

**CITY OF MARATHON, FLORIDA  
RESOLUTION 2006-015**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARATHON, FLORIDA, APPROVING A DEVELOPMENT AGREEMENT FOR SH3, LTD., FOR THE REDEVELOPMENT OF PROPERTY LOCATED AT 1996 OVERSEAS HIGHWAY AND 15<sup>TH</sup> STREET, OCEAN, WHICH IS LEGALLY DESCRIBED AS PART OF THE AMENDED PLAT OF BAYVIEW SUBDIVISION, PART OF DAVIS ADDITION, AND PART OF GOVERNMENT LOT 2 AND ADJACENT BAY BOTTOM OF SECTION 9, TOWNSHIP 66 SOUTH, RANGE 32 EAST, KEY VACA, AND PART OF GOVERNMENT LOT 2 OF SECTION 16, TOWNSHIP 66 SOUTH, RANGE 32 EAST, AND FILLED IN BOOT KEY HARBOR, KEY VACA, AND PART OF LOT 19, LOT 20, AND PART OF LOT 21, BLOCK 1 AND ADJACENT BAY BOTTOM, KEY VACA, HAVING REAL ESTATE NUMBERS 00102650-000000, 00104050-000000, AND 00326620-000000, PROVIDING FOR CONDITIONS AND REQUIREMENTS OF DEVELOPMENT, INCLUDING, BUT NOT LIMITED TO, BUFFERS, BUILDING HEIGHTS, SETBACKS, AND OTHER REQUIREMENTS**

**WHEREAS**, SH3, Ltd. (the “Owner”) owns approximately 11.14 acres of upland and 4.75 acres of baybottom (the “Property”) in the corporate limits of the City of Marathon, Florida; and

**WHEREAS**, the Property is a fully developed site with hotel units, amenities, and marina facilities; and

**WHEREAS**, the City Comprehensive Plan (the “Plan”) encourages redevelopment that results in the removal of cesspits, the replacement of substandard dwelling/transient units, the replacement of substandard on-site wastewater treatment, and the implementation of effective stormwater management plans; and

**WHEREAS**, the Plan encourages redevelopment that results in the economic stability of the City and its residents; and

**WHEREAS**, the City needs redevelopment to protect the environment, its residents, its infrastructure and economy by redeveloping structures that are highly vulnerable in storm events, are below the required base flood elevations and are uninsurable; and

**WHEREAS**, the redevelopment contemplated by the Owners will remove all existing structures and reconstruct structures in compliance with all applicable Federal Emergency Management Agency (“FEMA”) regulations, the Florida Department of Health (“DOH”)

regulations, the Florida Department of Environmental Protection (“DEP”) regulations, South Florida Water Management District (“SFWMD”) regulations, applicable building codes and the City Code, including setback, open space, stormwater, and landscape bufferyard criteria; and

**WHEREAS**, the Property offers the attractions of swimming, boating, and fishing that families enjoy, and Property redevelopment provides an opportunity for the type of development that will provide facilities to serve and attract family oriented tourism to the City; and

**WHEREAS**, the Property redevelopment will encourage owners of other properties to renovate or upgrade their sites, producing greater aesthetic and economic benefits to the City, providing enhanced environmental and storm hazard protection; and

**WHEREAS**, the City has determined that the redevelopment will not adversely affect hurricane evacuation clearance time because the number of transient units on the redeveloped Property will not increase beyond the number of transient units previously existing on the Property; and

**WHEREAS**, the Property is a highly disturbed, fully developed upland site which does not contain wetlands, listed species habitat, or other environmentally sensitive habitat, and therefore is an appropriate and preferred site to support redevelopment; and

**WHEREAS**, the City has held public hearings to accept and encourage public input with respect to the proposal by the Owner contained in the proposed Development Agreement (the “Agreement”), and has considered such public input; and

**WHEREAS**, the Agreement is consistent with the Principles for Guiding Development for the Florida Keys Area of Critical State Concern; and

**WHEREAS**, the Owner has provided public notice of the parties’ intent to consider entering into the Agreement by publishing an advertisement in a newspaper of general circulation and readership in the City, posting the Property subject to this Agreement, and mailing notice to the persons and entities shown on the most recent Monroe County Tax Roll to be the owners of property lying within 300 feet of the boundaries of the Property subject to the Agreement; and

**WHEREAS**, the City Planning Commission has held a public hearing on October 17, 2005, to consider the Agreement and recommended that the City Council conditionally approve the Agreement, and the City Council of the City has held a public hearing on November 8, 2005 and January 31, 2006 to consider the Agreement; and

**WHEREAS**, the City has determined that the Agreement is consistent with the City’s Comprehensive Plan and Land Development Regulations, is in the public interest, and will further the health, safety, welfare, and goals of the residents of the City of Marathon.

**NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MARATHON, FLORIDA, AS FOLLOWS:**

**Section 1.** The above recitals are true and correct and incorporated herein.

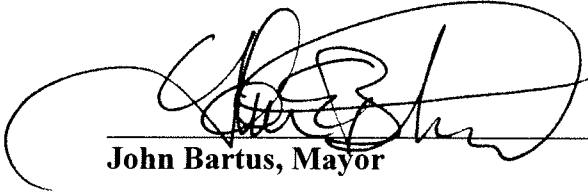
**Section 2.** The Development Agreement between the City and SH3, Ltd., in substantially the form as the attached Exhibit "A," together with such non-material changes as may be acceptable to the City Manager and approved as to form and legality by the City Attorney, is hereby approved.

**Section 3.** The City Manager is authorized to execute the Development Agreement on behalf of the City.

**Section 4.** This resolution shall become effective immediately upon its adoption.


**PASSED AND APPROVED** by the City Council of the City of Marathon, Florida, this 13<sup>th</sup> day of February, 2006.

**THE CITY OF MARATHON, FLORIDA**

  
\_\_\_\_\_  
**John Bartus, Mayor**

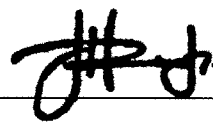
AYES: Bull, Mearns, Miller, Pinkus, Bartus  
NOES: None  
ABSENT: None  
ABSTAIN: None

**ATTEST:**

  
\_\_\_\_\_  
Cindy L. Ecklund  
City Clerk

(City Seal)

**APPROVED AS TO FORM AND LEGALITY FOR THE USE AND RELIANCE OF THE CITY OF MARATHON, FLORIDA ONLY:**

  
\_\_\_\_\_  
City Attorney

*This instrument prepared by:*  
Robert C. Apgar, Esq.  
Sherry A. Spiers, Esq.  
Greenberg Traurig, P.A.  
101 East College Avenue  
Tallahassee, FL 32301  
(850) 222-6891

Parcel I.D. Nos.:  
RE# 00102650.000000 (Gulf side)  
RE# 00104050.000000, 0014060.000000,  
00104060.000100, 00104070.000000 (Ocean)  
RE# 00102450.000000 (North parcel across canal)

Doc# 1573735 03/31/2006 10:06AM  
Filed & Recorded in Official Records of  
MONROE COUNTY DANNY L. KOLHAGE

Doc# 1573735  
Bk# 2197 Pg# 1351

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**DEVELOPMENT AGREEMENT**  
**FARO BLANCO MARINE RESORT**  
**MARATHON, FLORIDA**

THIS DEVELOPMENT Agreement (“Agreement”) is entered into by and between the City of Marathon (“MARATHON”), a Florida municipal corporation, and SH3, Ltd. (“SH3”), a Florida limited partnership, pursuant to Sections 9.5-101 and 9.5-102 of the Code of Ordinances for the City of Marathon, and the Florida Local Government Development Agreement Act, Sections 163.3220-163.3243, Florida Statutes (2002), and is binding on the Effective Date set forth herein.

WITNESSETH:

WHEREAS, SH3 is the owner of real property in Monroe County, Florida, located within MARATHON at approximately mile marker 48 on the Gulf/north side of U.S. 1, known as the Faro Blanco Marine Resort, consisting of one parcel with approximately 7.39 acres of uplands (the “Resort Parcel”); and

WHEREAS, SH3 is also the owner of real property in Monroe County, Florida, located

within MARATHON at approximately mile marker 47.5 on the Atlantic/south side of U.S. 1, commonly known as the Boot Key Marina, consisting of three (3) parcels with a total of approximately 5.36 acres of uplands (the "Marina Parcels"); and

WHEREAS, the Resort Parcel and the Marina Parcels are collectively referred to in this Agreement as "FARO BLANCO" or the "FARO BLANCO Property", and are more particularly described in the boundary survey attached hereto as Exhibit A and incorporated by reference; and

WHEREAS, the Faro Blanco Marine Resort has been a landmark resort hotel in MARATHON for more than 50 years and continues to provide a substantial contribution to the history, economy, and character of MARATHON; and

WHEREAS, prior to 1985, Boot Key Marina, Inc., lawfully established 19 houseboats with 72 transient residential units in the Boot Key Marina; and

WHEREAS, in approximately 1985, then-owner James Kelsey of Royal Cobia Corporation began operating the Resort Parcel and the Marina Parcels as a single, unified tourist resort complex including, among other things, a reservations center serving both the Resort Parcel and the Marina Parcels, and tourist accommodations (including 72 transient units in the 19 houseboats) and amenities on both the Resort Parcel and Marina Parcels to serve the visitors and guests of the Faro Blanco Marine Resort; and

WHEREAS, the Resort Parcel and the Marina Parcels have been continuously operated as a single, unified tourist resort complex since that time, will continue to be operated as a single, unified tourist resort complex, and are functionally one resort hotel site; and

WHEREAS, Section 9.5-256 of the City Code, entitled "Aggregation of development,"

provides: "Any development which has or is a part of a common plan or theme of development or use, including but not limited to an overall plan of development, common or shared amenities, utilities or facilities, shall be aggregated for the purpose of determining permitted or authorized development and compliance with each and every standard of this chapter and for the purpose of determining the appropriate form of development review"; and

WHEREAS, the Resort Parcel and the Marina Parcels that comprise the FARO BLANCO Property are part of an overall plan of development and common theme of use with shared amenities and facilities, as those terms are used in Section 9.5-256 of the City Code, and, therefore, are required to be aggregated for the purpose of determining authorized development and compliance with the City Code; and

WHEREAS, the FARO BLANCO Property contains 106 residential dwelling units that consist of 34 existing upland units and 72 transient units in 19 houseboats (29 of which in 8 houseboats were destroyed by Hurricane Georges in September 1998); and

WHEREAS, rather than leaving the houseboats in the Boot Key Marina, SH3's redevelopment plan for the FARO BLANCO Property includes the removal and destruction of the houseboats and development of on-shore residential dwelling units, including affordable/employee housing units, in structures designed to withstand tropical storm and hurricane force winds under current applicable building codes, with no increase in density over that existing prior to the redevelopment; and

WHEREAS, SH3 further desires to upgrade and improve the FARO BLANCO Property (Gulf and Atlantic sides) by removing existing cesspits, installing a wastewater treatment facility that meets 2010 standards (the "2010 Wastewater Facility"), addressing stormwater runoff,

providing affordable/workforce housing, upgrading marina pump-out facilities to meet current standards, and bringing the development on the FARO BLANCO Property into compliance with setback, open space, buffer yard, and other similar requirements in the City's LDRs; and

WHEREAS, the development described in the preceding recitals was in existence at the time of the 1990 Census, which formed the basis of the City's dwelling unit allocation ordinance, also known as Residential ROGO (herein "ROGO"), codified at Sections 9.5-121 through 9.5-129 of the City Code; and

WHEREAS, the 72 units in 19 houseboats on the Marina Parcels are "residential dwelling units" under ROGO; and

WHEREAS, the 72 units in 19 houseboats on the Marina Parcels are recognized by ROGO, are exempt from the requirement to obtain ROGO allocations in order to be redeveloped, and therefore are entitled to ROGO exemptions under Section 9.5-123(f) of the City Code, in that redevelopment or replacement of the units does not increase the number of residential dwelling units above that existing on the site prior to the redevelopment; and

WHEREAS, the redevelopment of the FARO BLANCO Property authorized by this Agreement recognizes the ROGO exemptions attributable to the 72 houseboat units but does not authorize either a transfer of density from submerged land or a transfer of ROGO exemptions or development rights to another site; and

WHEREAS, the houseboat transient residential dwelling units at the Marina Parcels are unique in the City in that they were established prior to 1985, have been operated continuously since that time in the same location as transient residential dwelling units that are part of an established resort complex (the Faro Blanco Marine Resort), have been operated under

hotel/motel occupational licenses issued by the State of Florida and Monroe County, and were authorized to be connected to land-based electric connections pursuant to one or more building permits issued by Monroe County; and

WHEREAS, the FARO BLANCO Property is presently zoned Urban Commercial (UC) and Mixed Use (MU) on the Resort Parcel, and is zoned Commercial Fishing Area (CFA) and MU on the Marina Parcels; and

WHEREAS, hotels, marinas, and commercial uses are allowed in the UC and MU zoning designations; and marinas, boat chartering, restaurants, dive shops, and other commercial uses are allowed in the CFA zoning designation; and

WHEREAS, the upland land area on the FARO BLANCO Property is sufficient to meet the density and intensity requirements in the City Code for all development approved in this Agreement; and

WHEREAS, SH3 has been working with MARATHON for the past five years on a development agreement that would allow the redevelopment of the FARO BLANCO Property as provided in this Agreement; and

WHEREAS, on March 8, 2005, MARATHON completed the adoption of a comprehensive plan (the "2005 Comprehensive Plan") pursuant to Chapter 163, Part II, Florida Statutes, by the adoption of remedial plan amendments, including Future Land Use Element Policy 1-3.6.2., which provides, in relevant part:

Nothing in this Plan shall be construed or applied to abrogate the right of a property owner that has submitted a complete development Agreement application on or before March 8, 2005, to proceed with the project pursuant to the Transitional Comprehensive Plan and implementing land development regulations without having to obtain a vested rights determination as otherwise provided for in this policy. Any such project, however, shall comply with



Objective 1-3.3. and the policies contained therein. The parties to the development Agreement shall not be precluded from complying with the provisions of this Plan or the Transitional Comprehensive Plan, as provided in the development Agreement; and

WHEREAS, SH3's application for a development agreement was submitted to MARATHON and was complete before March 8, 2005, and, accordingly, SH3 is entitled to consideration of its development agreement application under MARATHON's Transitional Comprehensive Plan and land development regulations, and Future Land Use Element Objective 1-3.3 and implementing policies of the 2005 Comprehensive Plan; and

WHEREAS, SH3 has provided public notice of the parties' intent to consider entering into this Agreement by advertisement published in a newspaper of general circulation and readership in MARATHON, posting the FARO BLANCO Property subject to this Agreement, and mailed notice to the persons and entities shown on the most recent Monroe County Tax Roll to be the owners of property lying within 300 feet of the boundaries of the FARO BLANCO Property subject to this Agreement; and

WHEREAS, the MARATHON Planning Commission held an advertised public hearing on October 17, 2005, to consider this Agreement, and recommended approval of the Agreement to the City Council; and

WHEREAS, the City Council of MARATHON held advertised public hearings on November 8, 2005, and January 10, 2006, to consider this Agreement and the recommendation of the Planning Commission, and to accept and encourage public input with respect to the proposal of SH3 contained in this Agreement, and has considered the Planning Commission recommendation, the City staff report and recommendations, and public input; and

WHEREAS, the City Council of MARATHON has determined that this Agreement is in

the public interest, is consistent with its policy to encourage the redevelopment of hotels and motels in MARATHON, and will further the health, safety and welfare of the residents of MARATHON.

NOW, THEREFORE, in consideration of the mutual promises and undertakings contained herein, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

I. **RECITALS.** The foregoing Recitals are a part of this Agreement on which the parties have relied and are incorporated into this Agreement by reference.

II. **PURPOSES OF AGREEMENT.**

The purposes of this Agreement are as follows:

A. To authorize the redevelopment of the FARO BLANCO Property consistent with the City's Transitional Comprehensive Plan and land development regulations, and Future Land Use Element Objective 1-3.3 and implementing policies in MARATHON'S 2005 Comprehensive Plan.

B. To recognize ROGO exemptions attributable to 72 transient residential dwelling units in 19 houseboats, including the 29 transient residential dwelling units in 8 houseboats that were destroyed by Hurricane George; and

C. To allow redevelopment of eighty-four (84) transient residential dwelling units on the Resort Parcel (Gulf/north side parcel) and to authorize the provision of affordable/workforce housing utilizing the ROGO exemptions from ROGO-exempt existing upland and houseboats units on the Property; and

D. To facilitate the permanent removal of at-risk water-borne transient residential dwelling units in the Boot Key Marina and development of ROGO-exempt transient residential

dwelling units and affordable/workforce housing on suitable uplands in structures that meet wind load standards for tropical storms and hurricanes; and

E. To secure the ability for SH3 to further lessen the environmental impacts of the development on the FARO BLANCO Property by removing existing cesspits, installing a 2010 Wastewater Facility, appropriately addressing stormwater runoff, upgrading marina pump-out facilities, and bringing the development on the FARO BLANCO Property into compliance with setback, open space, buffer yard and other applicable LDRs; and

F. To additionally provide a donation to MARATHON in the amount of One Hundred Thousand Dollars (\$100,000.00) to enhance public facilities or projects, as designated by the City Council with the concurrence of SH3, for the use and benefit of the citizens of MARATHON.

### III. DEFINITIONS.

For the purposes of this Agreement, the following terms shall have the following definitions:

*Affordable Housing* or *affordable/workforce housing* shall mean housing as defined in Sections 9.5-4(A-5) and 9.5-266 of the City Code, restricted to use as affordable housing for persons or households meeting the income criteria described in the regulations for a period of fifty (50) years, renewable by MARATHON for two successive periods of fifty (50) years each. One or more such restrictive covenants, in a form acceptable to the City, shall be recorded in the public records of Monroe County, Florida, by the Owner, at its sole expense, prior to issuance of a certificate of occupancy for each unit to which the recorded restriction applies, with copies of the recorded restriction(s) provided to MARATHON and to the state land planning agency within a reasonable time after recordation.

*Agreement* shall refer to this Development Agreement, as the same may be subsequently amended, modified or supplemented pursuant to its terms and provisions and pursuant to the provisions of Sections 163.3220, et. seq., Florida Statutes.

*Annual Report* shall refer to the report filed by SH3 with MARATHON and (as and when applicable) the state land planning agency.

*City Code* or *LDRs* shall refer to the land development regulations in the Code of Ordinances of the City of MARATHON.

*Comprehensive Plan* shall refer to MARATHON's Transitional Comprehensive Plan, Future Land Use Element Objective 1-3.3. and implementing policies in MARATHON's 2005 Comprehensive Plan (effective July 7, 2005). Future Land Use Element Objective 1-3.3 in the 2005 Comprehensive Plan provides that the City shall evaluate potential redevelopment areas. Implementing Policy 1-3.3.1 provides that redevelopment plans shall (a) prevent negative impacts on the coastal ecosystem by directing development away from environmentally sensitive lands and critical habitat; (b) revitalize existing commercial areas; (c) promote safe and efficient vehicular, bicycle and pedestrian movement; (d) prevent or minimize the City's cost to provide infrastructure; (e) mitigate incompatible commercial activity where commercial activity is adjacent to established residential neighborhoods; (f) enhance the unique character of the City's commercial land uses through incentives for buffer yards and landscaping; and (g) facilitate within the City the creation of aesthetically pleasing commercial spaces outdoors while limiting light industrial uses, outdoor storage and sales, and outdoor retail sales; and (h) provide for affordable/work force housing. No other provision of MARATHON's 2005 Comprehensive Plan is relied upon in this Agreement unless expressly identified in a provision of this Agreement.

*Development* shall refer to the development of the Property for uses permitted by the Transitional Comprehensive Plan and the City Code, subject to the conditions, obligations, restrictions and terms contained in this Agreement.

*Effective Date* shall refer to the date this Agreement becomes effective, as set forth herein.

*Faro Blanco* or *Faro Blanco Property* shall refer to one or more of the parcels of real property located in MARATHON that are subject to this Agreement.

*Public Facilities* shall refer to those facilities that are specifically described in Section 163 .3221, Florida Statutes, and as set forth in this Agreement.

*State land planning agency* shall refer to the State of Florida Department of Community Affairs, or any successor agency.

*Transient residential unit, transient unit, or transient residential dwelling unit* means a residential dwelling unit that is rented to guests more than three times a year for periods not exceeding 30 days or one calendar month, whichever is less, where the occupancy by the guest(s) is intended to be temporary.<sup>1</sup>

*2010 wastewater standards* means the best available treatment standards established by Laws of Florida 99-395 for onsite sewage treatment and disposal systems, codified in Section 381.0065, Florida Statutes.

#### **IV. STATUTORY AND CODE REQUIREMENTS.**

The parties recognize the binding effect of the Florida Local Government Development

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<sup>1</sup> See definitions of "public lodging establishment" and "transient occupancy" in Sections 509.013(4)(a) and (12), Florida Statutes, incorporated into definition of "Room, hotel or motel" in Section 9.5-4(R-17) of the City Code.

Agreement Act, Sections 163.3221, *et seq.*, Florida Statutes, as to the form and content of this Agreement and in accordance therewith set forth and agree to the following:

**A. Legal Description and Ownership.**

SH3 is the sole owner of the FARO BLANCO Property that is subject to this Agreement, as described in the Boundary Survey prepared by Frederick H. Hildebrandt, last revised March 25, 2005, attached hereto as Exhibit A.

**B. Duration of Agreement.**

This Agreement shall remain in effect for ten (10) years from its effective date as defined herein.

**C. Aggregation; Unity of Title; Land Condominium.**

1. Aggregation. Redevelopment of the FARO BLANCO Property will be accomplished pursuant to a common plan and theme of development and use in that resort amenities available for use by guests of the Faro Blanco Marine Resort will continue to be located on both the Resort Parcel and the Marina Parcels, as shown on the three-page Conceptual Site Plans prepared by Thomas E. Pope, P.A, Architect, Key West, Florida, dated June 17, 2005, as finally revised January 25, 2006 (Sheets S1, S2 and S3), attached as composite Exhibit B and incorporated herein by reference. The FARO BLANCO Property shall continue to be aggregated pursuant to Section 9.5-256 of the City Code and treated as a single, unified resort complex for the duration of this Agreement, and pursuant to the conditional use approval that is required in order for the Property to be redeveloped as authorized herein.

2. Unity of Title; Land Condominium. The Owner shall execute a binding instrument, in a form acceptable to the City, aggregating the Faro Blanco parcels for purposes of the redevelopment authorized by this Agreement. The Owner shall record the instrument in the

public records of Monroe County, Florida, at its sole expense, within twenty-one (21) days after the Effective Date of this Agreement. The Owner shall provide copies of the recorded instrument showing the book and page where recorded to the City and to the Florida Department of Community Affairs within a reasonable time after recordation. It is further agreed that the Faro Blanco Property may be submitted to condominium ownership as a land condominium, for which no further review or approval by MARATHON is required.

**D. Existing Development.**

Existing development on the FARO BLANCO Property is identified on the Existing Site Plans attached hereto as Exhibits C (Faro Blanco Marine Resort) and D (Boot Key Marina) and incorporated herein by reference.

**E. Permitted Uses; Affordable/Workforce Housing; Conversion of Transient Residential Dwelling Units to Larger Units; Conditional Redevelopment Units.**

1. The development permitted on the FARO BLANCO Property shall consist of those uses set forth herein, as identified on the Conceptual Site Plans attached hereto and incorporated by reference as composite Exhibit B.

2. The Developer shall develop fourteen (14) affordable/workforce housing units and one (1) manager's/caretaker's unit on the Marina Parcel. SH3 shall obtain certificates of occupancy for the affordable/workforce housing units and manager's/caretaker's unit prior to or concurrently with construction and issuance of certificates of occupancy for the first 15 transient residential dwelling units authorized by this Agreement. Certificates of occupancy for the remaining 69 transient residential dwelling units authorized by this Agreement shall not be issued by MARATHON until the affordable/workforce housing and manager's/caretaker's units have received certificates of occupancy as provided herein.

3. Pursuant to MARATHON Ordinance No. 2004-17, redevelopment of the FARO BLANCO Property shall include a resort with related administrative, housekeeping, maintenance and engineering facilities, and transient residential dwelling units in new or existing structures, including the existing lighthouse on the Property. Pursuant to MARATHON Ordinance No. 2004-17, the ninety-one (91) transient residential dwelling units remaining after accounting for the affordable/workforce housing and manager's/caretaker's unit described in the preceding paragraph (total of 106 units minus 15 units) shall be redeveloped as 16 one-bedroom units and 62 two-bedroom units under the following conversion rates:

91 Existing 1-Bedroom Units (106 minus 15 allocated to affordable/workforce housing)	Proposed 1-Bedroom Units	Proposed 2-Bedroom Units	Conversion Rate	Conditional Redevelopment Units	Total Units Allowed Under Ord. 2004-17
16	16		1.0 (100%)	0	16
69		62	.9 (90%)	7	62
<b>Existing 2-Bedroom Units</b>					
6		6	1.0 (100%)	0	6
<b>TOTALS</b>	<b>16</b>	<b>68</b>	<b>n/a</b>	<b>7</b>	<b>84</b>

4. This Agreement shall constitute the mechanism by which MARATHON shall track the seven (7) Conditional Redevelopment Units created through the conversion of existing efficiency and one-bedroom transient residential dwelling units on the FARO BLANCO Property into two bedroom units, so they may be developed in the future if MARATHON adopts an ordinance amending the land development regulations to authorize development of tracked conditional redevelopment units, as provided in Ordinance No. 2004-017.

5. The following additional redevelopment is authorized on the FARO BLANCO Property, as shown on the Conceptual Site Plan:



- a. Resort Parcel:
  - i. 15,373 sq. ft. of commercial use\*
  - ii. 125 dock slips, boat ramp, fuel, dock store and related facilities; restaurant, food and beverage facilities, lobby, administrative, housekeeping and engineering facilities.
- b. Marina Parcels:
  - i. 12,536 sq. ft. of commercial use\*;
  - ii. 125 dock slips; fuel, dock store and related facilities; boat ramp; boat and trailer storage facilities including boat barn storage for 80 boats; restaurant, food, and beverage facilities.
  - \* The proposed redevelopment will relocate or redevelop only existing commercial square footage; there will be no increase in commercial square footage.

6. All transient residential dwelling units developed on the FARO BLANCO Property under this Development Agreement are limited to use as transient residential dwelling units as defined in this Agreement. The Owner is not authorized, and shall not be allowed, to maintain a permanent residence at a transient residential dwelling unit or units on the FARO BLANCO Property, and shall not allow others to maintain a permanent residence in any such transient residential dwelling unit owned by it. The Owner acknowledges that it has no legal right to file for homestead exemption where such application declares a transient residential dwelling unit on the FARO BLANCO Property as the primary residence of any person and agrees not to seek such homestead exemption for any such transient residential dwelling unit.

7. All existing houseboats on the Property shall be removed and destroyed, all at the same time, or one or more at a time, at the discretion of SH3. Proof of removal and destruction

of each houseboat shall be provided to MARATHON prior to the issuance of certificates of occupancy for the number of units that correspond to the number of units in each removed houseboat. After removal of the houseboats, liveaboard vessels and vacation rentals, as defined in Sections 9.5-4(L-6) and 9.5-4(V-5), respectively, of the City Code, and transient residential dwelling units shall not be allowed in the Boot Key Marina. However, nothing in this Agreement shall be construed to prohibit seasonal long-term boat mooring in the Marina as part of the Marina operations.

8. For the duration of this Agreement, the parties agree that any and all of the approved development shall adhere to, conform to, and be controlled by this Agreement, the exhibits attached hereto and incorporated by reference, the MARATHON LDRs and the Comprehensive Plan (as defined herein) governing the development of the FARO BLANCO Property on the effective date of this Agreement. In the event that all or a portion of the existing or authorized development subject to this Agreement should be destroyed by storm, fire, or other common disaster, SH3, its grantees, successors, or assigns shall have the absolute right to rebuild or repair the affected structure(s) and reinitiate the prior approved use so long as such development is in compliance with this Agreement.

9. The following exhibits are attached hereto and incorporated by reference:

- Exhibit A      Boundary survey prepared by Frederick H. Hildebrandt, last revised March 25, 2005
- Exhibit B      (Composite) Conceptual Site Plans dated June 17, 2005, revised January 25, 2006, Faro Blanco (Sheet S1), Boot Key Marina (Sheet S2), and Boot Key Marina Affordable/Employee Housing Site Plan (Sheet S3)\*\*
- Exhibit C      Faro Blanco Resort (Gulf side) Existing Site Plan
- Exhibit D      Boot Key Marina (Atlantic side) Existing Site Plan

Exhibit E Table of Intensities and Densities

\*\* SH3 shall not be bound by this Agreement to the building layout depicted (for illustrative purposes only) on the attached Conceptual Site Plans. Final Site Plans shall be configured as otherwise set forth herein and as permitted by the MARATHON LDRs, provided the densities and intensities set forth in this Agreement are met.

10. Applicable Density, Intensity and Building Heights. Density and intensity shall be as provided in this Agreement and as shown on the Table of Densities and Intensities attached as Exhibit E. Maximum building height shall be thirty-seven (37) feet, as provided in Future Land Use Element Policy 1-3.2.5. in MARATHON's 2005 Comprehensive Plan.

**F. Public Facilities; Donation to MARATHON.**

1. SH3 shall provide to MARATHON a monetary donation in the amount of One Hundred Thousand Dollars (\$100,000.00) for public facilities or projects, as determined by the City Council with the concurrence of SH3, for the use and benefit of the citizens of MARATHON. Payment to MARATHON of the full amount of the donation shall be made upon issuance of certificates of occupancy for the affordable/workforce housing units if the City has issued permits for all remaining development on the FARO BLANCO Property that is authorized under this Agreement at the time of issuance of such certificates of occupancy. If all permits for the development authorized by this Agreement have not been received by SH3 at the time of issuance of certificates of occupancy for the affordable/workforce housing units, the \$100,000 donation shall be paid in full upon issuance of all such permits.

2. The Florida Keys Aqueduct Authority provides domestic potable water.
3. Electric service is provided by the Florida Keys Electric Co-Op.
4. Solid waste service is provided by Marathon Garbage Service.

5. FARO BLANCO shall provide wastewater and sewage collection and disposal via one or more 2010 Wastewater Facilities supporting both the Gulf and Atlantic sides of the FARO BLANCO Property and as identified on Exhibit B (the Conceptual Site Plans), approved by the Florida Department of Environmental Protection at the time of building permit application.

6. Educational Facilities. The transient residential dwelling units and commercial development of the FARO BLANCO Property, as contemplated by this Agreement, do not impact upon educational facilities. The FARO BLANCO Property is currently served by the following schools, operated by the Monroe County School Board: Marathon High School, Marathon Middle School and Stanley Switlik Elementary School.

7. Recreational Facilities. The FARO BLANCO Property includes recreational facilities for visitors and guests of FARO BLANCO, including swimming and boating opportunities. Therefore, redevelopment of the Property will have no impact on public recreation facilities.

8. Any increased impacts on public facilities or public services attributable to each unit of the development, and the cost of capital improvements to meet the associated demand on such facilities or services, shall be assured by payment to MARATHON, concurrent with the issuance of the building permits for each unit, of any MARATHON impact fees required by Ordinance then in effect, as well as by payment by SH3 of any applicable utility system development fees. In addition, SH3 agrees to be subject to any impact fee ordinance adopted by MARATHON within twenty-four (24) months after the Effective Date of this Agreement if such ordinance applies equally and uniformly to all redevelopment in MARATHON.

**G. Local Development Permits.**

1. The following is a list of all development permits approved or needed to be

approved for the development of the Property as specified and requested in this Agreement:

- a. This Development Agreement;
- b. Major Conditional Use approval or amendment of the existing Major Conditional Use approval;
- c. The final site plan, landscape plan, drainage plan, building elevations and floor plans;
- d. Building and related construction permits for all main and accessory structures, land clearing, and landscaping. At any time any building permit is applied for, SH3 shall demonstrate compliance with all applicable federal, state and municipal disabled-access regulations in effect at the time of application;
- e. Federal, state, regional, and local permits for storm-water runoff and dredge and fill activities, when necessary and if required.

2. Nothing in this Agreement shall preclude the parties from applying additional conditions, by mutual agreement, during final site plan review or permitting.

**H. Finding of Consistency.**

By entering into this Agreement, MARATHON finds that the development permitted or proposed herein is consistent with and furthers the Comprehensive Plan (as defined herein), applicable LDRs and the Principles for Guiding Development for the Florida Keys Area of Critical State Concern set forth at Section 380.0552(7), Florida Statutes.

**I. Reservations or Dedications of Land for Public Purposes.**

The parties anticipate that SH3 may reserve or dedicate land for public purposes in connection with the development authorized by this Agreement, but are currently unaware of the specifics of such reservation(s) or dedication(s). Reservations and dedications for public

purposes in connection with this Agreement will be as required by MARATHON's Transitional Comprehensive Plan and City Code. Such reservations or dedications may include, by way of example, easements necessary for the provision of stormwater, utility, and wastewater services to the Property.

**J. Mutual Cooperation.** MARATHON and SH3 agree to cooperate fully with and assist each other in the performance of the provisions of this Agreement.

**K. Development to Comply with Permits and City Comprehensive Plan and Code Provisions.** The development described in and authorized by this Agreement shall be developed in accordance with all required permits, and in accordance with all applicable provisions of the City's Comprehensive Plan (as defined herein) and City Code in effect on the date of execution of this Agreement. No certificate of occupancy for an individual building shall be issued until all plans for that building are approved by MARATHON and SH3 has complied with all conditions in permits issued by MARATHON and other regulatory entities for that building.

**L. Compliance With Permits, Terms, Conditions, and Restrictions Not Identified Herein.** The failure of this Agreement to address a particular permit, condition, term, or restriction shall not relieve SH3 of the necessity of complying with the law governing said permitting requirements, conditions, terms, or restrictions.

**M. Laws Governing.**

a. For the duration of this Agreement, all approved development of FARO BLANCO shall comply with and be controlled by this Agreement and provisions of the City's Comprehensive Plan (as defined herein) and City Code in effect on the date of execution of this Agreement, inclusive of text changes and rezoning approved by the MARATHON City Council

on the date of MARATHON's approval of this Agreement, if any. The parties do not anticipate that MARATHON will apply subsequently-adopted laws and policies to FARO BLANCO, except as expressly provided in this Agreement.

b. Pursuant to Section 163.3233, Florida Statutes, MARATHON may apply subsequently adopted laws and policies to FARO BLANCO only if MARATHON holds a public hearing and determines that: (a) the new laws and policies are not in conflict with the laws and policies governing the Agreement and do not prevent development of the land uses, intensities, or densities set forth in this Agreement; (b) the new laws and policies are essential to the public health, safety, or welfare, and MARATHON expressly states that they shall apply to the development that is subject to this Agreement; (c) MARATHON demonstrates that substantial changes have occurred in pertinent conditions existing at the time of approval of this Agreement; or (d) the Agreement is based on substantially inaccurate information supplied by SH3. However, nothing in this Agreement shall prohibit the parties from mutually agreeing to apply subsequently adopted laws to FARO BLANCO.

c. If state or federal laws enacted after the effective date of this Agreement preclude any party's compliance with the terms of this Agreement, it shall be modified as is necessary to comply with the relevant state or federal laws. However, this Agreement shall not be construed to waive or abrogate any rights that may vest pursuant to common law.

**N. Amendment, Renewal, and Termination.** This Agreement may be amended, renewed, or terminated as follows:

a. As provided in Section 163.3237, Florida Statutes, this Agreement may be amended by mutual consent of the parties to this Agreement or by their successors in interest. Amendment under this provision shall be accomplished by an instrument in writing signed by the

parties or their successors.

b. As provided in Section 163.3229, Florida Statutes, this Agreement may be renewed by the mutual consent of the parties, subject to the public hearing requirements in Section 163.3225, Florida Statutes and applicable LDRs: the City shall conduct at least two (2) public hearings, one of which may be held by the local planning agency at the option MARATHON. Notice of intent to consider renewal of the Agreement shall be advertised approximately seven (7) days before each public hearing in a newspaper of general circulation and readership in MARATHON, and shall be mailed to all affected property owners before the first public hearing. The day, time, and place at which the second public hearing will be held shall be announced at the first public hearing. The notice shall specify the location of the land subject to the Agreement, the development uses on FARO BLANCO, the population densities, and the building intensities and height and shall specify a place where a copy of the Agreement can be obtained.

c. This Agreement may be terminated by SH3 or its successor(s) in interest following a breach of this Agreement upon written notice to MARATHON as provided in this Agreement.

d. Pursuant to Section 163.3235, Florida Statutes, this Agreement may be revoked by MARATHON if, on the basis of competent substantial evidence, there has been a failure by SH3 to comply with the terms of this Agreement.

e. This Agreement may be terminated by mutual consent of the parties.

**O. Breach of Agreement and Cure Provisions.**

a. If MARATHON concludes that there has been a material breach in this Agreement by SH3, prior to revoking this Agreement, MARATHON shall serve written notice



on SH3 identifying the term or condition MARATHON contends has been materially breached and providing SH3 with ninety (90) days from the date of receipt of the notice to cure the breach or negotiate an amendment to this Agreement. Each of the following events, unless caused by fire, storm, flood, other Act of God, or events beyond the control of SH3, shall be considered a material breach of this Agreement: (1) failure to comply with the provisions of this Agreement; and (2) failure to comply with terms and conditions of permits issued by MARATHON or other regulatory entity for the development authorized by this Agreement.

b. If SH3 concludes that there has been a material breach in the terms and conditions of this Agreement by MARATHON, SH3 shall serve written notice on MARATHON identifying the term or condition the SH3 contends has been materially breached and providing MARATHON with thirty (30) days from the date of receipt of the notice to cure the breach. The following events, unless caused by fire, storm, flood, other Act of God, or events beyond the control of MARATHON, shall be considered a material breach of this Agreement: failure to comply with the provisions of this Agreement; failure to timely process any application for site plan approval or other development approval required to be issued by MARATHON for the development/redevelopment authorized by this Agreement.

c. If a material breach in this Agreement occurs and is not cured within the time periods provided above, the party that provided notice of the breach may elect to terminate this Agreement or may seek to enforce this Agreement as provided herein.

d. If either party waives a material breach in this Agreement, such a waiver shall not be deemed a waiver of any subsequent breach.

**P. Notices.** All notices, demands, requests, or replies provided for or permitted by this Agreement, including notification of a change of address, shall be in writing to the

addressees identified below, and may be delivered by any one of the following methods: (a) by personal delivery; (b) by deposit with the United States Postal Service as certified or registered mail, return receipt requested, postage prepaid; or (c) by deposit with an overnight express delivery service with a signed receipt required. Notice shall be effective upon receipt. The addresses and telephone numbers of the parties are as follows:

TO SH3:

Mr. Robert Spottswood  
Spottswood Companies, Inc.  
506 Fleming Street  
Key West, Florida 33040  
Telephone: (305) 294-4840

With a copy by regular U.S. Mail to:

Robert C. Apgar, Esquire  
Sherry A. Spiers, Esquire  
Greenberg Traurig, P.A.  
101 East College Avenue  
Tallahassee, Florida 32301  
Telephone: (850) 222-6891

TO MARATHON:

Mike Puto, City Manager  
City of Marathon  
10045-65 Overseas Highway  
Marathon, Florida 33050  
Telephone: (305) 743-0033

With a copy by regular U.S. Mail to:

John R. Herin, Jr., Esquire  
City Attorney  
Stearns, Weaver, Miller, Weissler  
Alhadeff & Sitterson, P.A.  
150 West Flagler Street, Suite 2200  
Miami, Florida 33133  
Telephone: (305) 789-3427

**Q. Annual Report.** On the anniversary date of the Effective Date of this Agreement, SH3 shall provide MARATHON with a report identifying (a) the amount of development authorized by this Agreement that has been completed, (b) the amount of development authorized by this Agreement that remains to be completed, and (c) any changes to the plan of development that have occurred during the one (1) year period from the Effective Date of this Agreement or from the date of the last annual report.

**R. Enforcement.** In accordance with Section 163.3243, Florida Statutes, any party to this Agreement, any aggrieved or adversely affected person as defined in Section 163.3215(2), Florida Statutes, or the State Land Planning Agency may file an action for injunctive relief in the circuit court of Monroe County, Florida, to enforce the terms of this Agreement or to challenge the compliance of this Agreement with the provisions of Sections 163.3220-163.3243, Florida Statutes.

**S. Binding Effect.** This Agreement shall be binding upon the parties hereto, their successors in interest, heirs, assigns, and personal representatives.

**T. Assignment.** This Agreement may not be assigned without the written consent of the parties.

**U. Drafting of Agreement.** The parties acknowledge that they jointly participated in the drafting of this Agreement and that no term or provision of this Agreement shall be construed in favor of or against either party based solely on the drafting of this Agreement.

**V. Severability.** In the event any provision, paragraph or section of this Agreement is determined to be invalid or unenforceable by a court of competent jurisdiction, such determination shall not affect the enforceability or the validity of the remaining provisions of this

Agreement.

**W. Applicable Law.** This Agreement was drafted and delivered in the State of Florida and shall be construed and enforced in accordance with the laws of the State of Florida.

**X. Litigation; Attorney's Fees; Venue; Waiver of Right to Jury Trial.** As between MARATHON and SH3, in the event of any litigation arising out of this Agreement, the prevailing party shall be entitled to recover all reasonable costs incurred with respect to such litigation, including reasonable attorney's fees. This includes, but is not limited to, reimbursement for such reasonable attorneys' fees and costs incurred with respect to any appellate, bankruptcy, post-judgment, or trial proceedings related to this Agreement. Venue for any legal proceeding arising out of this Agreement shall be in Monroe County, Florida. The parties to this Agreement waive the right to a jury trial in any litigation arising out of or initiated under this Agreement.

**Y. Use of Singular and Plural.** Where the context requires, the singular includes the plural, and the plural includes the singular.

**Z. Duplicate Originals; Counterparts.** This Agreement may be executed in any number of originals and in counterparts, all of which evidence one Agreement. Only one original is required to be produced for any purpose.

**AA. Headings.** The headings contained in this Agreement are for identification purposes only and shall not be construed to amend, modify, or alter the terms of the Agreement.

**BB. Entirety of Agreement.** This Agreement incorporates or supersedes all prior negotiations, correspondence, conversations, Agreements, or understandings regarding the matters contained herein. The parties agree that there are no commitments, Agreements, or

understandings concerning the subjects covered by this Agreement that are not contained in or incorporated into this document and, accordingly, no deviation from the terms hereof shall be predicated upon any prior representations or Agreements, whether written or oral. This Agreement contains the entire and exclusive understanding and Agreement among the parties and may not be modified in any manner except by an instrument in writing signed by the parties.

**CC. Recording; Effective Date.** SH3 shall record this Agreement in the public records of Monroe County, Florida, within fourteen (14) days after the date of this Agreement. A copy of the recorded Agreement showing the date, page and book where recorded shall be submitted to the State Land Planning Agency by hand delivery, registered or certified United States mail, or by a delivery service that provides a signed receipt showing the date of delivery, within fourteen (14) days after the Agreement is recorded. SH3 shall also provide a copy of the recorded Agreement to MARATHON within the same time period. This Agreement shall become effective thirty (30) days after the date it is recorded in the public records of Monroe County, Florida, and received by the State Land Planning Agency.

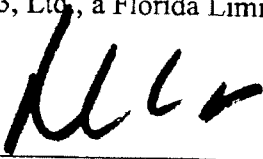
**DD. Date of Agreement.** The date of this Agreement is the date the last party signs and acknowledges this Agreement.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals on the day

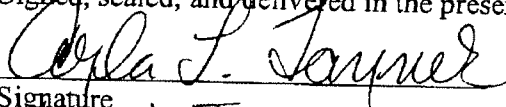
and year below written. Signed, sealed, and delivered in the presence of:

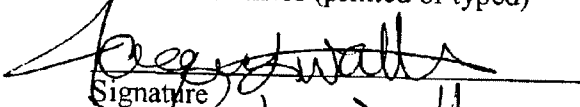
SH3, Ltd., a Florida Limited Partnership

MARCH 20, 2006

By   
ROBERT SPOTTSWOOD

Signed, sealed, and delivered in the presence of:

  
Signature  
Arla L. Tanner  
Name of Witness (printed or typed)

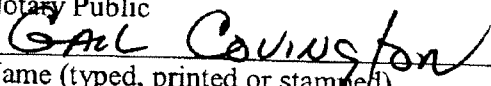
  
Signature  
Jacquelyn Waters  
Name of Witness (printed or typed)

STATE OF FLORIDA     )  
COUNTY OF MONROE    )

The foregoing Agreement was acknowledged before me on this 20 day of March 2006, by ROBERT SPOTTSWOOD, and the respective witnesses, ARLA L TANNER and JACQUELYN WATERS, who are either personally known to me or produced Florida drivers licenses as identification.

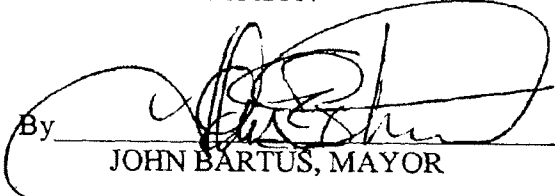


My Commission DD304114  
Expires March 25, 2008

Notary Public  
  
Name (typed, printed or stamped)  
My commission expires:

On the 13 day of February, 2006, the City Council of the City of Marathon approved this Agreement by Resolution No. 2006-015.


CITY OF MARATHON

By   
JOHN BARTUS, MAYOR

ATTEST:

  
Cindy L. Ecklund, City Clerk

APPROVED AS TO FORM AND LEGALITY  
FOR THE USE AND RELIANCE OF THE  
CITY OF MARATHON, FLORIDA ONLY.

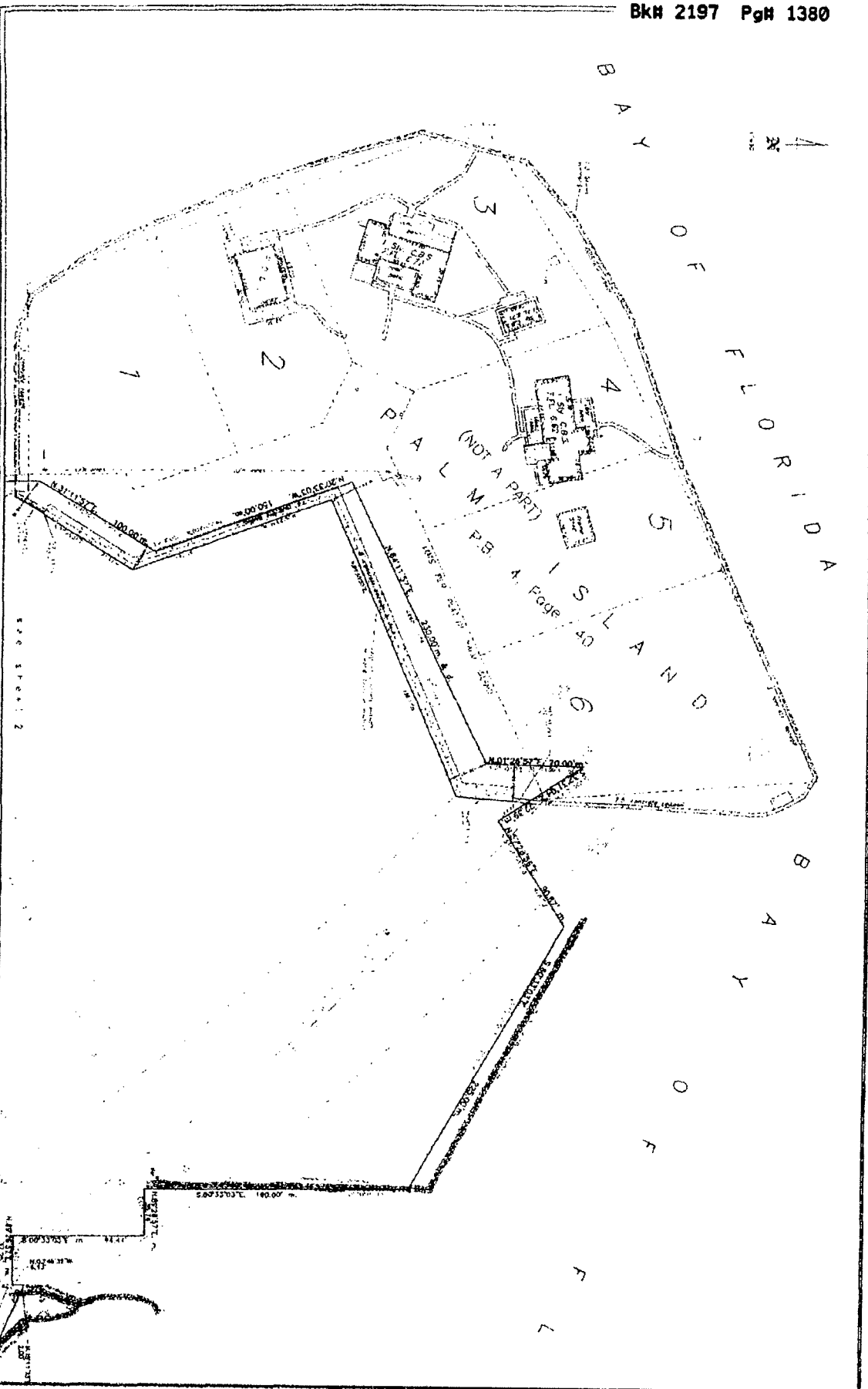
  
John R. Herin, Jr.  
City Attorney

tal-fs1\325568v01

**Exhibit A**

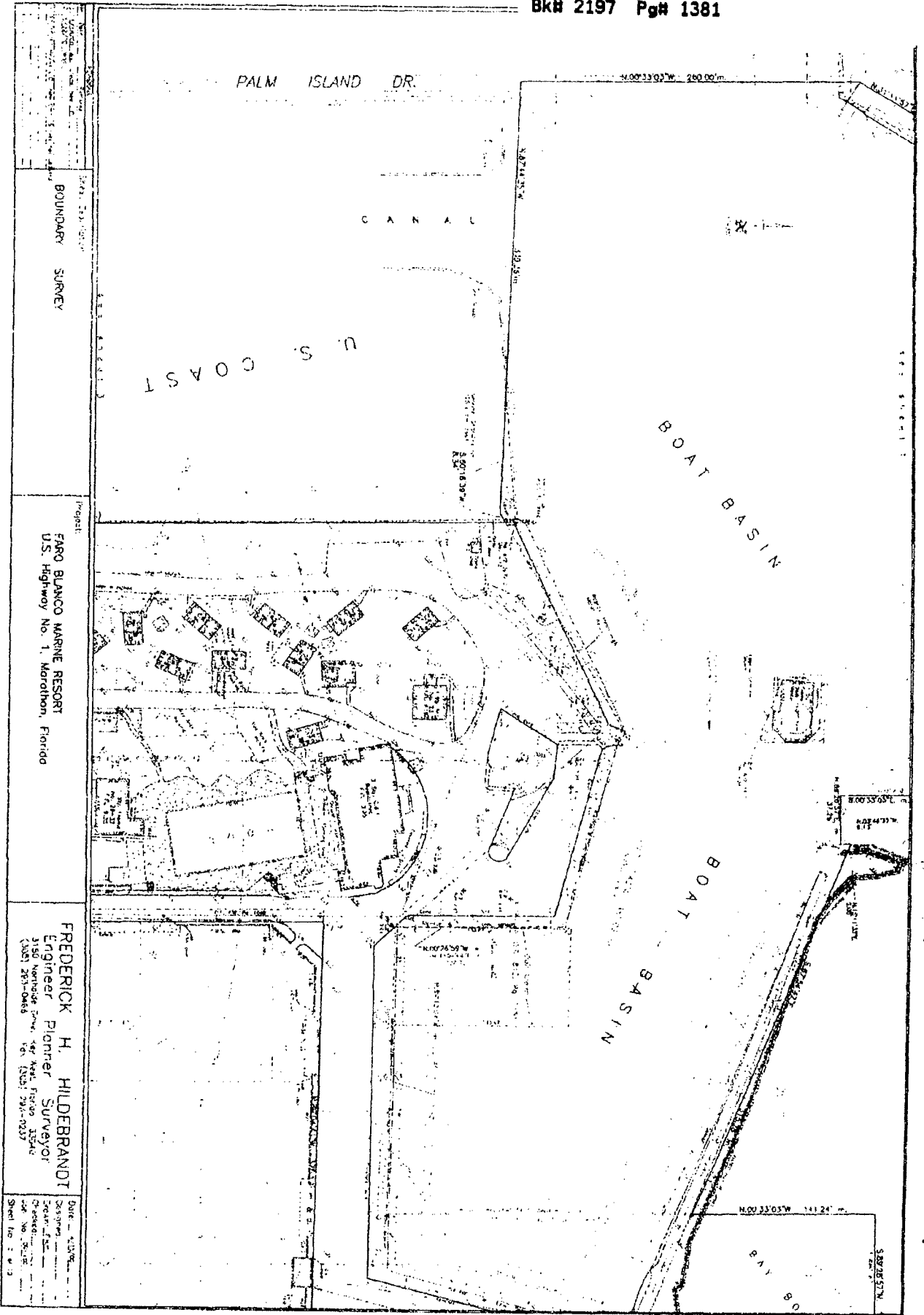
Boundary survey prepared by Frederick H. Hildebrandt, last revised March 25, 2005

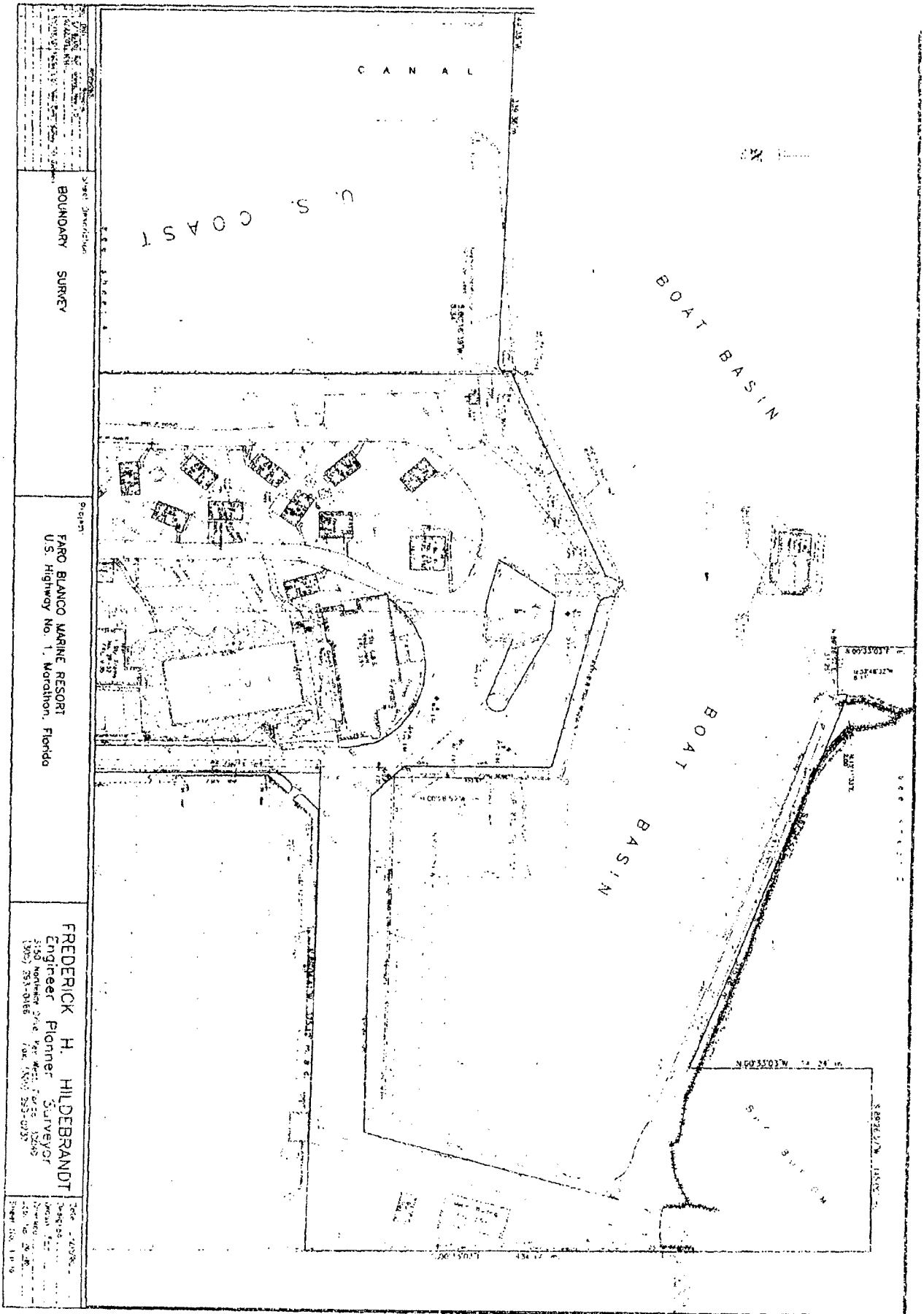




BOUNDARY SURVEY Project: FARO BLANCO MARINE RESORT U.S. Highway No. 1, Marathon, Florida	Date: 5/18/60 Drawn: JKH Checked: JKH Scale: 1" = 100' Sheet No. 1 of 6
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FREDERICK H. HILDEBRANDT  
 Engineer, Planner, Surveyor  
 1145 Northwest 2nd St., Key West, Florida 33420  
 (305) 233-0455 For (305) 292-2527



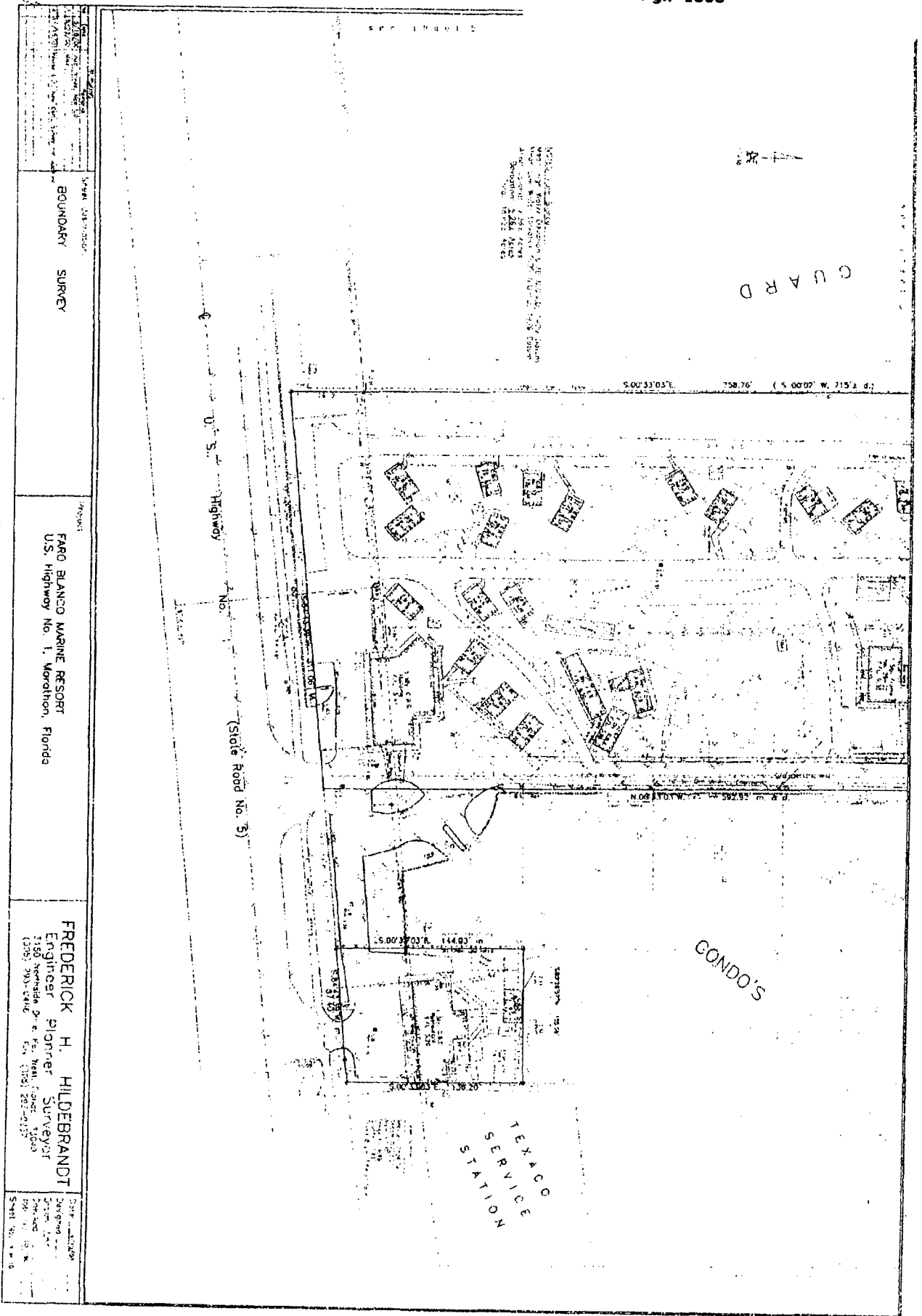


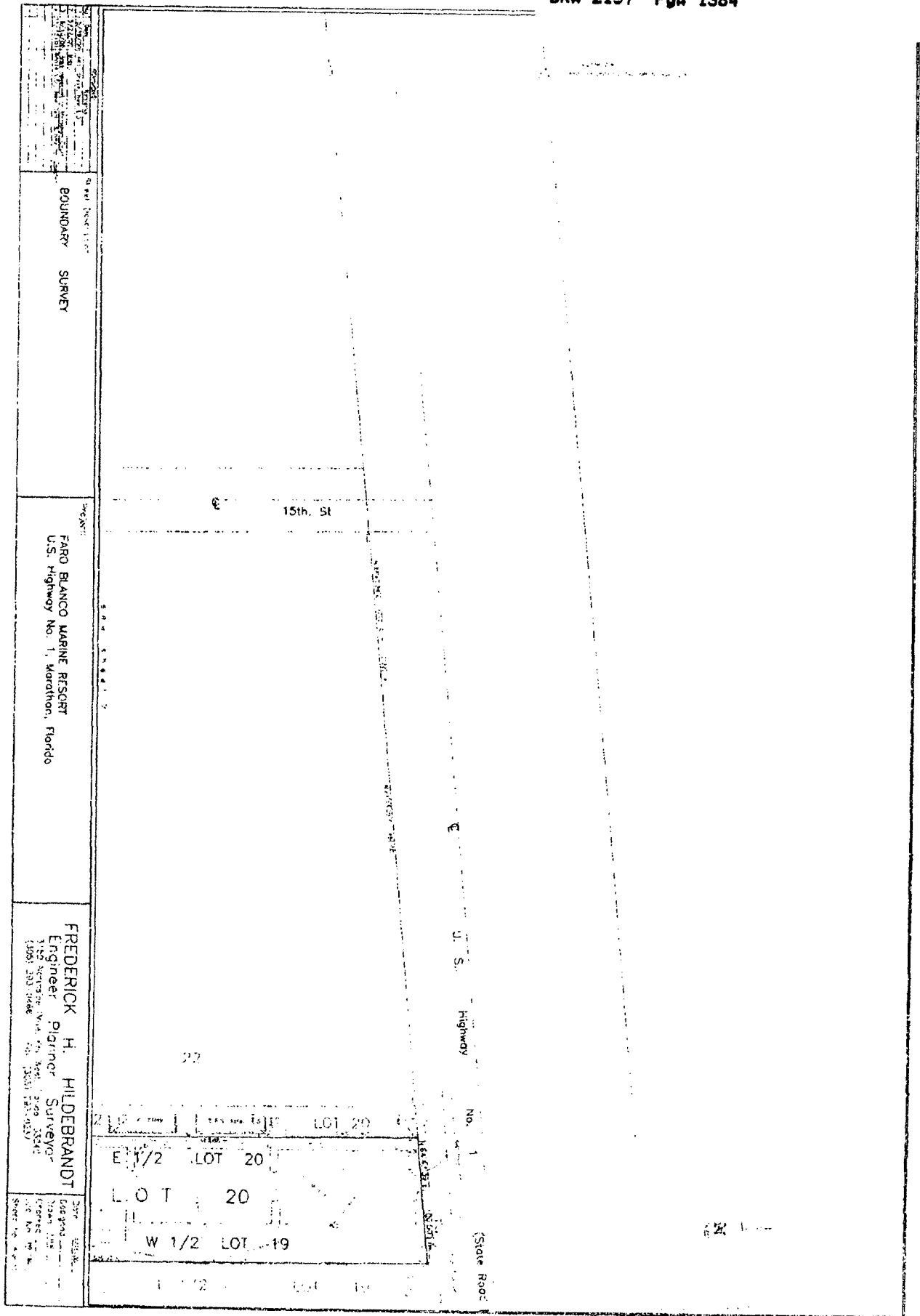
BOUNDARY SURVEY

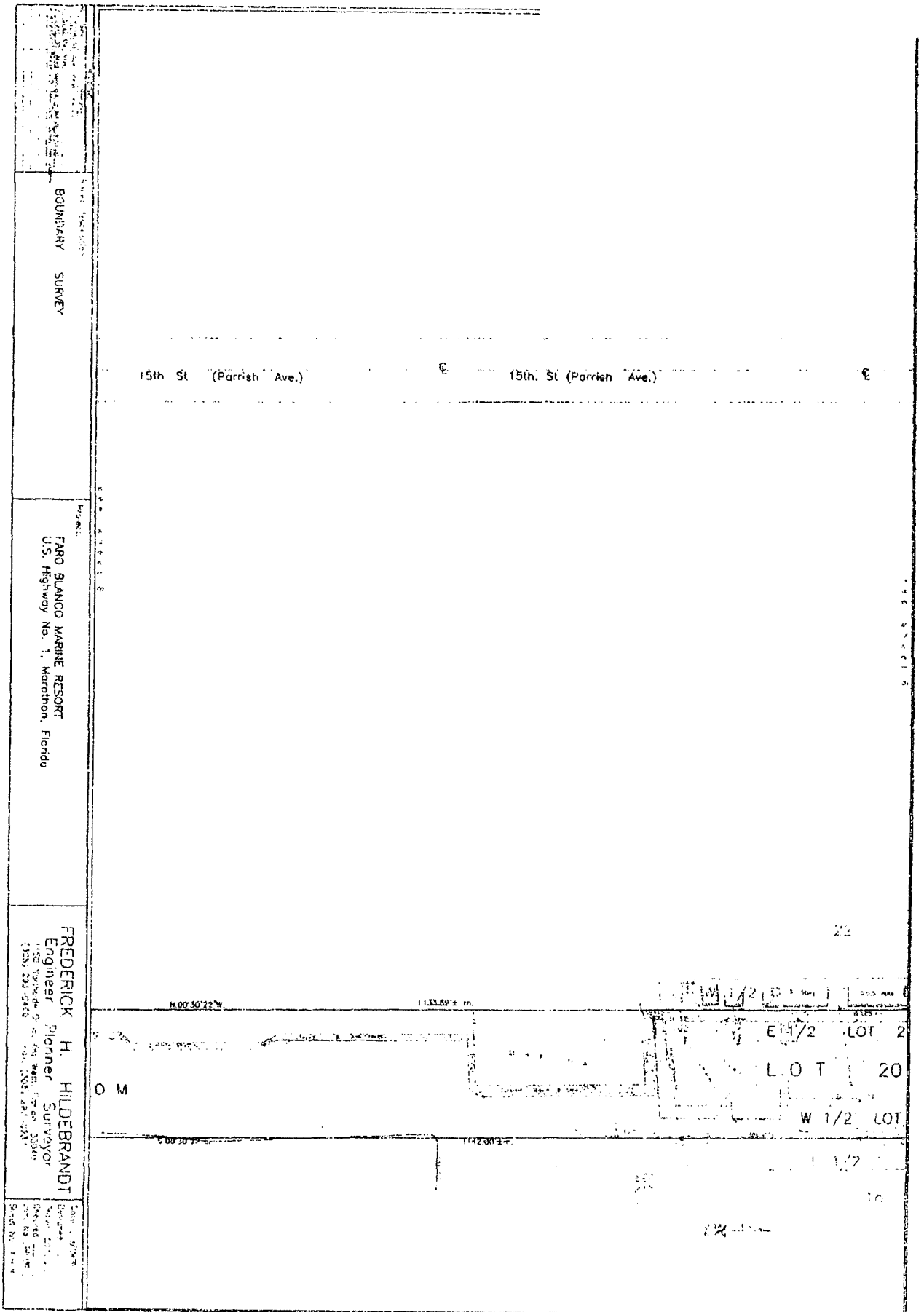
Project  
FARO BLANCO MARINE RESORT  
U.S. Highway No. 1, Marathon, Florida

FREDERICK H. HILDEBRANDT  
Engineer Planner Surveyor  
2150 Northway Drive Fort Lee, N.J. 07024  
(201) 351-0168 Fax: (201) 351-0155

Date: 10/28/88  
Drawing No. 100-100-100  
Sheet No. 1 of 10







BOUNDARY SURVEY

FARO BLANCO MARINE RESORT  
 U.S. Highway No. 1, Marathon, Florida

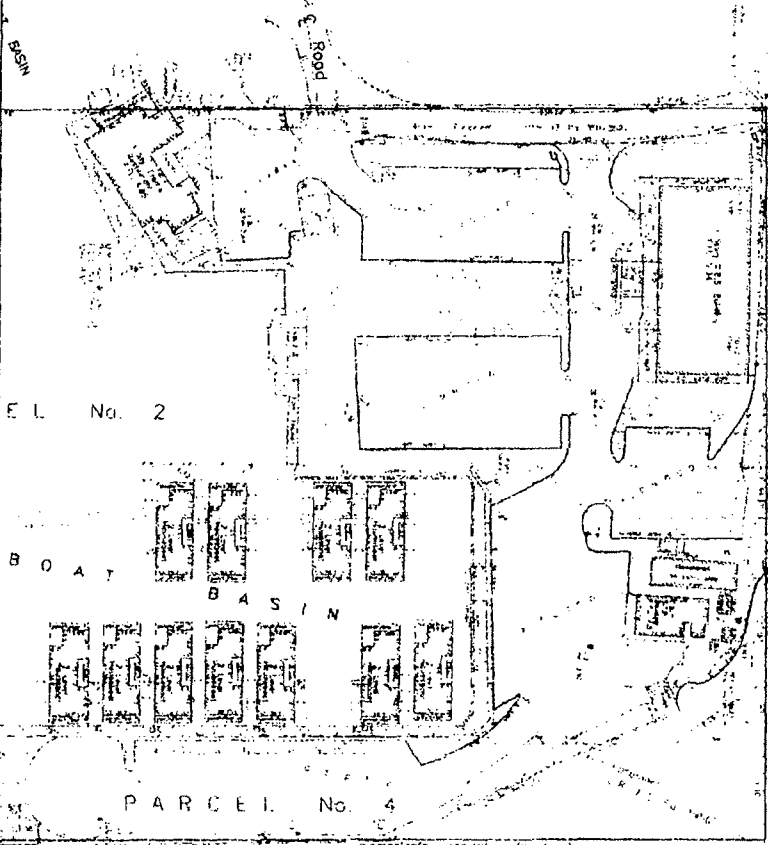
FREDERICK H. HILDEBRANDT  
 Engineer, Planner, Surveyor  
 1102 Northwood Dr., Ft. Myers, Florida 33904  
 (813) 221-0460

Scale: 1" = 100'

17 16  
3 3

BOUNDARY SURVEY

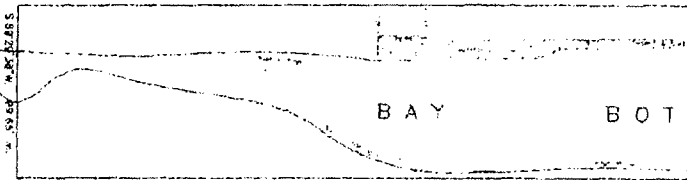
FARO BLANCO MARINE RESORT (BOOT KEY)  
U.S. Highway No. 1, Marathon, Florida



NOTE: Equal Lots, Marine  
 Water Line Water Elevation 100.00  
 Water Line Water Elevation 100.00  
 Water Line Water Elevation 100.00  
 Water Line Water Elevation 100.00  
 Water Line Water Elevation 100.00  
 Water Line Water Elevation 100.00  
 Water Line Water Elevation 100.00  
 Water Line Water Elevation 100.00

Richard C. Black et al.

P.A.F.S.M. S.U.B. (P.R. 2, pg. 18)

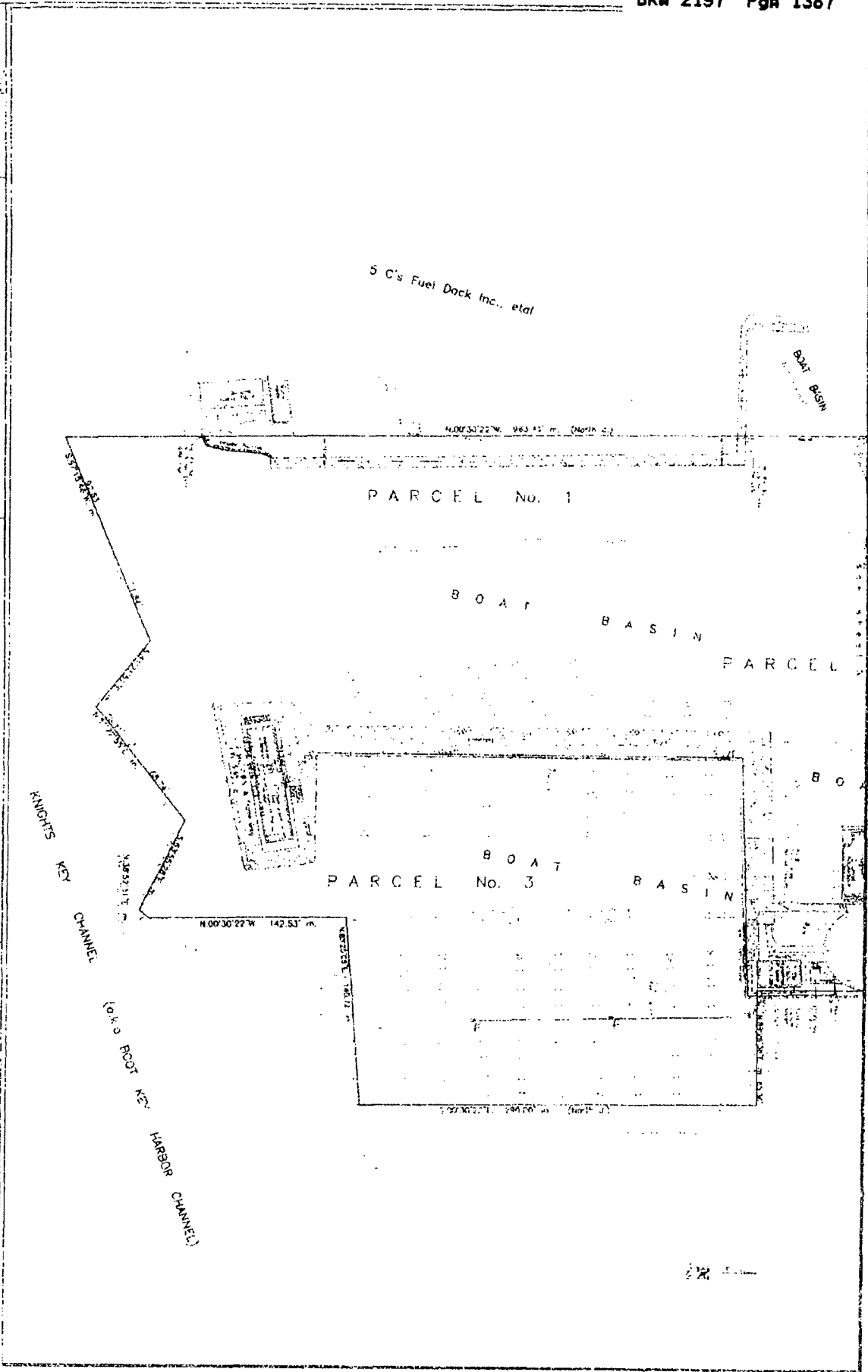


FREDERICK H. HILDEBRANDT  
 Engineer, Planner, Surveyor  
 2150 West 23rd St., Ft. Lauderdale, Fla. 33305  
 (305) 283-1848

BOUNDARY SURVEY

FARO BLANCH MARINE RESORT (BOCI KEY)  
U.S. Highway No. 1, Marathon, Florida

FREDERICK H. HILDEBRANDT  
Professional Surveyor  
Marathon, Florida



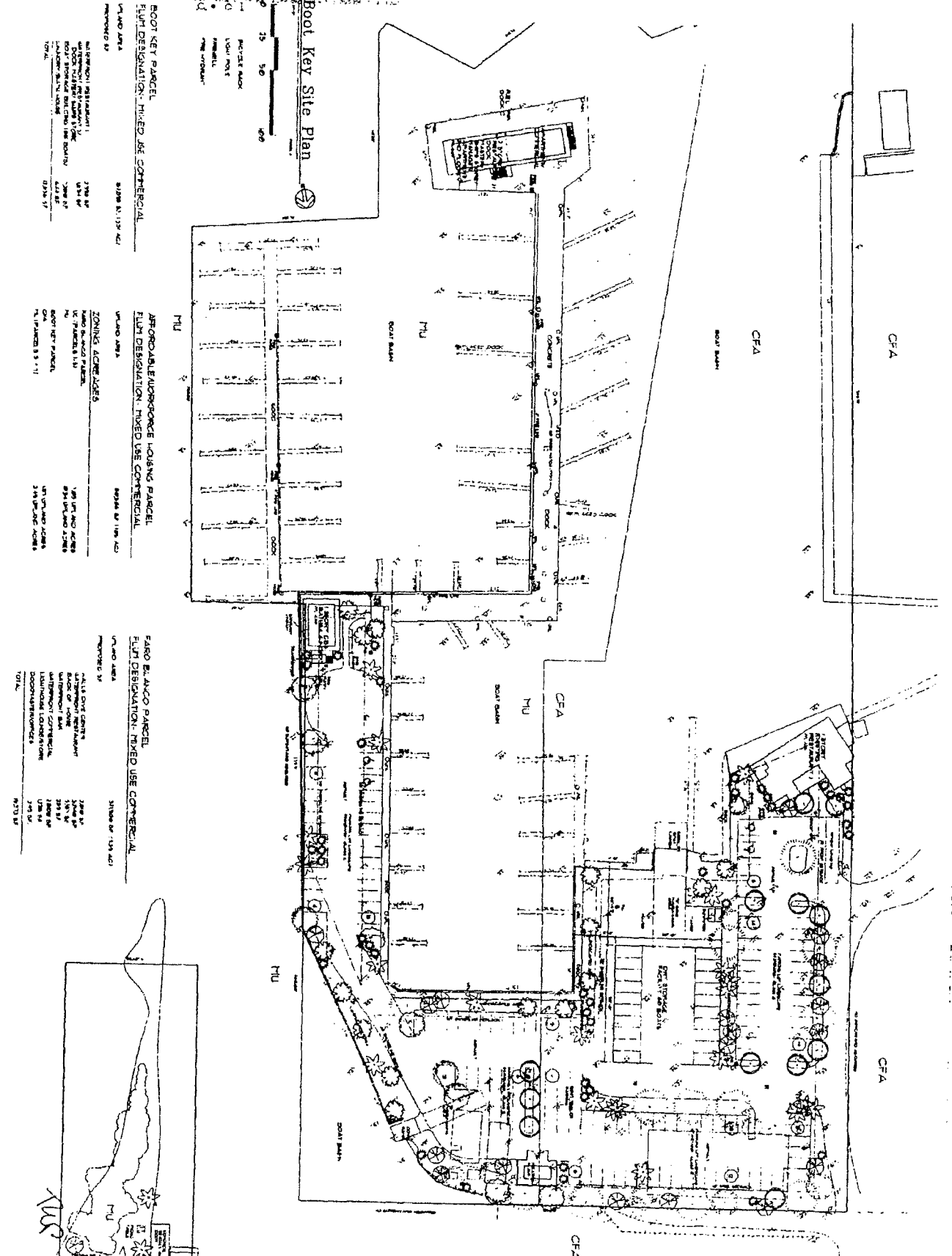




**Exhibit B**

(Composite) Conceptual Site Plans dated June 17, 2005, revised January 25, 2006, Faro Blanco (Sheet S1), Boot Key Marina (Sheet S2), and Boot Key Marina Affordable/Employee Housing Site Plan (Sheet S3)





**S2**

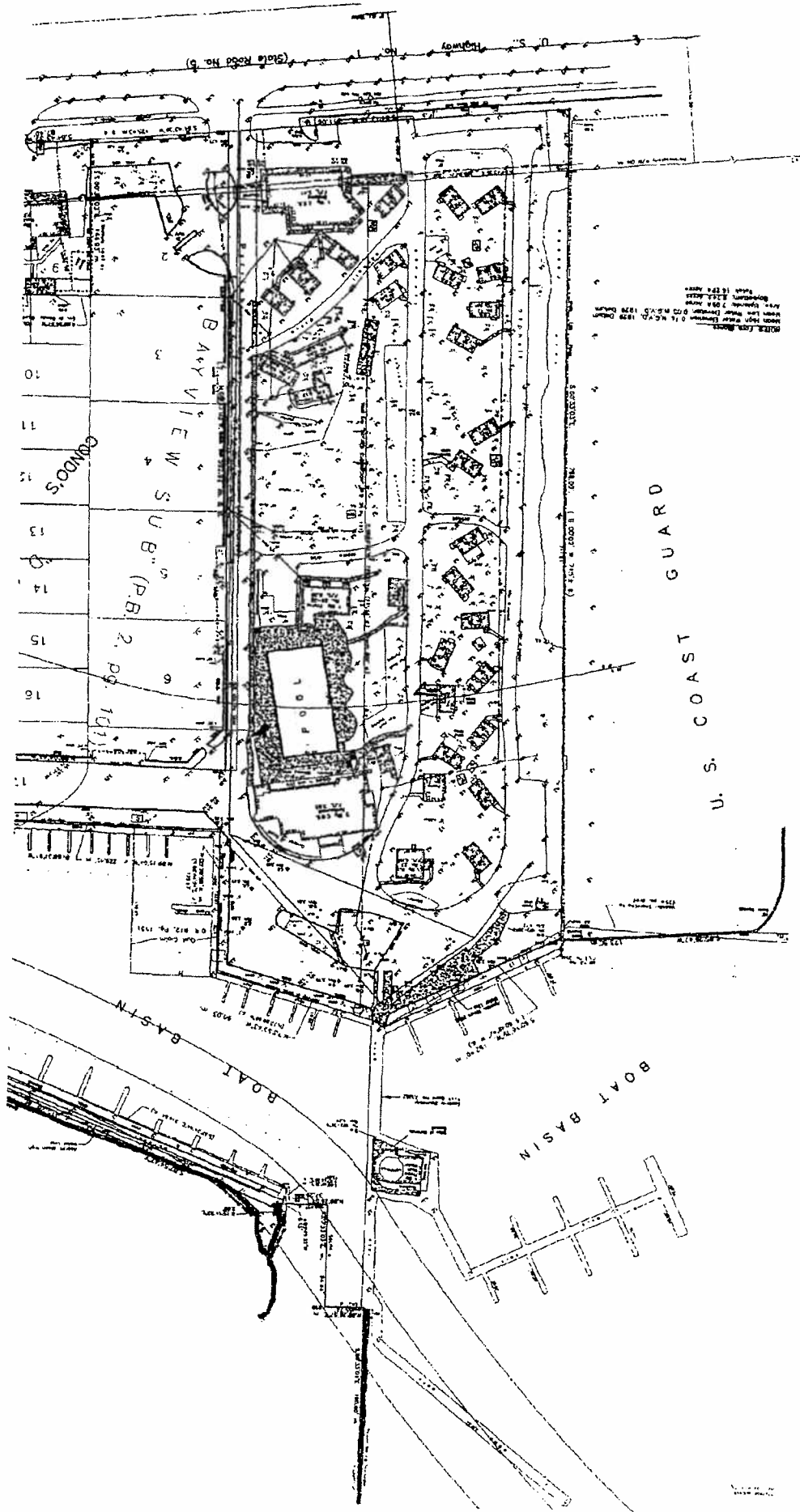
**THOMAS E. POPE, P.A. ARCHITECT**  
 610 White Street, Key West Fl. (305) 296 3611

**Boot Key Marina**  
 Overseas Highway  
 Marathon, FL



**Exhibit C**

Faro Blanco Resort (Gulf side) Existing Site Plan

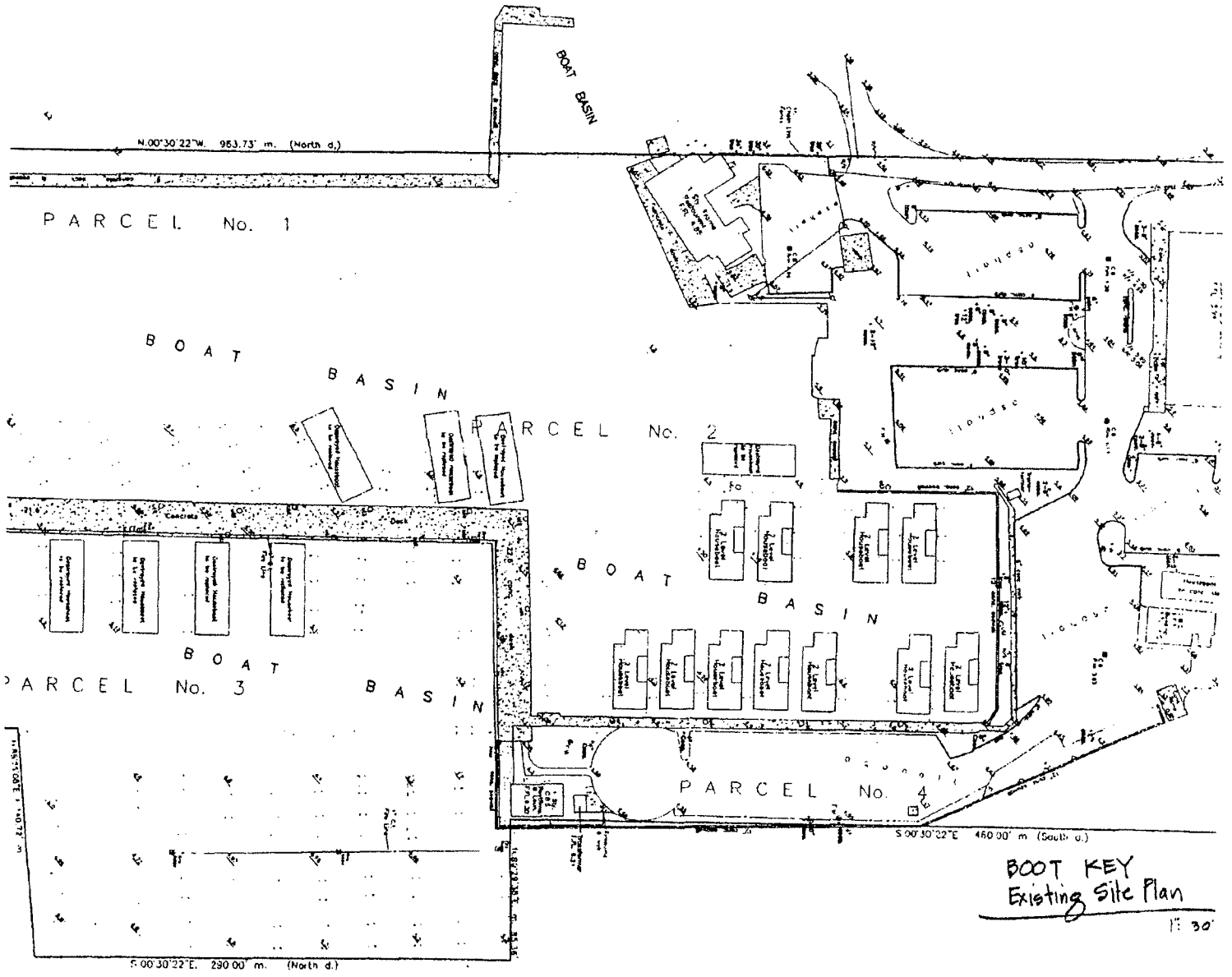


**FARD BLANCO**  
**Existing Site Plan**  
1840'0"

**Exhibit D**

Boot Key Marina (Atlantic side) Existing Site Plan





**BOOT KEY**  
Existing Site Plan

1:30'

**Exhibit E**

Table of Intensities and Densities

**Exhibit E**  
**Faro Blanco Development Agreement - Table of Density and Intensity**

**1. Intensity Calculation**

<u>Faro Blanco Parcels</u>	Zoning	Proposed Sq.Ft.	Intensity	FAR Std.	Required Acreage
Halls Dive Center	MU	2810	Low	0.35	0.18
Waterfront Restaurant	UC	3840	Moderate	0.40	0.22
Back of House	UC	3187	Moderate	0.40	0.18
Waterfront Bar	UC	259	Moderate	0.40	0.01
Waterfront Commercial	UC	2800	Low	0.45	0.14
Lighthouse					
Lounge/Store	UC	1228	Moderate	0.45	0.06
Dockmaster/Offices	UC	1249	Office	0.45	0.06
<b>Total</b>		<b>15373</b>			<b>0.87</b>
<u>Boot Key Parcels</u>					
Waterfront Restaurant 1	CFA	2998	N/A	0.40	0.17
Boat Storage Building	CFA	7200	N/A	0.40	0.41
<b>CFA Total</b>					<b>0.59</b>
Waterfront Restaurant 2	MU	1694	Moderate	0.40	0.10
Laundry Bath House	MU	644	Low	0.45	0.03
<b>MU Total</b>		<b>12536</b>			<b>0.13</b>

Exhibit E  
Faro Blanco Development Agreement - Table of Density and Intensity

2. Density Calculation

<u>Faro Blanco Parcels</u>		Deducted	Net	Allocated	# of Allowable	# of Proposed
Zoning	Upland Acreage	Intensity Acreage	Acreage	Rooms/Acre	Rooms	Rooms
MU/UC	7.39	0.87	6.52	10.00	65.18	65.00
<u>Boot Key Parcels</u>		Deducted	Net	Allocated	# of Allowable	# of Proposed
	Upland Acreage	Intensity Acreage	Acreage	Rooms/Acre	Rooms	Rooms
MU (Parcel 7)	1.64	0.13	1.51	10.00	15.10	15.00
MU (Parcel 5)	Upland Acreage 1.85	Intensity Acreage N/A	Net Acreage 1.85	Affordable DU/Buildable Acre 18.00	Buildable Acres (80%) 1.48	of Allowable Units Affordable Units 26.64 19.00
CFA (Parcel 6)	Upland Acreage 1.87	Deducted Intensity Acreage 0.59	Net Acreage 1.28	Affordable DU/Buildable Acre 12.00	Buildable Acres (80%) 1.03	of Allowable Units Affordable Units 12.33 1.00