in connection with the Series 2011A Bond), as reflected on the 2011 Debt Service Schedule attached as Exhibit “J” hereto. Such payments, referred to herein as the “Debt Service Payments,” shall be made by SFS to the County on each “Period Ending” date referenced in the first column of Exhibit “J” hereto that follows the effective date of the termination of this Agreement. The amount of the Debt Service Payment due on each such post-termination “Period Ending” date shall be an amount equal to (x) the “Total Debt Service Payment” in the last column of Exhibit “J” hereto corresponding to the “Period Ending” date in question, multiplied by (y) the Debt Service Percentage. The “Debt Service Percentage” as used in this Section 19 or Section 25, as applicable, shall be 100%, provided that if the number of the Major League Baseball Clubs who play spring training home games within the Florida East Coast (as defined below) or in the city of Orlando, Florida drops below four (4) clubs (including the New York Mets Major League Baseball Club) through no fault of SFS, then instead the “Debt Service Percentage” shall be: (i) 100% if the Agreement is terminated effective as of December 31 of any year from 2012 through 2016 (or, for purposes of Section 25, assigned on or before December 31, 2016); (ii) 75% if the Agreement is terminated effective as of December 31, 2017 (or, for purposes of Section 25, assigned during the 2017 calendar year); (iii) 65% if the Agreement is terminated effective as of December 31, 2018 (or, for purposes of Section 25, assigned during the 2018 calendar year); (iv) 55% if the Agreement is terminated effective as of December 31, 2019 (or, for purposes of Section 25, assigned during the 2019 calendar year); (v) 45% if the Agreement is terminated effective as of December 31, 2020 (or, for purposes of Section 25, assigned during the 2020 calendar year); (vi) 35% if the Agreement is terminated effective as of December 31, 2021 (or, for purposes of Section 25, assigned during the 2021 calendar year); or (vii) 25% if the Agreement is terminated effective as of December 31, 2022 (or, for purposes of Section 25, assigned during the 2022 calendar year); and in any event there shall be no Debt Service Payments due if this Agreement is terminated under this second paragraph of Section 19 (or assigned under Section 25) after December 31, 2022. As used herein, “Florida East Coast” means the following counties in the State of Florida: Brevard, Indian River, St. Lucie, Martin, Palm Beach and Broward; and

(b)      (i)      Subject to subparagraph (b)(ii) below and the last sentence of this Section 19(b)(i), one lump-sum payment equal to the full amount of the Premium (as defined below), which payment shall be paid not later than five (5) business days following the effective date of the termination of the Agreement. The “Premium” as used herein shall be (i) one million dollars (\$1,000,000) if such termination occurs as of or before December 31, 2007, (ii) nine hundred thousand dollars (\$900,000) if such termination occurs as of December 31, 2008, (iii) eight hundred thousand dollars (\$800,000) if such termination occurs as of December 31, 2009, (iv) seven hundred thousand dollars (\$700,000) if such termination occurs as of December 31, 2010, (v) six hundred thousand dollars (\$600,000) if such termination occurs as of December 31, 2011, (vi) five hundred thousand dollars (\$500,000) if such termination occurs as of December 31, 2019, (vii) four hundred thousand dollars



(\$400,000) if such termination occurs as of December 31, 2020, (viii) one hundred thousand dollars (\$100,000) if such termination occurs as of December 31, 2021, and (ix) zero dollars (\$0) if such termination occurs after December 31, 2021. Notwithstanding the foregoing, if the number of the Major League Baseball Clubs who play spring training home games within the Florida East Coast (as defined above) or in the city of Orlando, Florida drops below four (4) clubs (including the New York Mets Major League Baseball Club) through no fault of SFS, the "Premium" shall be zero dollars (\$0), regardless of the date of termination of this Agreement."

9. **AMENDMENT OF SECTION 25 OF THE FUA**

The FUA is hereby amended by deleting the third and fourth sentences of Section 25 of the FUA and replacing them with the following four sentences:

"Subject to the approval of the County, which approval may not be unreasonably withheld, conditioned or delayed, SFS may assign all of its rights and obligations pursuant to this Agreement to an owner or operator of another Major League Baseball club, provided that SFS shall pay to County a series of semi-annual payments tied to the County's schedule of debt service payments in connection with the 2011 Improvement Bonds (excluding \$505,000 of principal and costs of issuance in connection with the Series 2011A Bond), as reflected on the 2011 Debt Service Schedule attached as Exhibit "J" hereto. Such payments, referred to herein as the "Debt Service Payments," shall be made by SFS to the County on each "Period Ending" date referenced in the first column of Exhibit "J" hereto that follows the effective date of the assignment of this Agreement pursuant to the immediately preceding sentence of this Section 25. The amount of the Debt Service Payment due on each such post-assignment "Period Ending" date shall be an amount equal to (x) the "Total Debt Service Payment" in the last column of Exhibit "J" hereto corresponding to the "Period Ending" date in question, multiplied by (y) the Debt Service Percentage (as defined in Section 19 above). Upon SFS's assignment of this Agreement and all of its rights and obligations hereunder, all of SFS's duties and obligations under this Agreement shall terminate and cease to be of any further force or effect as of the effective date of the assignment and the County shall look solely to the assignee for performance of the duties and obligations under this Agreement thereafter (provided that the Debt Service Payments and Premium due under Section 19 of this Agreement and the Debt Service Payments due under Section 25 of this Agreement shall be \$0 in the event of any subsequent termination or assignment of this Agreement)."

10. **AMENDMENT OF SECTION 27 OF THE FUA**

The FUA is hereby amended by deleting Section 27 thereof and replacing it with the following:

"27. **AMENDMENTS.**

The provisions of this Agreement may not be amended, supplemented, waived or changed orally, but only in a writing signed by the parties hereto and making specific reference to this Agreement. In addition, this Agreement may not be amended without MLB Approval (as that term is defined in Section 39 of this Agreement)."

11. **AMENDMENT OF SECTION 39 OF THE FUA**

The FUA is hereby amended by deleting Section 39 thereof and replacing it with the following:

**"39. SUBSERVICENCE.**

A. Notwithstanding any other provision of this Agreement, this Agreement and any rights or exclusivities granted by SFS hereunder shall in all respects be subordinate to the MLB Rules and Regulations and the Minor League Rules and Regulations. The issuance, entering into, amendment or implementation of any of the MLB Rules and Regulations or the Minor League Rules and Regulations shall be at no cost or liability to any MLB Entity or to any individual or entity related thereto. The territory within which County is granted rights is limited to, and nothing herein shall be construed as conferring on County rights in areas outside of, the Spring Training territory of the New York Mets as established and amended from time to time. No rights, exclusivities or obligations involving the Internet or any interactive or on-line media (as defined by the applicable MLB Entities) are conferred by this Agreement, except as are specifically approved in writing by the applicable MLB Entities.

B. The following defined terms apply to this Section 39:

"Major League Baseball" or "MLB" means, depending on the context, any or all of (a) the BOC, each other MLB Entity and/or all boards and committees thereof, including, without limitation, Executive Council and the Ownership Committee, and/or (b) the Major League Clubs acting collectively.

"Major League Baseball Club" or "Major League Club" means any professional baseball club that is entitled to the benefits, and bound by the terms, of the Major League Constitution.

"Major League Constitution" means the Major League Constitution adopted by the Major League Clubs (which amended and superseded the Major League Agreement dated January 1, 1975, the Agreement in re Major Leagues Central Fund dated as of December 8, 1983, as amended, and the respective constitutions of the former American and National Leagues of Professional Baseball Clubs) as the same may be amended, supplemented or otherwise modified from time to time in the manner provided therein and all replacement or successor agreements that may in the future be entered into by the Major League Clubs.

"MLB Approval" means, with respect to the Major League Baseball Clubs, the Commissioner, the BOC or any other MLB Entity, any approval, consent or no-objection letter required to be obtained from such Person(s) pursuant to the MLB Rules and Regulations (as exercised in the sole and absolute discretion of such Person(s)).

"MLB Entity" means each of the BOC, Major League Baseball Enterprises, Inc., Major League Baseball Properties, Inc., The MLB Network, LLC, MLB Advanced Media, L.P., and/or any of their respective present or future affiliates, assigns or successors.

"MLB Governing Documents" means the following documents as in effect from time to time and any amendments, supplements or other modifications thereto and all replacement or successor documents thereto that may in the future be entered into: (a) the Major League Constitution, (b) the Basic Agreement between the Major League Baseball Clubs and the Major League Baseball Players Association, (c) the Professional Baseball Agreement between the BOC, on behalf of itself and the Major League Baseball Clubs, and the National Association of Professional Baseball Leagues, on behalf of the National Association (the "Professional Baseball Agreement"), (d) the Major League Rules (and all

attachments thereto), (e) the Interactive Media Rights Agreement, effective as of January 20, 2000, by and among the BOC, the various Major League Baseball Clubs, MLB Advanced Media, L.P. and various other MLB Entities and (f) each agency agreement and operating guidelines among the Major League Baseball Clubs and any MLB Entity, including, without limitation, the Amended and Restated Agency Agreement, effective as of November 1, 2006, by and among Major League Baseball Properties, Inc., the various Major League Baseball Clubs and the BOC (and the Operating Guidelines related thereto).

"MLB Rules and Regulations" means (a) the MLB Governing Documents, (b) any present or future agreements or arrangements entered into by, or on behalf of, the BOC, any other MLB Entity or the Major League Baseball Clubs acting collectively, including, without limitation, agreements or arrangements entered into pursuant to the MLB Governing Documents, and (c) the present and future mandates, rules, regulations, policies, practices, bulletins, by-laws, directives or guidelines issued or adopted by, or behalf of, the Commissioner, the BOC or any other MLB Entity as in effect from time to time.

"BOC" means the Office of the Commissioner of Baseball, an unincorporated association comprised of the Major League Clubs who are party to the Major League Constitution, and any successor organization thereto.

"Commissioner" means the Commissioner of Baseball as elected under the Major League Constitution or, in the absence of a Commissioner, any Person succeeding to the powers and duties of the Commissioner pursuant to the Major League Constitution.

"Minor League Rules and Regulations" means (a) the National Association Agreement and the Constitution and Bylaws of each Minor League as in effect from time to time and any amendments, supplements or other modifications thereto and all replacement or successor documents thereto that may in the future be entered into, and (b) the present and future mandates, rules, regulations, policies, practices, bulletins, by-laws, directives or guidelines issued or adopted by, or behalf of, each Minor League or the National Association as in effect from time to time.

"National Association" shall have the meaning ascribed to it in the Professional Baseball Agreement.

"National Association Agreement" means the Constitution and By-Laws of the National Association.

"Minor League" shall mean each Minor League (as that term is defined in the Major League Rules) of which a Minor League Club (as that term is defined in the Major League Rules) that plays its home games at the Sports Complex is a member or to which such a Minor League Club otherwise belongs.

"Person" means any individual, corporation, partnership, association, limited liability company, joint venture, trust, estate, joint stock company or other similar organization, government or political subdivision thereof, or any other person or entity, including, without limitation, the Major League Baseball Clubs, the Commissioner, the BOC, and each other MLB Entity."

12. ADDITION OF EXHIBITS TO THE FUA

Exhibit J to the FUA shall be deleted and replaced with Exhibit J attached to this Amendment. Exhibits K through P attached to this Amendment shall be added to the FUA as Exhibits K through P thereto.

13. Except as amended herein, the remaining terms and conditions of the FUA shall remain in full force and effect.

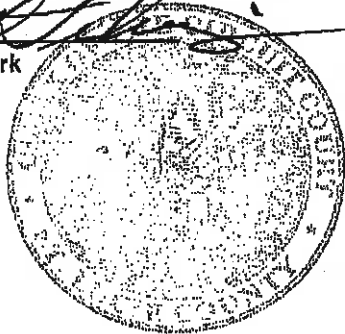
14. SFS REVERSION RIGHT

If County does not fully and timely fund the 2011 Improvements Budget as contemplated in Section 6 of this Amendment (amending Section 11 of the FUA), then SFS shall have the right, by the giving of written notice, to void and nullify this Amendment (except as it amends Sections 27 and 39 of the FUA, as set forth in Sections 10 and 11 of this Amendment, and except for this Section 14 of this Amendment) and to restore the FUA to the terms that existed in the absence of this Amendment immediately prior to the execution and delivery hereof (except that the amendments to Sections 27 and 39 of the FUA, as set forth in Sections 10 and 11 of this Amendment, and this Section 14 of this Amendment, shall remain in full force and effect).

IN WITNESS WHEREOF, the parties have executed and delivered this Amendment as of the date first set forth above, as follows:

ATTEST:

  
Deputy Clerk



BOARD OF COUNTY COMMISSIONERS  
ST. LUCIE COUNTY, FLORIDA

BY:   
Chairman

Date signed: September 27, 2011

APPROVED AS TO FORM AND  
CORRECTNESS:

BY:   
County Attorney

WITNESSES:

\_\_\_\_\_  
\_\_\_\_\_

STERLING FACILITY SERVICES, L.L.C.  
a New York limited liability company

BY: 

Name: David C. Howard  
Title: Senior Vice President

Date signed: September 30, 2011

STATE OF FLORIDA  
COUNTY OF ST. LUCIE

The foregoing instrument was acknowledged before me this 27<sup>th</sup> day of September 2011, by  
CHRIS as CRAFT of the St. Lucie County Board of  
County Commissioners.

Charlene A. Furtado  
Notary Public, State of Florida  
My Commission Expires:  
Personally known  OR Produced

Identification



STATE OF FLORIDA New York  
COUNTY OF ST. LUCIE Queens

The foregoing instrument was acknowledged before me this 30<sup>th</sup> day of September 2011  
by David C. Howard as Senior Vice President of STERLING FACILITY SERVICES, L.L.C.,  
a New York limited liability company.

Jama B. Denniston  
Notary Public, State of Florida New York  
My Commission Expires:  
Personally known  OR Produced

Identification

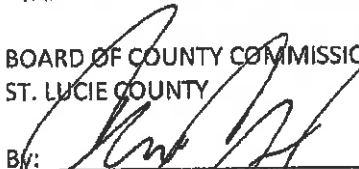
JAMES B. DENNISTON  
NOTARY PUBLIC, State of New York  
No. 02DE6194466  
Qualified in Queens County  
Commission Expires September 29, 2012

TABLE OF EXHIBITS


Exhibit J	2011 Debt Service Schedule
Exhibit K	List of 2011 Improvements
Exhibit L	Architect's Contract Requirements (2011 Improvements)
Exhibit M	Final Plans and Specifications (2011 Improvements)
Exhibit N	Contractor's Contract Requirements (2011 Improvements)
Exhibit O	2011 Improvement Schedule
Exhibit P	List of 2011 Equipment

TABLE OF EXHIBITS ACKNOWLEDGED AND APPROVED:

BOARD OF COUNTY COMMISSIONERS  
ST. LUCIE COUNTY

By:   
Print Name: CHRIS CRAFT  
Title: Chairman

STERLING FACILITY SERVICES, L.L.C.

By:   
Print Name: DAVID C. HOWARD  
Title: Senior Vice President

**EXHIBIT J**  
**2011 DEBT SERVICE SCHEDULE**

<u>Period Ending</u>	<u>Series 2011B Debt Service (refinanced 2003C)</u>	<u>Series 2011A Debt Service (refinanced 2003)</u>	<u>Series 2011A Debt Service ("New Money")</u>	<u>Total Debt Service Payment</u>
5/1/2012	\$28,324.41	\$44,520.12	\$34,935.45	\$107,779.98
11/1/2012	\$119,163.00	\$267,979.25	\$209,802.75	\$596,945.00
5/1/2013	\$22,590.75	\$35,253.75	\$27,669.75	\$85,514.25
11/1/2013	\$127,590.75	\$275,253.75	\$217,669.75	\$620,514.25
5/1/2014	\$20,853.00	\$32,409.75	\$25,418.25	\$78,681.00
11/1/2014	\$130,853.00	\$277,409.75	\$220,418.25	\$628,681.00
5/1/2015	\$19,032.50	\$29,506.50	\$23,107.50	\$71,646.50
11/1/2015	\$129,032.50	\$279,506.50	\$223,107.50	\$631,646.50
5/1/2016	\$17,212.00	\$26,544.00	\$20,737.50	\$64,493.50
11/1/2016	\$132,212.00	\$281,544.00	\$220,737.50	\$634,493.50
5/1/2017	\$15,308.75	\$23,522.25	\$18,367.50	\$57,198.50
11/1/2017	\$135,308.75	\$288,522.25	\$223,367.50	\$647,198.50
5/1/2018	\$13,322.75	\$20,382.00	\$15,938.25	\$49,643.00
11/1/2018	\$138,322.75	\$290,382.00	\$225,938.25	\$654,643.00
5/1/2019	\$11,254.00	\$17,182.50	\$13,449.75	\$41,886.25
11/1/2019	\$141,254.00	\$292,182.50	\$228,449.75	\$661,886.25
5/1/2020	\$9,102.50	\$13,923.75	\$10,902.00	\$33,928.25
11/1/2020	\$139,102.50	\$298,923.75	\$230,902.00	\$668,928.25
5/1/2021	\$6,951.00	\$10,546.50	\$8,295.00	\$25,792.50
11/1/2021	\$141,951.00	\$300,546.50	\$233,295.00	\$675,792.50
5/1/2022	\$4,716.75	\$7,110.00	\$5,628.75	\$17,455.50
11/1/2022	\$144,716.75	\$302,110.00	\$240,628.75	\$687,455.50
5/1/2023	\$2,399.75	\$3,614.25	\$2,844.00	\$8,858.00
11/1/2023	\$147,399.75	\$308,614.25	\$242,844.00	\$698,858.00

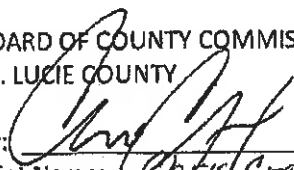
The column above headed "Series 2011A Debt Service ("New Money")" intentionally shows the debt service payments for only \$2,515,000.00 of the principal of the Series 2011A Bond. The balance

of the debt service payments for the Series 2011A Bond, corresponding to an additional \$500,000 of "New Money" and \$5,000 of costs of issuance related thereto, is intentionally omitted from this Exhibit J.

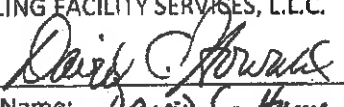
County acknowledges that SFS is relying upon preliminary debt service schedules provided by the County in the creation of this Exhibit J, and that such reliance is reasonable. If the final debt service schedules for the 2011 Improvement Bonds (which the County shall provide to SFS promptly upon their creation) differ from the preliminary debt service schedules, then, at the election of SFS, this Exhibit J shall be revised to reflect the final debt service schedules for the 2011 Improvement Bonds (subject to the first paragraph below the table in this Exhibit J), utilizing the same approach as was used to create this Exhibit J based upon the preliminary debt service schedules.

EXHIBIT "J" ACKNOWLEDGED AND APPROVED:

BOARD OF COUNTY COMMISSIONERS  
ST. LUCIE COUNTY

By:   
Print Name: Chris Craft  
Title: Chairman

STERLING FACILITY SERVICES, L.L.C.

By:   
Print Name: David C. Howard  
Title: Senior Vice President



**EXHIBIT K**

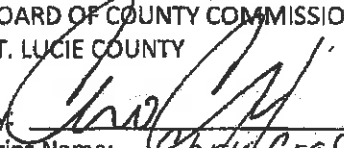
**LIST OF 2011 IMPROVEMENTS**

<b><u>PRIORITY #</u></b>	<b><u>DESCRIPTION</u></b>
1	<b>RIGHT FIELD EXPANSION</b> Additional Seating Party Deck w/Concession Area Restroom Facilities Storage Facilities
2	<b>VIDEO BOARD REPLACEMENT</b> LED Video Display
3	<b>FAN SHOP EXPANSION</b>

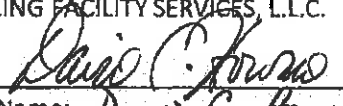
**Note:** To the extent that any portion of the 2011 Improvements Budget is not spent on the above-listed 2011 Improvements, such unspent portion shall be distributed to the Additional Improvements Budget and/or the County Share of Proceeds in accordance with Section 11(C)(9)(e) of this Agreement.

**EXHIBIT "K" ACKNOWLEDGED AND APPROVED:**

BOARD OF COUNTY COMMISSIONERS  
ST. LUCIE COUNTY

By:   
Print Name: Chris Craft  
Title: Chairman

STERLING FACILITY SERVICES, L.L.C.

By:   
Print Name: David C. Howard  
Title: Senior Vice President

## EXHIBIT L

### ARCHITECT'S CONTRACT REQUIREMENTS (2011 IMPROVEMENTS)

The Architect's Contract shall, *inter alia*, contain terms and conditions with generally the same substance as the following two paragraphs:

Periodically during the construction process, at such times as reasonably determined by SFS and County, the Architect will observe the conduct of construction of the Initial Term Improvements and notify County and SFS in writing of observed deficiencies in the Work being deemed completed (including deficiencies which preclude the Work being deemed completed), notify the County and SFS of any item not in strict accordance with the final plans, and otherwise create a punchlist of minor finishing and adjustment in any other items which the Contractor has not finally completed in strict accordance with the final plans. Failure to include an item on the punchlist will not diminish the responsibility of the Contractor to complete the work in accordance with the final plans.

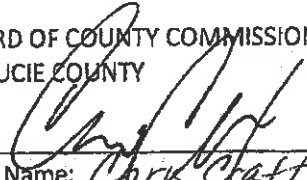
The Architect will use commercially reasonable efforts based upon prudent standards in the architecture industry to monitor and observe the construction of the Work in order to ensure that the Work is constructed in accordance with the final plans and on schedule. The Architect will, to the extent requested by SFS, conduct regular meetings with SFS and with the County or its designee and other appropriate parties to assist SFS in verifying that all Work is being performed according to the Final Plans and any authorized change orders. The Architect will prepare meeting minutes after such meeting and submit same to the County and SFS, regarding the status of construction, including any material variance from the Final Plans and/or schedule of which Architect is aware.

The Architect's Contract shall also require the Architect to procure a policy or policies of insurance that relate to the Work at least as favorable to SFS as the following (subject to applicable policy exclusions, conditions and terms such as aggregates and deductibles, among others):

- a. Liability Insurance. Commercial general liability insurance with limits of not less than \$1,000,000 per occurrence/\$2,000,000 aggregate. The policy shall be written on a per occurrence basis.
- b. Workers' Compensation and Employers Liability Insurance. Workers' Compensation and Employers Liability insurance in accordance with New York statutory requirements.
- c. Umbrella Liability Insurance. Umbrella or excess liability coverage at not less than a \$1,000,000 limit.
- d. Architects Professional Liability Insurance. Architects Professional Liability Insurance at not less than a \$2,000,000 limit.

EXHIBIT "L" ACKNOWLEDGED AND APPROVED:

BOARD OF COUNTY COMMISSIONERS  
ST. LUCIE COUNTY

By:   
Print Name: Chris Craft  
Title: Chairman

STERLING FACILITY SERVICES, L.L.C.

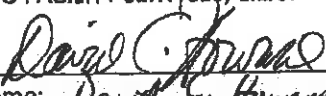
By:   
Print Name: David C. Howard  
Title: Semior. Vice President

EXHIBIT M

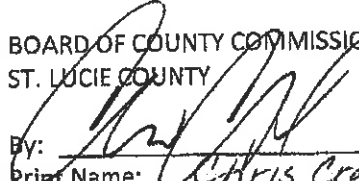
FINAL PLANS AND SPECIFICATIONS (2011 IMPROVEMENTS)

The following is the Table of Contents for the Final Plans for the 2011 Improvements, including a list of the applicable drawings and specifications. The Final Plans are in the possession of St. Lucie County. Dates indicated are the dates printed on each document submitted to the County by the Architect.


[INSERT TABLE OF CONTENTS]

EXHIBIT "M" ACKNOWLEDGED AND APPROVED:

BOARD OF COUNTY COMMISSIONERS  
ST. LUCIE COUNTY

By:   
Print Name: Chris Craft  
Title: Chairman

STERLING FACILITY SERVICES, L.L.C.

By:   
Print Name: David C. Howard  
Title: Senior Vice President

**EXHIBIT N**

**CONTRACTOR'S CONTRACT REQUIREMENTS (2011 IMPROVEMENTS)**

The Contract between SFS and the Contractor shall, *inter alia*, contain terms and conditions with generally the same substance as the following two paragraphs:

The Work will, as of the completion of same, be constructed and installed in a good and workmanlike manner, in material conformity with the final plans and in accordance with applicable federal, state and local laws, ordinances and building and zoning codes and requirements of all public authorities. In addition, the Work will be constructed under the supervision and control of a certified general contractor; the Contractor shall achieve completion of the Work on or before the required completion date, subject to force majeure events and SFS delay; and the Contractor will cause the Work to be completed for a cost that shall not exceed the fixed contract price, subject only to increases due to authorized change orders.

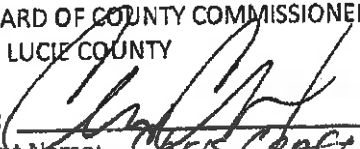
SFS will be entitled to enforce all warranties from all contractors and manufacturers on behalf of SFS to the extent such warranties are not fully in favor of the County. Without cost to SFS, the Contractor will repair, replace, restore or rebuild any work included in the Work to the extent that such Work contains defects in materials or workmanship or to which damage has occurred because of such defects.

The Contract between SFS and the Contractor shall also require the Contractor to procure a policy or policies of insurance that relate to the Work at least as favorable to SFS as the following (subject to applicable policy exclusions, conditions and terms such as aggregates and deductibles, among others):

- a. **Liability Insurance.** Commercial general liability insurance with limits of not less than \$1,000,000 per occurrence/\$2,000,000 aggregate. The policy shall be written on a per occurrence basis.
- b. **Workers' Compensation and Employers Liability Insurance.** Workers' Compensation and Employers Liability insurance in accordance with Florida statutory requirements.
- c. **Automobile Liability Insurance.** Automobile liability coverage with limits of not less than \$1,000,000 each accident, combined single limit for bodily injury or death and property damage.
- d. **Umbrella Liability Insurance.** Umbrella or excess liability coverage at not less than a \$10,000,000 limit.

EXHIBIT "N" ACKNOWLEDGED AND APPROVED:

BOARD OF COUNTY COMMISSIONERS  
ST. LUCIE COUNTY

By:   
Print Name: CHRIS CRAFT  
Title: Chairman

STERLING FACILITY SERVICES, L.L.C.

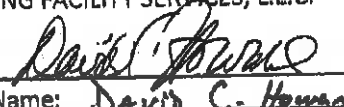
By:   
Print Name: David C. Howard  
Title: Senior Vice President

EXHIBIT O

2011 IMPROVEMENT SCHEDULE

See attached document dated as being issued July 14, 2011, entitled:

**St. Lucie Mets Stadium Expansion, Port St. Lucie, Florida, Overall Project Schedule**

and

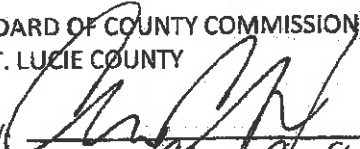
See attached document dated September 16, 2011, entitled:

**Project: St. Lucie Mets Preliminary Sch**

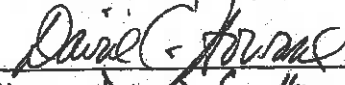
Note: The 2011 Improvement Schedule is subject to change as preliminary schedules are finalized, as schedules are developed for the 2011 Improvements to the extent not reflected on the attached documents, and as the result of Change Orders.

EXHIBIT "O" ACKNOWLEDGED AND APPROVED:

BOARD OF COUNTY COMMISSIONERS  
ST. LUCIE COUNTY

By:   
Print Name: Chris Craft  
Title: Chairman

STERLING FACILITY SERVICES, L.L.C.

By:   
Print Name: David C. Howard  
Title: Senior Vice President





For Question Regarding this schedule please contact:  
 Jason Bellinhead - Project Manager - Daktronics, Inc.  
 P: 605.892.0200 ext 57672  
 Email: jason.bellinhead@daktronics.com

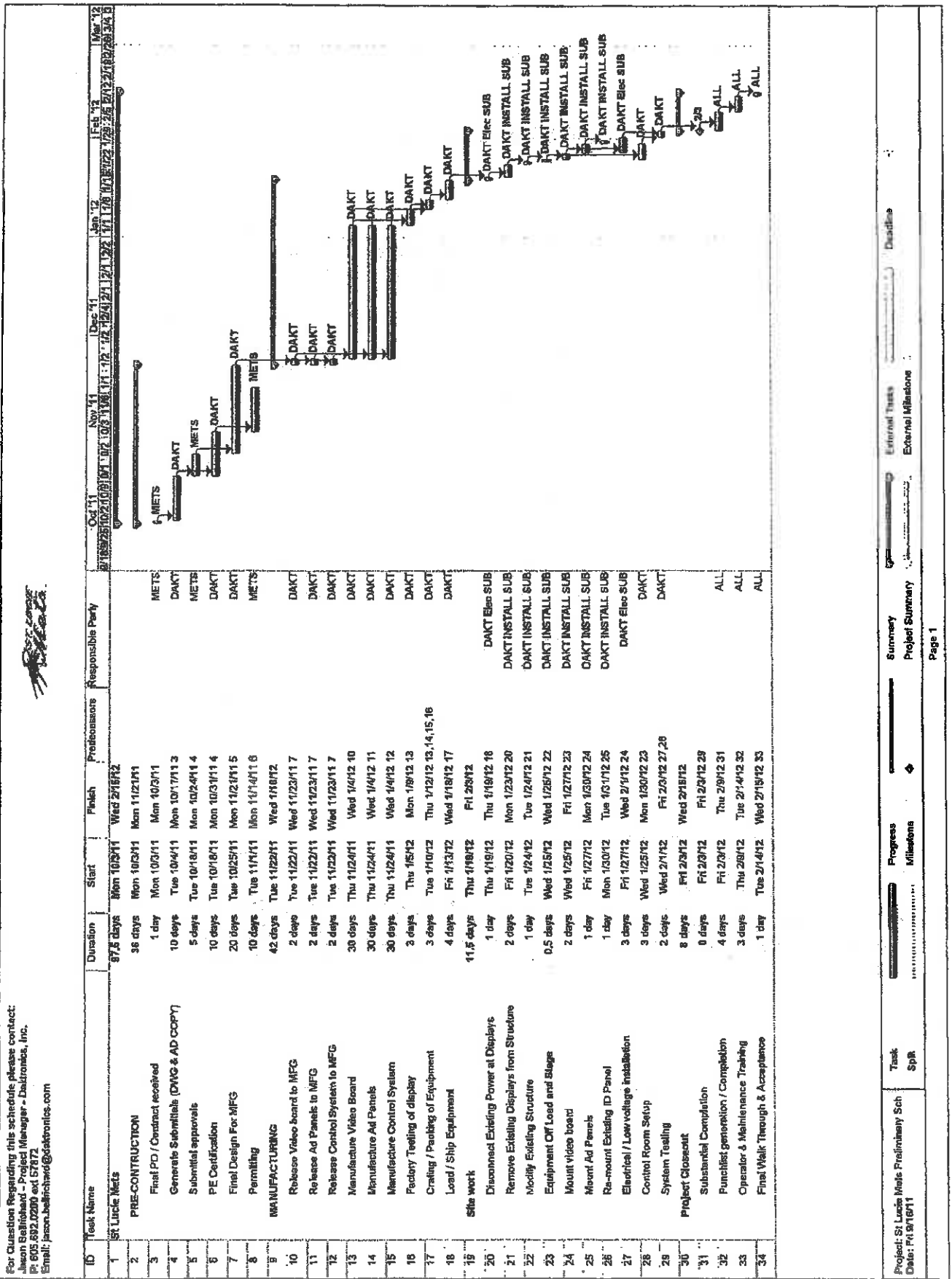


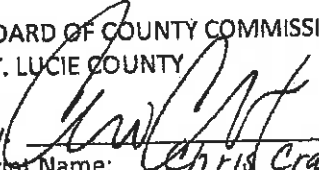
EXHIBIT P

LIST OF 2011 EQUIPMENT

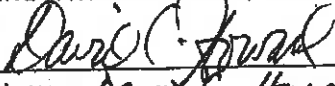
<u>Quantity</u>	<u>Equipment</u>	<u>Estimated Cost</u>
1	Mower – Toro walk-behind	\$6,500
1	Top Dresser – Spinner Type	\$11,700
1	Aerator – tow behind	\$8,000
1	Roller	\$12,750
1	Field Conditioner – Dragger	\$15,800
1	Fertilizer Spreader	\$3,500
1	Mower – Greenmaster	\$7,500
1	Utility Cart	\$17,500
4	Ice Machines	\$22,000
1	Sod Cutter	\$4,200
1	Public Address System	\$9,000
4	Food Warmer	\$13,200
2	Convection Steamer	\$10,600
1	Scoreboard Computer System	\$9,500
1	Reel Master Mower	\$38,500
2	Hydroworx Liner	\$20,000
1	Draft Beer System	\$37,500
2	Walk-in Freezers	\$50,000
	Musco Green Stadium Sports Lighting w/control link	\$450,000

EXHIBIT "P" ACKNOWLEDGED AND APPROVED:

BOARD OF COUNTY COMMISSIONERS  
ST. LUCIE COUNTY

By:   
Print Name: Chris Craft  
Title: Chairman

STERLING FACILITY SERVICES, L.L.C.

By:   
Print Name: David C. Howard  
Title: Senior Vice President

BOARD OF  
COUNTY  
COMMISSIONERS



PARKS, RECREATION,  
and FACILITIES  
Edward R. Matthews  
Director

August 25, 2014

Re: Annual Report to the Florida Department of Economic Opportunity for the St. Lucie County Sport Complex, a State Spring Training Facility (New York Mets) under Section 288-11621, Florida Statutes

Item #4: Cost benefit analysis of the New York Mets' impact on St. Lucie County

A 29-page 2012 Study by the University of Michigan: *The Economic Value of Spring Training and St. Lucie County - Insights Into A Strategy For Long-Term Success and The Return To Investments Into New Infrastructure*. The study revealed that based on the total attendance of 80,377 at the Sport Complex, the local economic impact of the New York Mets on St. Lucie County is **\$35.6 million**. Additionally, this operation created 365 job opportunities.





*The University of Michigan Center for Sport Management  
School of Kinesiology 1402 Washington Heights Ann Arbor, MI 48109  
(734) 647 1309*

**Dr. Mark S. Rosentraub**  
**Bruce and Joan Bickner Endowed Professor of Sport Management**

**Mr. Michael Cantor, Research Associate**

**The Economic Value of Spring Training and St.  
Lucie County**

**Insights Into A Strategy For Long-Term Success  
and The Return To Investments Into New  
Infrastructure**

**February 2013**

## I. Introduction

Spring training and the related baseball operations of Major League Baseball (MLB) teams produce valuable economic returns for regional economies. The challenge for communities seeking to sustain spring training operations is to adapt to the changing business environment of spring training baseball.

What is the new business environment for spring training baseball?

MLB teams need to reduce the commute times between their spring training homes and the areas where other teams train. It is easier to achieve that goal by having an additional franchise co-locate adjacent to another organization's training facilities. Both teams can then also use a single ballpark for exhibition games. These co-located franchises can then schedule games between their major league and minor league teams further reducing commuting times for players.

These changes eliminate travel costs but also respond to the demands from players who want to spend more time preparing for the forthcoming season and less time in busses that shuttle between training sites and ballparks. This change in the business requires different training complexes and facilities that can serve more than one team. This frequently means new investments in infrastructure. The fundamental questions for communities and states are, "Are these new investments worthwhile", and "What is the appropriate way to finance any needed investments?" This report is designed to answer both of these questions.

The economic benefit from the presence of spring training games and operations accrues throughout a home county or region's private sector. The presence of spring training operations attracts visitors who spend money at restaurants and hotels. There is also important local spending from a team's presence related to facility operations, baseball operations, and the expenditures by players. That spending generates additional jobs and income for a county's residents and new businesses opportunities for existing firms and entrepreneurs.

As will be underscored, the spending by residents of the region – or even visitors from other nearby regions – does not produce real economic gains. To determine the value of spring training for a county or region the focus must be on the new spending that takes place as a result of tourists. It is those gains that have to be compared and contrasted with the investments to attract and retain a team's spring training operations.

It is not surprising that new economic development often requires investments in infrastructure. What is defined as infrastructure and what is considered an

appropriate investment for the public sector to advance private initiatives while also propelling the wealth of society, has changed across the centuries. For example, investments in public health systems, junior and senior high schools, universities, and other forms of higher education are phenomena of the late 19<sup>th</sup> and 20<sup>th</sup> century. In earlier time periods and continuing to the present is the public sector's involvement with investments in transportation from roads to canals to efforts to build commuter and freight transport systems, and modern highway systems.

The growth and value of tourism, sports, and the entire entertainment sector of the economy in the late 20<sup>th</sup> and 21<sup>st</sup> centuries has encouraged infrastructure investments to advance businesses at the center of those industries. Those investments are in many ways no different from ones made earlier. The basic questions that each investment raises, regardless of its magnitude, is, "What is the financial gain or return from the investment by the government," and "Who benefits from the government's investment?"

With those insights, plans and strategies can be fashioned to pay for the infrastructure needed for economic development and the growth of a local and regional economy. The importance of raising these two questions is to ensure that the beneficiaries of the investments are appropriately assessed for the costs of the benefits received.

It is also important and appropriate for the public sector to receive an adequate return on its investment. The financial return to the public sector can be secured through increased taxes resulting from enhanced property values or new sales taxes (where those taxing instruments are used). Enhancements to a county's economy have the substantial potential to enhance property, sales, and income taxes as more spending takes place and incomes rise. Additional spending also leads to higher property taxes from more robust demand for real estate.

This report is designed to measure the value from enhanced infrastructure investments to advance the success and economic gains from spring training baseball and baseball operations of Major League teams located in St. Lucie County. Where appropriate, points related to the issues confronting the State of Florida with regard to the industry of spring training baseball are also considered. An essential element in a consideration of the infrastructure needed is to understand the ways in which the business of spring training has changed, and the economic benefits that could be derived from the presence of a second (or co-located) team adjacent to the complex where the New York Mets train and play exhibition games. Most importantly, however, before any investment is contemplated, the economic

benefits from a second team's presence must be enumerated. The basic issue that must be addressed when any public investments is made is the value of the return to the local economy.

Following this Introduction, the changing business environment for spring training is discussed. It should not be surprising to anyone that the business of spring training baseball has changed. Every enterprise or industry is dynamic and over time has been substantially revolutionized. Baseball is no different, and before discussing the potential benefits and economic returns of a second team in St. Lucie County the factors that lead to the need to have a second team in the county for the long-term viability of spring training on Florida's east coast are explained in Section II. That material establishes the basis for a consideration of the infrastructure needed to sustain the viability of spring training baseball in St. Lucie County. The changing economics of the business of spring training baseball also impact Florida. If these changes are not appreciated it is likely spring training baseball will have a diminished presence on Florida's east coast and might even economically infeasible to sustain.

Section III updates a previous assessment of the economic value of spring training baseball to St. Lucie County. An updated detailed assessment for Florida is contained in Appendix I. That additional information is needed to consider the benefits that other counties and Florida enjoy as a result of the success of spring training baseball in St. Lucie County.

The assessment of the changing business models associated with spring training baseball suggests the importance of focusing on the additional economic value from having two Major League teams housed at the spring training complex that exists in St. Lucie County. That estimate is included in Section III of this report.

Section IV identifies the infrastructure required to sustain spring training baseball in St. Lucie County and an estimate of the required investment. Two teams co-locating in St. Lucie County would need independent training fields, facilities, and clubhouses. Both teams, however, could schedule their inter-franchise exhibition games to permit use of a single ballpark with the current seating of 7,000. The costs for the needed infrastructure are then compared with the economic returns to project a return on the investment. Three cost estimates are contrasted with different repayment periods for the anticipated bonds.

Section V focuses on different financing instruments that could be used to repay the bonds sold to pay for the needed infrastructure.



## II. The Changing Business of Spring Training

Spring training has been a part of Major League Baseball's (MLB) history for more than 125 years. In 1886 the team that would be renamed the Chicago White Sox trained in Arkansas before the initiation of competition that year. There is also some evidence that a baseball team from Boston trained in New Orleans a few years earlier.

Pre-season training as it is currently practiced was a phenomenon of the 20<sup>th</sup> century. Before Florida established its central role in spring training baseball, teams trained in California. Arizona was also home for the training operations of at least one team as early as 1929. Arizona and California formed a competitive environment or market and competed to be the home for spring training baseball in the years between World Wars I and II. For most of that time and through the 1980s, however, Florida enjoyed a dominant or more successful position. What is important to recognize is that Arizona (and to a far smaller extent, California) were always competitors for spring training baseball.

Through the 1980s it appeared that the Cactus League would be the spring training home to a few teams and that Florida would be the preferred location for spring training baseball for most franchises. In the 1990s, however, the spring training environment was dramatically changed when several teams relocated to Maricopa County. New financial incentives and the close proximity of other teams made the Cactus League a major competitor for spring training operations and challenged Florida's dominant position.

Florida's earlier role as MLB's primary home for spring training operations did not mean that teams always stayed in one part of the state. Indeed, many teams relocated to different communities in response to enhanced facilities or in an effort to minimize expenses, increase revenues, or provide players with better facilities and conditions. No team that is or was part of the Grapefruit League has ever spent its entire spring training history within the same community in Florida.<sup>1</sup> There was, then, a degree of competition among cities and towns in Florida to be the home to a Major League team's spring training operations, but the State continued to enjoy a commanding position with regard to the number of teams that were part of the Grapefruit League.

Why and how did Arizona become a more desirable location? Each team would probably note a number of business factors that were of paramount importance. It is even possible that the personal preferences of owners or team officials accounted for some of the observed relocations. What is most relevant for this report however, are two business factors.

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<sup>1</sup> The Florida Senate Interim Report 2009-106

First, a major determining factor in the choice of any location for a business or sports franchise is minimizing the costs of business operations. Arizona was able to help reduce the costs of spring training baseball to Major League teams by establishing the Arizona Sports and Tourism Authority (AZSTA). The AZSTA was given the authority to levy taxes that could be used to pay for the building of facilities used by Major League teams. Local communities partnered with AZSTA to offer MLB franchises new facilities for their spring training operations paid for by the tax revenues collected.

The new taxes made it possible for teams to receive access to state-of-the-art facilities that involved substantial investments by the public sector. This made Arizona very attractive as teams could enjoy these modern facilities while reducing operational costs. Some examples of the packages offered to teams are illustrated in Table 1. The few projects described in Table 1 illustrate how the AZSTA has been instrumental in attracting and retaining franchises in the Cactus League. Table 1 illustrates the total cost of the construction/renovation of spring training for facilities, and the portion of funding from the AZSTA. It is anticipated that across three decades the taxes collected by the AZSTA will produce \$400 million to build and maintain facilities used by Cactus League teams located in Maricopa County.

**Table 1. The Financing of Facilities for Franchises In The Cactus League**

City	Team (s)	Year of		Project Costs (\$M)	
		Agreement	Completion	Total	AZSTA Share
<b>Surprise</b>	Texas Rangers, Kansas City Royals	2001	2002	\$48	\$32
<b>Tempe</b>	Los Angeles Angels	2004	2006	\$20	\$12
<b>Scottsdale</b>	S. F. Giants	2005	2007	\$23	\$20
<b>Goodyear</b>	Cleveland Indians	2007	2009	\$75	\$37
<b>Glendale</b>	Chicago White Sox, L. A. Dodgers	2007	2009	\$90	\$60

Source: AZSTA Documents; AZSTA 2011 Audit Report < [http://www.azsta.com/pdf\\_files/audit%20reports/2011%20Final%20Audit%20Report%20AZSTA%2028064.pdf](http://www.azsta.com/pdf_files/audit%20reports/2011%20Final%20Audit%20Report%20AZSTA%2028064.pdf)>

The city of Mesa has recently agreed to a set of infrastructure enhancements. The City will finance a new ballpark for the Chicago Cubs and renovate HoHokam Stadium for the Oakland A's. In addition, Mesa will upgrade practice and minor

league baseball facilities. The public sector's investment in these projects is estimated to be approximately \$100 million.

The second factor or appeal of the Cactus League is the geographic concentration of teams leading to (1) far shorter commutes for teams to other training facilities for exhibition games and (2) a large concentration of teams to minimize the number of games with any other single franchise. The close proximity of numerous teams reduces the travel time to games and that is an important factor to players. There is then a clear incentive for teams to locate spring training operations in areas where there are a number of teams nearby for exhibition games.

The attractiveness of Maricopa County is then underscored by the tax incentives available and the close proximity of numerous teams. There are currently 15 Cactus League teams in the Phoenix metropolitan area and within a single county, Maricopa.<sup>2</sup>

Tables 2 and 3 compare the drive times for each franchise within both the Cactus and Grapefruit Leagues to other franchises.

The average drive time for teams in the Grapefruit League is 129 minutes. In the Cactus League, average drive times are almost 100 minutes less.

Analyzing the drive teams for each team based upon their 2012 spring training schedule shows the average Grapefruit League drive time was 101 minutes compared to 31 minutes for the Cactus League. Across a full spring training schedule this means teams in the Cactus League spend at minimum 19 hours less traveling. The imputed cost of remaining in the Grapefruit League is equal to more than two to three days of practice time. In addition, the prevalence of dual team facilities (which will be further discussed) creates the opportunity for "road" games with no travel time involved. This management factor has now changed the competitive framework in favor of locations in Arizona and specifically in Maricopa County.

Simply put, it is more efficient to locate in Arizona than it is in Florida.

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<sup>2</sup> The Arizona Diamondbacks and Colorado Rockies play within Maricopa County, but on the community land of Salt River Pima-Maricopa Indian Community.

**Table 2. Average Travel Time For Members of the Grapefruit League**

<i><b>Grapefruit League</b></i>	Braves	Orioles	Red Sox	Tigers	Astros	Marlins	Twins	Mets	Yankees	Phillies	Pirates	Cardinals	Rays	Jays	Nationals
Atlanta Braves	X														
Baltimore Orioles	119	X													
Boston Red Sox	178	89	X												
Detroit Tigers	40	86	147	X											
Houston Astros	28	133	187	54	X										
Miami Marlins	163	199	177	180	140	X									
Minnesota Twins	179	90	11	147	188	177	X								
New York Mets	130	186	179	148	108	45	178	X							
New York Yankees	76	68	139	45	92	215	145	183	X						
Philadelphia Phillies	95	68	141	64	111	234	145	202	26	X					
Pittsburgh Pirates	107	20	100	75	123	202	105	188	49	51	X				
St. Louis Cardinals	163	199	177	180	140	0	177	46	217	235	199	X			
Tampa Bay Rays	153	54	55	121	169	191	63	177	104	106	65	191	X		
Toronto Blue Jays	103	81	153	75	123	245	158	214	38	14	66	245	122	X	
Washington Nationals	70	176	236	97	63	115	230	76	137	155	162	115	213	166	X
<b>Average</b>	115	112	141	104	119	163	142	147	110	118	108	163	127	129	144
<b>2012 Team Average</b>	98	75	127	91	98	126	110	105	101	82	72	125	95	93	121

Source: Google Maps

**Table 3. Average Travel Time For Members of the Cactus League**

<i>Cactus League</i>	Diamondbacks	Cubs	White Sox	Reds	Indians	Rockies	Royals	Angels	Dodgers	Brewers	A's	Padres	Giants	Mariners	Rangers	
Arizona Diamondbacks	X															
Chicago Cubs	19	X														
Chicago White Sox	43	40	X													
Cincinnati Reds	50	47	23	X												
Cleveland Indians	50	47	23	0	X											
Colorado Rockies	0	19	41	47	47	X										
Kansas City Royals	49	59	27	35	35	49	X									
Los Angeles Angels	22	19	30	36	36	22	50	X								
Los Angeles Dodgers	40	37	0	18	18	40	25	30	X							
Milwaukee Brewers	34	30	17	24	24	34	36	24	13	X						
Oakland A's	19	16	28	34	34	19	48	12	27	22	X					
San Diego Padres	35	48	24	37	37	35	29	45	21	31	42	X				
San Francisco Giants	14	18	35	40	40	14	55	18	34	28	10	43	X			
Seattle Mariners	35	48	24	37	37	35	29	45	21	31	42	0	46	X		
Texas Rangers	49	59	27	35	35	49	0	52	25	33	49	26	56	26	X	
Average	33	36	27	33	33	32	33	38	25	27	29	32	32	33	33	37
2012 Season Average	34	34	27	33	30	33	36	28	25	27	28	32	32	34	35	

Source: Google Maps

### III. The Economic Impact of Spring Training for St. Lucie County

Any new investments by St. Lucie County or Florida in facilities to attract and retain spring training operations have to be justified by (1) the economic value or impact of spring training for the County, (2) the changing business environment for spring training operations for MLB teams, and (3) the competitive landscape (the Cactus League and the AZSTA and the quality of facilities needed by teams).

The previous sections of this report highlighted the investments being made to attract Major League teams to Arizona and the reduced commuting distances between franchises that have decided to join the Cactus League. Those incentives and the need to ensure that there are nearby teams establishes the competitive parameters to which St. Lucie County and Florida must respond if both wish to retain spring training baseball. Before considering whether or not an investment in the needed infrastructure should be made what is required is a sense of the value of the New York Mets to St. Lucie County and Florida or any MLB team and its spring training operations.

This section of the report focuses on the value of spring training baseball for St. Lucie County. These data and the calculated rate of return for the County and its economy will assist in the business decisions that the public and private sectors and its leadership must make with regard to the area's future with spring training baseball.

The analysis presented here focuses on the gains for the County from spending *only* by visitors. It is necessary to eliminate the expenditures made by residents from any estimation of the economic value of spring training baseball to St. Lucie County. Residents of the county would in the absence of spring training games still spend most if not all of their discretionary income on other forms of entertainment available to them throughout the area.<sup>3</sup> Economic impact studies that include the spending of local residents at events fail to take into account that attending a sporting event is simply one of the many entertainment options available to consumers in their home areas. Money spent on any of these options creates the same level of economic activity as attending at a spring training game.

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<sup>3</sup> In the absence of games residents would still spend their discretionary income on other forms of entertainment. Some of that spending might have been spent in other regions or states if trips elsewhere were taken. While that is possible it is far more likely that discretionary spending for spring training games is a form of entertainment that would be replaced by other forms of entertainment in the local market. The transfer of spending from one form of entertainment to another by local residents is usually referred to as a substitution effect that should be eliminated from the value or wealth created by any new form or alternative form of entertainment.

The real economic value to St. Lucie County and the State of Florida in hosting spring training is the extent to which the spending that occurs at the facilities is done by non-residents who would most likely *not* visit the area had spring training games not been available.

The 2009 Major League Baseball Florida Spring Training Impact Study produced by Florida Sports Foundation and Bonn Marketing Research Group surveyed more than 1600 attendees to spring training across Florida. That study produced a reliable data set of the number of attendees at spring training games that were not permanent or temporary (recurring) residents of an area or the State of Florida.

(The economic value of spring training baseball for Florida is contained in Appendix I. Similar procedures were used and what are reported are the gains from tourists. All spending by residents of Florida were removed from the projection of benefits to the State of Florida. The projection of benefits that would accrue to each county considered spending from tourists residing outside of the county.)

Our economic impact calculations utilized data from the 2009 survey done by the Florida Sports Foundation and Bonn Marketing Research Group. We applied those data or observations to the 2012 spring training attendance levels. That procedure produced an updated and precise estimate of the most recent spending in the area by the expected proportion of attendees who were non-residents of the region (tourists or visitors to the area). In addition to attendee spending, the money expended by teams in the local economy was included as were the expenses associated with the operation of the ballpark and training facilities (actual, and not estimated expenditures, were utilized for St. Lucie County). Expenditures by concessionaires were also included in our calculations.

Together, these figures represent the *direct* spending that occurs as a result of spring training operations and events. Regional Input-Output Modeling System (RIMS II) coefficients (or multipliers) issued by the U.S. Bureau of Economic Analysis were used to calculate the *indirect*, and *induced* effects that result from the observed or tabulated direct spending that occurs at spring training sites.

Our approach to calculating the economic value (or worth of spring training to a community and the state) is a bit different from the procedures followed by the authors of the 2009 study in one very important way. The 2009 study made the methodological decision to count spending by “non-county” attendees to spring training games in the measurement of economic development effects for Florida. Our approach is a bit more conservative as it considers inter-regional consumption as a substitution effect recognizing that people visit other areas within Florida for entertainment or to spend discretionary income for a variety of activities (e.g., retail

spending, weekend visits, etc.). Our measure of economic gain or impact is limited to non-residents and is thus more conservative. This approach was taken to be sure that the gains reported are the smallest or “worst case scenario” increments that St. Lucie County could anticipate.

Attendance at 2012 spring training games is illustrated in Table 4. The New York Mets hosted 15 games during the 2012 spring training season attended by 80,377 fans. Average game attendance was 5,358 (see Table 4).

**Table 4. Grapefruit League Attendance, 2012**

<i>Team</i>	<i>Total Attendance</i>	<i>Home Games</i>	<i>Average Attendance</i>
<i>Atlanta Braves</i>	127,321	17	7,489
<i>Baltimore Orioles</i>	106,398	15	7,093
<i>Boston Red Sox</i>	151,417	16	9,464
<i>Detroit Tigers</i>	134,899	17	7,935
<i>Florida Marlins</i>	126,961	16	7,935
<i>Houston Astros</i>	56,379	14	4,027
<i>Minnesota Twins</i>	117,506	16	7,344
<i>New York Mets</i>	80,377	15	5,358
<i>New York Yankees</i>	162,832	15	10,855
<i>Philadelphia Phillies</i>	153,493	16	9,593
<i>St. Louis Cardinals</i>	85,857	13	6,604
<i>Tampa Bay Rays</i>	87,916	16	5,495
<i>Toronto Blue Jays</i>	76,008	16	4,751
<i>Washington Nationals</i>	73,206	15	4,880
<i>Pittsburgh Pirates</i>	82,390	15	5,493
<b>TOTAL</b>	<b>1,622,960</b>	<b>232</b>	<b>6,996</b>

Based on these attendance figures and using the expenditure survey results from the 2009 study, the total economic gain for **St. Lucie County from out-of-town visitors in 2012 was \$35.6 million.**<sup>4</sup>

<sup>4</sup> See Appendix I for calculations



The *direct* expenditures associated with the spending by out of county attendees and the operational costs of conducting spring training in St. Lucie County was estimated to be approximately \$24.6 million. The \$24.6 million in direct expenditures created an indirect and induced impact on earnings of approximately \$11 million, for total economic impact of \$35.6 million. **In addition the annual operations of spring training in St. Lucie County generated a total of 365 jobs.**<sup>5</sup>

The economic impact of spring training for the State of Florida was estimated at approximately \$739 million, with the direct expenditures by out of state attendees accounting for \$451 million. Those funds created an additional *indirect* and *induced* impact on household earnings of \$287million while supporting **9,226 jobs each season** (see Appendix I).

The next step in our analysis was a consideration of the impact of adding a second team in St. Lucie.

In order to take an extremely conservative approach to the outlook on the impacts of a second team to St. Lucie we assumed that a second franchise in St. Lucie County would have attendance levels on par with the lowest average attendance currently seen in the Grapefruit League. This produces a worst-case projection of the sort usually included in financial projections.

In addition our estimate kept the operating expenditures consistent with the figures St. Lucie County provided for the most recent season of operations.

An increase in operating expenses would take place if a second team located at the same site used by the New York Mets. A conservative approach provides St. Lucie County with an appropriate (worst-case scenario) of financial outcomes.

**The annual economic impact of a two-team spring training complex to the St. Lucie County regional economy is estimated to be approximately \$62.3 million.**

Direct expenditures would account for \$43.2 million, generating an *indirect* and *induced* impact on household earnings of \$19 million, supporting a total of 640 jobs.

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<sup>5</sup> See Appendix I for calculations

Our estimates suggest that the “worst-case” scenario in terms of Grapefruit League attendance for the additional team in St. Lucie would have an annual incremental impact of \$18.6 million in direct expenditures, \$8 million impact on household earnings, and an additional 275 jobs in comparison with a New York Mets only facility.

#### **IV. The Infrastructure Needed To Host Two MLB Teams in St. Lucie County**

The improvements required for a second team to be co-located at the spring training complex in St. Lucie County are listed in Table 5. The costs associated with each element of the required infrastructure including those associated with the required environmental remediation tasks will total approximately \$60 million. These cost estimates were provided in January 2013 (see Table 5).

**Table 5. Pt. St. Lucie - Second Team Budget**

Description	Costs	Notes
Major League Clubhouse (under existing Stadium Bowl)	\$3,500,000	
Major League Secure Player / Staff Parking Lot	\$250,000	
New Practice Fields	\$4,250,000	
New Cloverleaf Building	\$750,000	
New Enclosed Batting Cages	\$1,500,000	
New Minor League / Player Development Clubhouse	\$4,500,000	
Site Development Improvements	\$6,550,000	Lake Excavation,
Hydro Therapy pool/ Hot Tubs and other wet therapy.	\$1,250,000	Renovation of Wetlands
Player Academy @ \$83,000 per bed	\$16,600,000	200 beds
Mets Minor League Facility Improvements	\$2,500,000	Equipment, whirlpools,
All Clubhouse movable furniture & equipment in interior spaces	\$300,000	
Maintenance equipment - tractors, mowers, etc.	\$450,000	
Practice Screens, batting cages, field tarps, pitching machines, etc..	\$500,000	
Video Coaching equipment and related conduit	\$500,000	
Training room equipment	\$300,000	
Telephone equipment - Switch, phones, etc.	\$385,000	
Security system	\$125,000	(50)
TV's, brackets and installations	\$1,500,000	
Stadium Improvements	\$150,000	
Mets parking and infrastructure improvements		
<b>Sub - Total</b>	<b>\$45,860,000</b>	

Program Contingency	\$4,586,000	10%
Design Contingency	\$2,522,300	5%
Soft Costs	\$6,885,879	13% Arch., Eng., Testing, Inspections, etc.
<b>Grand Total</b>	<b>\$59,854,179</b>	

The annual costs for the investment of \$60 million are illustrated in Table 6. An interest rate of 4 percent was used for each bond and annual payments are illustrated for terms of 10 to 30 years.<sup>6</sup> The corresponding annual payments are then compared to the annual increment to the County's economy from the presence of a second MLB team. The last column illustrates the annual return to the County's economy from the presence of a second MLB after subtracting the annual bond payment. Suffice to note that the annual return on the investment to the County's economy is more than \$20 million regardless of the term of the bond (see Table 6).

It should be noted that the benefits used in this calculation **excludes** any economic benefit or return from the continued presence of the New York Mets. As noted earlier in the report the changing nature of the business of spring training baseball requires co-located teams and reduced travel times to the ballparks used by other clubs. If a second team is not co-located in St. Lucie County and if other teams left the immediate east coast area of Florida, it is possible the entire economic benefit produced by the Mets' presence could be lost.

That possibility and its economic consequence **are** not included in the enumeration of the return on the investment in infrastructure required for the second team's presence. Those benefits, enumerated earlier in the report, were excluded to provide an appropriately conservative appraisal on the returns produced by the second team's co-location to the County. That co-location, however, could well ensure the long-term commitment of the Mets to the area and the resulting continuation of the benefits enumerated in Section III.

**Table 6. The Annual Return To The St. Lucie County Economy From The Presence of A Second MLB Team and Its Spring Training Operations**

<i>Loan Principal</i>	<i>Interest Rate</i>	<i>Bond Term</i>	<i>Annual Payment</i>	<i>Increment From 2nd Team</i>	<i>Annual Return To County's Economy</i>
<b>\$60,000,000</b>	4.00%	10	\$7,289,650	\$28,600,000	\$21,310,350
<b>\$60,000,000</b>	4.00%	15	\$5,325,753	\$28,600,000	\$23,274,247
<b>\$60,000,000</b>	4.00%	20	\$4,363,058	\$28,600,000	\$24,236,942
<b>\$60,000,000</b>	4.00%	25	\$3,800,425	\$28,600,000	\$24,799,575
<b>\$60,000,000</b>	4.00%	30	\$3,437,390	\$28,600,000	\$25,162,610

<sup>6</sup> It is recognized that different financing terms could be secured. The focus on worst-case possibilities illustrates the worst-case scenarios for a return on any investment in new infrastructure. The next section of the report focuses on funding mechanisms that could reduce the scale of the anticipated bond and that would elevate the return to St. Lucie County (as some portion of the cost of the infrastructure would be supported by the State of Florida).

## V. Paying For The Needed Infrastructure

A very conservative enumeration of the anticipated benefits produced and a short-term bond (10 years) illustrated the substantial returns for the County's overall economy. For every dollar invested \$2.92 dollars of economic development will be produced in St. Lucie County. The economic practicality of the return does not include the longer-term value of changing the environment for spring training baseball on Florida's east coast. Without more teams in close proximity to each other and without reduced travel times between locations for spring training games, Florida's east coast could be a less efficient location compared to Arizona. Co-location of teams clearly reduces commuting times and responds to players' concerns and a team's need to efficiently use spring training days for skill development. If Florida does not adjust policies and practices to meet the needs of MLB teams the long-term viability of spring training on Florida's east coast will be compromised.

Co-locating teams in St. Lucie County and reducing travel time for teams will enhance Florida and its east coast as a location for spring training baseball. The investment to bring a second team to St. Lucie County would help ensure the continued presence of spring training baseball on the east coast of Florida while also increasing economic returns for the state and other nearby counties.

This set of economic benefits underscores the value of exploring a set of financing mechanisms. The goal of this assessment avoids the reliance on an increment in local property taxes in order to finance the needed infrastructure. Given the broad distribution of the benefits from the presence of a second team in St. Lucie County there is logic in the use of a broad tax instrument paid by all households and businesses in the region's economy. Placing the entire burden of financing the needed infrastructure on a tax instrument that is paid by everyone, however, would be unpopular. Many people and businesses would argue their benefit from the presence of a second team does not warrant an increase in their tax responsibilities. There appear to be some other options that could be considered to finance the needed infrastructure.

In March 2007 St. Lucie County was certified to receive funds from the State of Florida (supported by the Chapter 212 funds). The law permitting this support was designed to protect Florida's competitiveness as a location for spring training baseball and the facility used by the New York Mets was designated as one necessary to retain the team's spring training operations. The agreement entered into authorized the county to receive \$7.9 million for 2003/2004 improvements across a 30-year term.

In addition, beginning in 2000 Florida has dedicated a source of state general revenue funds to ten local governments to support the construction and/or renovation of ballparks and facilities related to spring training games and operations.

Five certifications were made in 2000.

- The City of Lakeland was chosen to receive \$7 million across 15 years for a facility for the Detroit Tigers
- The City of Dunedin was certified to receive \$10 million across 20 years for a facility for the Toronto Blue Jays
- Indian River County was chosen to receive \$15 million across 30 years to help pay for facilities for the Los Angeles Dodgers. The Dodgers, have however since chosen to relocate to Maricopa County, Arizona.
- Osceola County was certified to receive \$7.5 million across 15 years for a facility for the Houston Astros.
- Clearwater was the last local government certified in 2000 and \$15 million was dedicated, again across 30 years for facilities for the Philadelphia Phillies.

The second five certifications were awarded as part of the 2006 amendment to the authorization.

- Charlotte County will receive \$15 million across 30 years for facilities for the Tampa Bay Rays
- Bradenton will \$15 million across 30 years for facilities for the Pittsburgh Pirates;
- Fort Lauderdale will receive \$15 million across 30 years for facilities that were to be used by the Baltimore Orioles. When the Orioles chose to move to Sarasota (see below) the City was left without a team. It is unclear whether or not Fort Lauderdale is interested in retaining another franchise, thus opening the potential for its decertification.
- Sarasota was chosen to receive \$15 million across 30 years for a facility that was to be the spring training home of the Cincinnati Reds. When the Reds chose to relocate to Maricopa County, Arizona the Baltimore Orioles selected Sarasota for their spring training home.
- St. Lucie County will receive \$7.9 million across 30 years to help pay for facilities for the New York Mets

As noted, both Indian River County and Fort Lauderdale are without spring training tenants.



Florida currently restricts the number of local governments that can be certified to receive financial support under this program to 10. In the event a team decides to move from one Florida municipality to another, funds cannot be used to aid in the relocation (within the state) without the consent of the local government that is losing the franchise.

It is possible that the Houston Astros will be vacating their facility in Kissimmee and that the Washington Nationals will choose to locate their spring training center in the city. If that were to occur Osceola County would not be decertified as a recipient of funds from Florida.

That would leave two potential certifications to be committed in order to retain a franchise. Indian River County has yet to replace the Dodgers since they relocated to Maricopa County, Arizona, and Fort Lauderdale has yet to find a tenant to replace the Orioles.

At the current time Florida's law permits a municipality to apply for one certification. Such a policy is not appropriately designed to respond to the ways in which the business of spring training baseball has changed. Would it be possible to amend the existing law to permit St. Lucie County to apply for a second certification in an effort to ensure that a second team located in the county? That second certification would then better align St. Lucie County and the east coast of Florida with the changing economics of the business of spring training baseball.

As part of any potential financing plan for renovations to the spring training facilities in St. Lucie County the County should apply to the state for an increase in the amount of Chapter 212 distributions it receives. St. Lucie County currently uses the Chapter 212 distribution of \$7.9 million to support the infrastructure that was already built to serve the New York Mets. The additional funds would be requested to (1) facilitate the changes needed to the complex to co-locate a second team and (2) modernize the existing facilities to permit the Mets to remain in the area.

A second certification that could lead to the attraction of a second franchise to the County could qualify for as much as \$15 million to be used to build training facilities needed by a second team that committed to a 30-year lease.

St. Lucie County collects a tourist development tax (5 percent). Based upon the conservative attendance projections made for a second St. Lucie County team the County can expect to collect approximately \$370,000 each year in new tourist

taxes.<sup>7</sup> In addition there should be at least a \$175,000 annual increment in local option sales taxes. This means the County should anticipate at least \$545,000 each year in new local taxes based on the expenditures of those tourists attending games involving the team co-located at spring training complex. These revenue streams could be invested in the infrastructure needed to produce the economic benefits produced by the presence of the second team for the County's residents and businesses.

These new revenue streams, however, are insufficient to support the building of the facilities needed for the presence of the second team despite the economic benefits produced by the team and its location in St. Lucie County. As a result, to secure the projected benefits, additional revenues will be necessary.

Could Florida permit St. Lucie County to be certified to be a second recipient of funds from its other program in recognition of the presence of a second team? If that approval were received between \$7.5 million and \$15 million could be secured to help pay for the needed facilities (depending the length of term the second team was willing to accept). The second certification would create a valuable state and local government partnership to align Florida's policies and practices with the changing business environment for spring training baseball. This change in existing statutes would not necessarily mean an increase in the total number of certifications or change any financial commitments already agreed to by Florida. This change, however, would better align Florida's policies with the changing financial environment of spring training baseball.

Recent alterations by the state to its spring training franchise retention program also allows for private entities to apply to be certified as recipients of Chapter 212 distributions. If that certification were extended to the New York Mets, for example, the team could receive an allocation that matches that received by St. Lucie County (\$7.5 million across 30 years), or a different allocation arrangement. Those funds could be allocated to help defray some of the needed infrastructure costs.

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<sup>7</sup> An increment to this tax will be considered to help finance the needed infrastructure. At this point in the analysis, however, to illustrate the possible return is calculated on the existing tax rate of 5 percent. The additional increment to be pledged for the infrastructure is introduced as part of the financing plan on page 22. The increment of \$370,000 noted here is a positive return to St. Lucie County and its use is not included in the financing option discussed on page 22.

Current legislation requires a minimum 20-year commitment to a facility to receive Chapter 212 distributions from Florida. At the current maximum level of funding allowed by the state a private sector actor is permitted to receive \$10 million dollars across a 20-year period to facilitate needed renovations to spring training facilities.

Florida's spring training retention programs are less robust than those available to local governments in Arizona. The Arizona Sports and Tourism Authority estimated in 2009 that across the next thirty years more than \$400 million (absolute and not real dollars) would be provided for enhancement of Cactus League Facilities in Maricopa County. This pledged support includes commitments of \$32 million for facilities serving the Texas Rangers and Kansas City Royals. The Cleveland Indians and Cincinnati Reds will receive \$55 million for the complex in Goodyear. The Los Angeles Dodgers and Chicago White Sox will receive \$60 million for their facilities in Glendale.

Spring training baseball produces \$35.6 million in economic value each year for St. Lucie County. If a second team co-located with the Mets an additional \$28.6 million in benefits would be created for St. Lucie County increasing the annual value of spring training baseball to \$64.2 million.

How could a \$60 million investment be financed to ensure this return is generated?

If the State and County agreed to increase its tourist development tax by 1 cent, a 20-year bond could produce \$8.27 million.<sup>8</sup>

If Florida would agree to enhance the previous certification by approximately \$7.1 million reflecting the investment in new enhancements to the facilities used by the Mets, the funds available now increase to \$15.37 million.

If a second certification was earned for the new team moving to St. Lucie an additional \$15 million could be dedicated to the project. This would create a pool of \$30.37 million to finance the project leaving a funding gap of approximately \$30 million.

It could be appropriate to use the taxes generated by the presence of a second team to finance the needed infrastructure. It is recommended, however, that those funds

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<sup>8</sup> Readers are reminded that an annual increment of \$370,000 from visitors associated with the presence of the second team who stay in hotel rooms could be added to the financing mix. If that option was considered the funding gap is less than \$29 million but would reduce an increment to the County's general revenue fund.

be dedicated to future maintenance and capital expenses associated with the ballpark and the training facilities for both teams.

For this project to produce the anticipated \$64.2 million in annual benefits for St. Lucie County, approximately \$30 million from government sources is needed. That investment would bolster the county's economic fortunes and ensure the viability of spring training baseball on Florida's east coast.

## Appendix I













**BOARD OF  
COUNTY  
COMMISSIONERS**



**PARKS, RECREATION,  
and FACILITIES**  
Edward R. Matthews  
Director

August 25, 2014

Re: Annual Report to the Florida Department of Economic Opportunity for the St. Lucie County Sports Complex, a State Spring Training Facility (New York Mets) – Section 288-11621, Florida Statutes

Item #5: Evidence that St. Lucie County continues to meet the criteria in effect in 2006 when the Sports Complex was certified a Retained Spring Training Facility.

On August 16, 2006, St. Lucie County submitted an application to certify the Complex as a Retained Spring Training Facility. The following ten (10) criteria were in effect and evidence that St. Lucie County continues to meet the said criteria is presented as follows:

- #1 Unit of government as defined in Section 218.369 Florida Statutes is responsible for the acquisition, construction, management or operation of the facility for a retained spring training franchise or hold title to the property on which the facility for a retained spring training franchise is located.
1. St. Lucie County is a unit of local government as defined in Section 218.369 Florida Statutes, attached as Exhibit "A".
  2. St. Lucie County's boundaries are defined in West's Florida Statutes Annotated, Title II. State Organization, Chapter 7, County Boundaries, 7.59 St. Lucie County attached as Exhibit "B".
  3. A copy of the contract with Sterling Facilities, L.L.C., owners of the New York Mets is attached, as Tab #3, and warrants that the land, stadium and the remainder of the Complex is owned by St. Lucie County.
- #2 Verified copy of a signed agreement with a retained spring training franchise for the future use of the facility for a term of at least 15 years.
- See tab #3 of the report.
- #3 Financial commitment to provide 50% or more of the funds required by an agreement for the acquisition, construction or renovation of the facility for a retained spring training franchise.



**BOARD OF  
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**PARKS, RECREATION,  
and FACILITIES**  
Edward R. Matthews  
Director

A copy of the contract with Sterling Facilities Services, L.L.C., owners of the New York Mets is attached, as Tab #3 and outlines the financial commitment to construct and renovate the Sports Complex.

- #4 Projections which demonstrate that the facility for a spring training franchise will attract a paid attendance of at least 50,000 annually and an estimate of the proposed effect on the local economy.

Attendance and estimated economic impact reports are attached as Tab #4.

- #5 Location of a retained spring training franchise within a county that is levying a tourist development tax pursuant to s. 125.0104.

St. Lucie County Ordinance No. 84-11, levying a Tourist Development Tax, and Ordinances 86-09, 87-82, 91-02, 97-14, 02-36 and 03-12 which further define the Tourist Development Tax are attached as Exhibit "C".

- #6 Intended use of the funds for acquisition, construction or renovation of the facility.

A copy of the contract with Sterling Facilities, L.L.C., owners of the New York Mets is attached, as Tab #3, and outlines the financial commitment to construct and renovate the Sports Complex. Also attached, as Tab #2, is an analysis of the expenses reimbursed by OTTED from FY 2003 to FY 2009.

- #7 Length of time the facility has been used by a retained spring training franchise.

The Sports Complex, formerly known as Thomas J. White Stadium, has been utilized by the New York since 1988. On August 1, 2003 (Tab #2) St. Lucie County entered into a fifteen-year agreement, which expires on December 31, 2018. On September 27, 2011, a new amendment was executed, extending the contract to December 31, 2023.

- #8 Remaining time on a current spring training facility lease with a local government, which does not exceed five years unless an agreement of 15 years was entered into between July 1, 2003 and July 1, 2004.

See item #7 above.

- #9 Net increase of total active recreation space owned by the applying local unit of government following the acquisition of land for the spring training facility.



**BOARD OF  
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**PARKS, RECREATION,  
and FACILITIES**

**Edward R. Matthews  
Director**

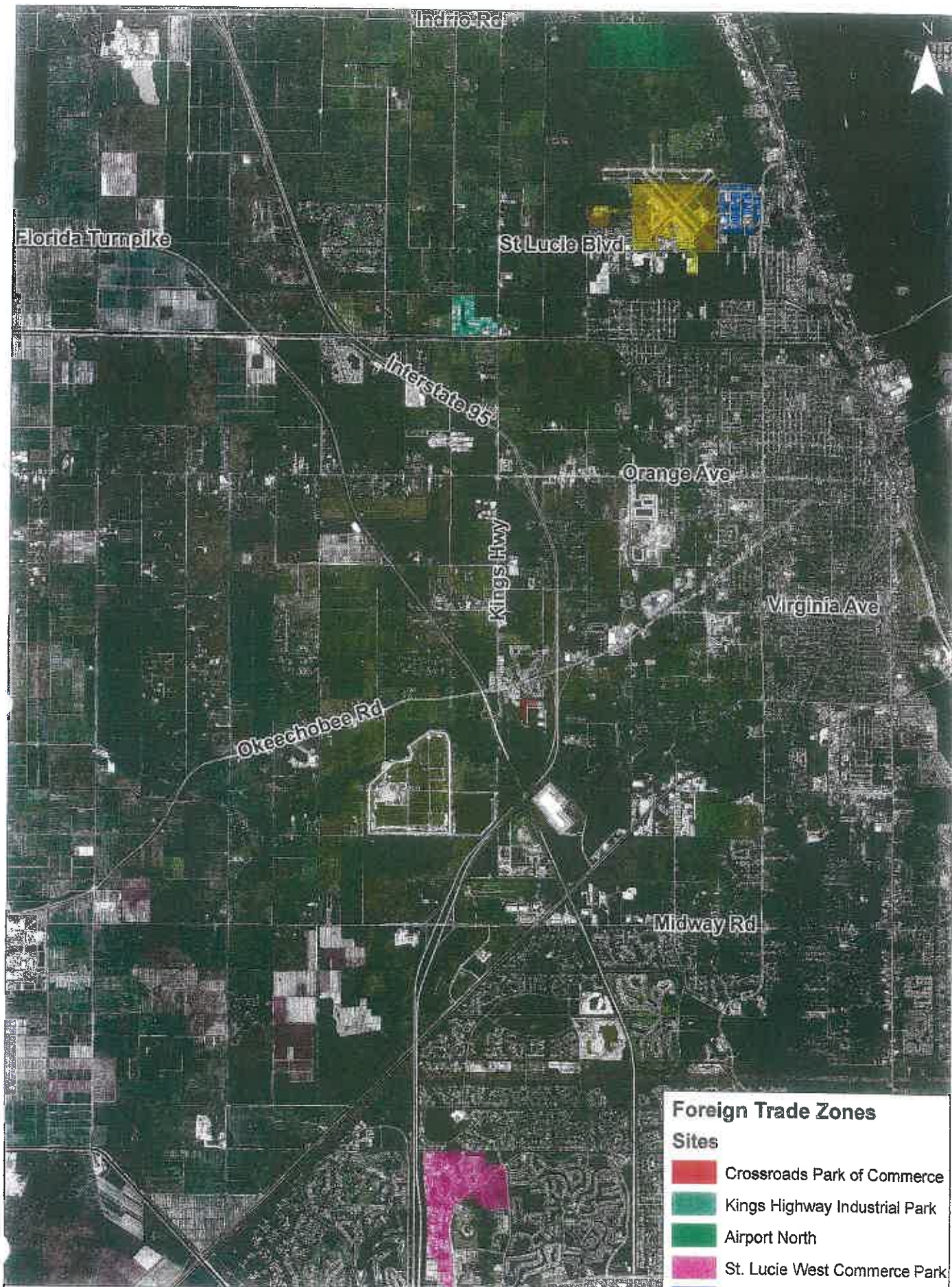
Per the legal description, attached as Exhibit "D" and the Property Record Card, attached as Exhibit "E", the net increase of total active recreation space owned by St. Lucie County increased 100 acres upon the acquisition of the land for the Sports Complex

- #10 Location of the facility within a brownfield, an enterprise zone, a community redevelopment area, or other area of targeted development or revitalization included in an urban infill Redevelopment Plan.

In addition to the Sports Complex abutting two side of the Peacock SAD, which was created by the City of Port St. Lucie in 2007, the Complex also abuts the St. Lucie West Commerce Park which is part of St. Lucie County Foreign Trade Zone #218 as evidenced on the map attached as Exhibit 'F'.







**Foreign Trade Zones**

**Sites**

- Crossroads Park of Commerce
- Kings Highway Industrial Park
- Airport North
- St. Lucie West Commerce Park
- Airport Industrial Park
- Airport South

