

Biscayne Landing Negotiating Team

UPDATE FOR CITY COUNCIL

January 26, 2012

- I. The Lease. The Negotiating Team continues to meet with Oleta Partners LLC on the lease. A fourth draft has now been distributed, and attorneys for both sides have met all day Friday and all day yesterday. The Negotiating Team met this afternoon. We expect the next draft to be distributed Thursday January 26. We believe that the lease will be far enough along to post a draft on the website this month.
- II. Valuation Issues. We have not yet received the appraisal of the fair market value of the property and the appraisal/analysis of the economic package being offered by Oleta Partners in its proposal for the ground lease (so it can be compared to the fair market value of the property). We expect to receive it within the next couple of weeks.
- III. Environmental Status. Please see item 8 of the Frequently Asked Questions on the attached Exhibit A for a summary of the current environmental status of the property, including grant status, permit status, and remaining work to be done.
- IV. Zoning Issues. The ground lease as presently drafted provides that it will be contingent on certain changes being made to the Land Development Regulations prior to a certain date. Two proposed amendments to Chapter 29 (see copies attached as Exhibit B) were reviewed by the Planning Commission on January 3, 2012, and recommended with certain changes. The first reading before the City Council is scheduled for today, January 24, 2012. The adoption hearing is scheduled for the February 14 City Council meeting. If this amendment is adopted prior to the execution of the lease, there will be no need for any conditions precedent.

These changes will enhance the value of the property for any lessee/buyer.

- V. Negotiating Team meetings:

Next meeting with Oleta Partners is scheduled for Tuesday, January 31, 2012.

- VI. Biscayne Landing Website:

In order to keep the public informed and make it as easy as possible to access information, the City's website has been updated with Frequently Asked Questions about the lease and project, with links to various agreements and reports. A copy of the first Frequently Asked Questions has been attached to this update as Exhibit A.