

**CITY OF MARATHON, FLORIDA
RESOLUTION 2006-172**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARATHON, FLORIDA, APPROVING A DEVELOPMENT AGREEMENT FOR KNIGHTS KEY CORPORATION, INC. FOR THE REDEVELOPMENT OF PROPERTY LOCATED AT 1 KNIGHTS KEY BOULEVARD, MILE MARKER 47, WHICH IS LEGALLY DESCRIBED AS LOT 1 AND PART OF LOT 2 AND BAY BOTTOM EAST OF AND ADJACENT TO GOVERNMENT LOT 2, SECTIONS 8 AND 17, TOWNSHIP 66 SOUTH, RANGE 32 EAST, KNIGHTS KEY, MONROE COUNTY, FLORIDA, HAVING REAL ESTATE NUMBERS 00101800-000000 AND 00101790-000000, PROVIDING FOR CONDITIONS AND REQUIREMENTS OF DEVELOPMENT, INCLUDING, BUT NOT LIMITED TO, BUFFERS, BUILDING HEIGHTS, SETBACKS, AND OTHER REQUIREMENTS

WHEREAS, Knights Key Corporation, Inc. (the "Owner") owns approximately 24 acres of upland (the "Property") in the corporate limits of the City of Marathon, Florida; and

WHEREAS, the Property is a fully developed site with RV units, three dwelling 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 May 15, 2006, 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 October 24, 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 Knights Key Corporation, Inc., 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 14th day of November, 2006.


THE CITY OF MARATHON, FLORIDA



Christopher M. Bull, Mayor

AYES: Mearns, Pinkus, Tempest, Worthington, Bull
NOES: None
ABSENT: None
ABSTAIN: None

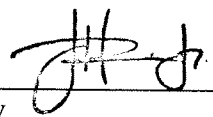
ATTEST:



Diane Clavier
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:

John J. Wolfe, Esq.
John J. Wolfe, P.A.
2955 Overseas Highway
Marathon, FL 33050
Telephone: (305) 743-9858

Doc# 1624230
Bk# 2268 Pg# 542

Parcel I.D. Nos.:
Knights Key (Knights Key Corporation)
00101800-000000, 00101790-000000

(Space reserved for recording)

**DEVELOPMENT AGREEMENT FOR
MARANU LUXE BUNGALOW RESORT AND SPA
(AKA KNIGHTS KEY CORPORATION, INC.)**

THIS AGREEMENT is entered into by and between Knights Key Corporation, Inc, a Florida Corporation (herein, the “Owner”), and the CITY OF MARATHON, a Florida municipal corporation (herein, the “City”), pursuant to Sections 9.5-101 and 9.5-102 of the City Code, and the Florida Local Government Development Agreement Act, Sections 163.3220-163.3243, Florida Statutes (2004), and is binding on the “Effective Date” set forth herein.

WITNESSETH:

WHEREAS, Owner is the owner of approximately 24.1 acres of contiguous uplands plus submerged land in the corporate limits of the City, now known as Knight’s Key Campground, 1 Knights Key Blvd., at Mile Marker 47 on Vaca Key, more particularly described in the legal description attached hereto as Exhibit A (herein, the “Property”); and

WHEREAS, the Property is currently developed with the existing structures described in Section 3.a. of this Agreement; and

WHEREAS, redevelopment of the Property provides the opportunity to upgrade

the existing facilities, contribute to the provision of affordable housing, upgrade and enhance the existing transient facility and amenities, provide on-site wastewater treatment that meets 2010 standards, meet current stormwater retention standards to contribute to the protection of the nearshore waters in the City, and provide additional benefits to the City as set forth in this Agreement; and

WHEREAS, on January 11, 2005 the City enacted Ordinance 2004-017 amending the Land Use District (Zoning) Regulations from Recreation Vehicle (RV) to Destination Resort (DR); and

WHEREAS, Owner desires to create a Resort on the Property with the facilities, amenities and infrastructure as set forth in this Agreement; and

WHEREAS, the proposed redevelopment is permissible and appropriate under the City's Comprehensive Plan Future Land Use designation applicable to the Property, which allows mixed use development along with various types of residential and non-residential uses; 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 with the exception of existing mangroves that are protected under State law; and

WHEREAS, the Owner has provided public notice of the parties' intent to consider entering into this 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 notices to the persons and entities shown on the most recent Monroe County Tax Roll to be the owner of property lying within 300 feet of the boundaries of the Property subject to this Agreement; and

WHEREAS, the City Planning Commission has held a public hearing on May 15, 2006, to consider this Agreement, and the City Council of the City has held public hearings on June 13, 2006, October 10, 2006 and October 24, 2006 to consider this Agreement; and

WHEREAS, the City has determined that this Agreement is in the public interest and will further the health, safety, welfare, of the residents of the City 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:

A. RECITALS. The recitals set forth in the preceding “Whereas” clauses are incorporated herein and form a material part of this Agreement.

B. DEFINITIONS. For the purposes of this Agreement, the following terms shall have the following meanings. Terms not defined in this Agreement shall be as defined in the City Code, in Chapter 163, Florida Statutes, or, if not defined in the Code or Statute, shall be understood by their usual and customary meaning.

1. “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 163.3220-163.3243, inclusive, Florida Statutes.

2. “City Code” shall refer to the Code of Ordinances of the City of Marathon in existence on the Effective Date of this Agreement.

3. “Comprehensive Plan” shall refer to the City’s Comprehensive Plan, effective July 7, 2005.

4. **“Development”** shall refer to the redevelopment of the Property for the uses permitted by this Agreement, subject to the conditions, obligations, restrictions and terms contained herein.

5. **“Dwelling, Apartment”** shall refer to the dwelling unit type defined in Section 9.5-4 (D-24) of the City Code.

6. **“Dwelling Unit”** shall refer to a dwelling unit as defined in Section 9.5-4 (D-31) of the City Code.

7. **“Effective Date”** shall refer to the date this Agreement becomes effective, as set forth in this Agreement.

8. **“Florida Department of Community Affairs” (FDCA) and “state land planning agency”** shall mean and refer to the “state land planning agency” as defined in Chapter 163, Part II, Florida Statutes.

9. **“Land Development Regulations”** (LDR’s) shall mean Chapter 9.5 of the City Code in existence on the Effective Date of this Agreement.

10. **“Owner”** shall refer to the owner of the Property identified in the first paragraph of this Agreement.

11. **“Property”** shall refer to the parcel of real property located in the City that is the subject of this Agreement as described on Exhibit A attached hereto and made a part hereof.

12. **“Public facilities”** means those facilities identified in Section 163.3221, Florida Statutes (2004), and as set forth in this Agreement.

13. **“Residential Rate of Growth Ordinance” or “ROGO Allocation”** shall be as that term is defined in Chapter 9.5 of City Code of Ordinances. If

the City chooses to replace ROGO with a "Residential Building Permit Allocation System" (BPAS), then that system may apply in its place with reference to future allocations made to the property.

14. "Resort" means the Development as a whole, to include: the 199 units, 3 single family residences, affordable housing complex, accessory uses and amenities, and all other uses and structures with the exception of those parcels deeded or leased to other entities such as the Pigeon Key Foundation and the Sewer Treatment Plant.

15. "Site Plan" means both the Conceptual Site Plan dated August 30, 2006 and/or the Final Site Plan with a date to be determined, as appropriate.

16. "Transient" means the use of a unit for a consecutive tenancy of 28 days or less as defined by Florida Statutes.

C. TERMS OF AGREEMENT.

1. Legal Description; Ownership and Equitable Interests in the Property. The legal description of the Property subject to this Agreement is attached hereto as Exhibit "A" and incorporated herein by reference. The owner of the Property as of the date of execution of this Agreement is the Owner. There are no other legal or equitable owners of the Property known to the parties to this Agreement; provided, however, that an easement along Knights Key Boulevard for public use (including, but not limited to, use as a roadway) and for landscaping, maintenance, drainage, access or any other construction- related use was reserved pursuant to the provisions of a certain Quit Claim Deed from the Florida Department of Transportation to Owner. A right of reverter was also

reserved by the Florida Department of Transportation in such Quitclaim Deed. In order to meet certain requirements of the LDRs and this Agreement, Owner agrees to have the Florida Department of Transportation limit the reverter right to the Northern 15 feet of the quitclaimed property. No building permit will be issued until the reverter has been so limited or a new site plan approved by the City.

The Owner shall provide an Opinion of Title in a form acceptable to the City contemporaneous with the execution of this Development Agreement.

2. Duration of Agreement, Agreement Renewal.

This Agreement shall remain in effect for an initial period of seven (7) years, commencing on the Effective Date set forth below. This Agreement may be renewed or extended as provided herein. Notwithstanding the foregoing if the Owner has not complied with Section C.8.a.3 herein , as to schedule for construction , this Agreement shall be subject to termination as provided herein in Section 15 a.

3. Existing Development; Preparation for Redevelopment.

a. Existing Development. The following development, currently exists on the Property: Knights Key Campground, with one hundred ninety-nine (199) RV spaces, five thousand seven hundred and forty-four (5,744) square feet of commercial floor area defined as follows: a two thousand nine hundred and ninety-four (2,994) square foot restaurant, a nine hundred eighty-eight (988) square foot structure with a service shop on the bottom floor and three (3) dwelling units on the second floor, a structure consisting of a seven hundred seventy (770) square foot store, a structure consisting of a two hundred eighty (280) square foot office, one (1) seven hundred twelve

(712) square foot Tiki Bar, a marina with forty-eight (48) boat slips, and other amenities.

b. Redevelopment Preparation. The Property will be prepared for redevelopment by permitted demolition and appropriate removal of certain existing structures.

4. Plan Approval, including Densities and Intensities.

a. Approval of Conceptual Site Plan; Minor Revisions; Final Site Plan. The Property shall be redeveloped and operated as a Resort consisting of one hundred ninety-nine (199) transient Resort units, three (3) single family residences, together with forty six thousand three hundred and ninety eight (46,398) square feet of commercial floor area, forty-eight (48) boat slips, and thirty (30) affordable/workforce rental dwelling units, as described in this Agreement and depicted on the Site Plan for Knights Key, dated February 15, 2006 and revised on August 30 , 2006, which was prepared by Canin Associates, and is attached hereto as Exhibit B. The Site Plan is hereby approved by the City, and any subsequent site plans, site plan approvals and building permits shall substantially comply with this Site Plan; provided, however, that the final site plan may deviate from the Site Plan to accommodate: (1) refinements to the Development plan including minor shifts in location of five (5) feet or less in the residential structures, roadways, pathways, and swimming pool configurations and five (5) feet or less in the Central Facilities Building; (2) changes to the building type or number of residential units, so long as the density set forth in this Agreement is not exceeded; or (3) modifications that are necessary to meet regulatory requirements imposed by any other governmental entity. The site plan meets all applicable setback, open space, landscape bufferyard, parking and building height requirements established

in City Code and such requirements shall not be varied unless Owner obtains a variance pursuant to applicable provisions of the City Code.

b. Form of Ownership. The Property shall be redeveloped and operated as a Resort, condominium, cooperative, or similar form of ownership of all or a portion of the properties; and the submission of the properties to the condominium, cooperative, or similar form of ownership (and recordation of a corresponding declaration of condominium or similar instrument) or the sale of individual transient residential dwelling units therein shall not be prohibited or in violation of the terms and provisions of this Agreement. Fractional ownership will be allowed, but no “timeshare” ownership will be permitted.

c. Exempt Dwelling Units under this Agreement. Pursuant to Section 9.5-123(f)(1) of the City Code, the one hundred ninety-nine (199) transient Resort units and the three (3) residential dwelling units on the Property are exempt from the requirements of the City’s residential ROGO.

d. Density under this Agreement. Pursuant to Section 9.5-262 and Section 9.5-267 of the City Code applicable to the DR districts, and applicable provisions in the Comprehensive Plan, Owner is entitled to redevelop, and will redevelop, a Resort consisting of one hundred ninety-nine (199) transient units, three (3) residential dwelling units, and thirty (30) affordable/workforce rental residential dwelling units on the Property as a unified Development.

e. Site Plan. The redevelopment of the one hundred ninety-nine (199) transient Resort units, three (3) residential dwelling units, and thirty (30) affordable/workforce rental dwelling units, as depicted on the Site Plan, is approved by

this Agreement. The Owner agrees to provide and maintain thirty (30) residential dwelling units as affordable/workforce rental dwelling units. Pursuant to Section 9.5 – 243 of the City Code, the thirty affordable/workforce units will total not less than ten (10) percent of the approved floor area in guest rooms. At least ten (10) of such units will be 700 square feet or less so as to qualify as fractional units in the event the City adopts and FDCA approves an ordinance creating fractional ROGO allocations. In such event, the Owner will return/convey back to the City fractional ROGO allocations equal to the number of fractional affordable/workforce units which are constructed by the Owner (but in no event less than ten (10) units). In the event that such ordinance becomes effective prior to Owner's applying for building permits for such affordable housing units, Owner will apply only for such fractional ROGO allocations as are necessary to construct such smaller units. No Certificate of Occupancy for any of the 199 transient units or 3 residential units to be constructed will be issued prior to the issuance of Certificates of Occupancy for all thirty affordable/workforce units. The Owner shall execute a binding instrument, in a form acceptable to the City, ensuring that the thirty (30) affordable/workforce rental dwelling units are limited for use as affordable/workforce dwelling units and comply with the affordable/workforce rental dwelling unit criteria set forth in Sections 9.5-4(A-5) and 9.5-266 of the City Code, and as more fully addressed in Section C.5.n. of this Agreement. The Owner shall execute and record, in the public records of Monroe County, a Declaration of Covenant and Restrictions in a form acceptable to the City ensuring that it shall not seek, and has no legal right, to file for homestead exemption for the transient residential dwelling units redeveloped on the properties with the exception of the three (3) single family residences; and which shall

require the occupants of all transient hotel units on the properties to comply with the hurricane evacuation requirements set forth in Policy 1-2.2.1 of the Future Land Use Element of the City's Comprehensive Plan.

f. Structures. The redevelopment depicted on the Conceptual Site Plan, and listed below in Table 1, is approved by this Agreement subject to any other required permits or approvals as stated in section 5.L hereof. Exhibit C, incorporated by reference herein, depicts the building schematics for the Resort transient dwelling units.

Table 1 – Redevelopment Structures

USE	SQUARE FOOTAGE (SF)
Welcome Center/Lobby	1,700
Children's Center	1,000
Fitness Center,	3,000
Administrative Offices	3,365
Employee Facilities (lockers, cafeteria, etc.)	2,245
Housekeeping/Laundry	4,530
Maintenance	3,000
Marina Service Building/Ship's Store storage	1,900
Restaurants in/outdoor Seating Area	5,808
Banquet/Specialty Restaurant Kitchen Area	4,500
Real Estate Office	450
Spa Treatment Rooms	2,900
Pool Grill/Bar	900
Tiki Bar	500
Lounge Bar	400
Deli/Bean Company	1,500
Banquet/Meeting Space	7,500
Ship's Store	600
Gift Shop	600
Total	46,398
Credit for existing NROGO	-5,744
Grand Total	40,654

g. Commercial Floor Area Approved Under This Agreement. Pursuant to City Code 9.5-124.3, the Owner is to reconstruct a total of five thousand seven hundred and forty-four (5,744) square feet of commercial floor area or

non-residential development on the Property without being subject to NROGO requirements as follows: a two thousand nine hundred and ninety-four (2,994) square foot restaurant, a nine hundred eighty-eight (988) square foot structure with a service shop on the bottom floor and three (3) dwelling units on the second floor, a structure consisting of a seven hundred seventy (770) square foot store, a structure consisting of a two hundred eighty (280) square foot office, one (1) seven hundred twelve (712) square foot Tiki Bar for a total of five thousand seven hundred forty-four (5,744) square feet of redeveloped commercial floor area. Total commercial floor area redevelopment on the Property approved by this Agreement is forty six thousand three hundred ninety-eight (46,398) square feet, as depicted on the Site Plan.

The Owner shall submit an NROGO application for the additional forty thousand six hundred fifty-four (40,654) square feet of commercial floor area and may be allowed by the City Code to begin construction without the full allotment of the NROGO requirement to provide economical and consistent construction, but will not receive a Certificate of Occupancy until full allocation is received. The allotted NROGO amount will be allocated over two consecutive NROGO allocation periods beginning in 2007.

h. Accessory Uses. Accessory uses to be developed or redeveloped on the Property as part of the Resort include the following:

- (i) Pools and pool decks, landscaping, street and parking areas, and all other areas of the Resort not part of a transient residential unit. Also, the Central Facilities Building, including the Welcome Center Lobby, will contain the following uses which are

accessory, "back of the house", to the Resort: conference rooms and breakout meeting rooms, spa services, storage, receiving, human resource offices, men's and women's locker rooms, employee lounge, public circulation, housekeeping, maintenance, toilets, offices, and mechanical. The use of the accessory uses shall be limited to the guests of the Resort.

The marina and the dock slips will be for the exclusive use of on-site owners and guests and will not be operated as a commercial marina; however "six-pack" charters, as well as other water-sport activities will be provided solely to the resort guests and unit owners. The Owner agrees not to offer jet-ski, waverunner or similar personal watercraft rentals at the marina or elsewhere on the Property. No live-aboards will be permitted. The Owner shall record in the public records of Monroe County a deed restriction in a form acceptable to the City prohibiting the use of live-aboards on the Property. The marina and dock slips will conform to the City of Marathon Marina Siting Plan.

5. Development Conditions. The following conditions, terms, restrictions, and other requirements have been determined by the City of Marathon to be necessary for the public health, safety, and welfare of its citizens:

a. Building Height. Buildings may be constructed to a maximum height of thirty seven (37) feet above the average grade of the entire parcel determined to be seven and one-half (7.5) feet (MSL/NGVD) pursuant to the City Planning Director letter dated January 11, 2006.

b. Setbacks. The City acknowledges that there is no undisturbed or unaltered shoreline on the Property. Pursuant to City Code Section 9.5-286, a twenty (20) foot setback from the mean high water line (“MHWL”) shall be required for all principal structures with the exception of the units as shown on the Site Plan and located on the open water section of the Development, where this setback is thirty (30) feet. City Code Section 9.5-289 establishes provisions for a limited amount of non-enclosed detached outdoor recreational accessory structures that may be developed within the shoreline setback. Pursuant to City Code Section 9.5-281, the DR district requires a minimum twenty-five (25) foot front yard setback, twenty (20) foot side yard setback on one side of the property line with a combined total of thirty-five (35) feet for both side yards and a thirty (30) foot rear setback. Owner shall comply with the applicable setbacks. Internal setbacks are not required other than for fire safety.

c. Utilities, Lighting, and Signage. Utilities, lighting, and signage shall comply with all applicable requirements of the City Code, including the waterfront lighting criteria in City Code Section 9.5-395. The Owner shall install all utilities underground where practicable and shall screen all utility facilities. The Owner shall utilize shaded light sources to illuminate all signs, facades, buildings, parking and loading areas, and shall arrange such lighting to eliminate glare to parcels lying outside the Property. No intermittent or flashing lights or flashing signs shall be allowed.

d. Landscaping. The Owner and/or condominium association shall utilize best installation and maintenance practices for landscaping throughout the Property, and shall guarantee one hundred percent (100%) survival of all owner-installed plants for one (1) year after receipt of a final Certificate of Occupancy for

each section of the Development, acts of God such as hurricanes notwithstanding. Seventy percent (70%) of all required plants installed shall be Florida Keys native plants that are suitable for the site conditions and are a species typical of the Middle Keys. The Owner shall remove all Category I invasive exotic plants on the Property. The Owner shall provide a Class "D" Major Street buffer in accordance with Section 9.5-378 of the City Code. The Owner shall provide, where applicable, Class "A" landscaping for all parking areas in accordance with Section 9.5-361 of the City Code. The IS-D district abuts the DR district on the western property line. The Owner will provide a Class "D" buffer except for the portion where the boundary runs along a canal which shall be a Class "B" buffer along this district boundary in accordance with Section 9.5 – 377 of the City Code.

e. Parking. The redevelopment shall comply with the parking criteria as required by Section 9.5-351 of the City Code. The Owner shall provide one (1) common element parking space per Resort transient unit located in a common element parking (for a total of one hundred ninety-nine (199) parking spaces); forty-five (45) common element parking spaces for affordable/workforce dwelling units; seventy-six (76) parking spaces for commercial floor area requirement; and a minimum of eight (8) common element parking spaces for the Pigeon Key Foundation; additional parking may be created upon final site plan adjustments. The total number of parking spaces on the Property is three hundred twenty-eight (328). No parking for boat trailers will be permitted. It is not the intention that guests bring boats to the resort, as there are no launching or parking facilities on-site. For those guests and owners who bring boats to the facility, launching and parking of the boat trailer will be required off-site. No other

parking spaces will be provided on the Property, however, Owner will diligently work with the City to provide managed parking at no cost to the public on portions of the Property for public events sponsored by the City at discreet times of the year as agreed to by the City and Owner including at a minimum the Art Festival, the Seven Mile Race, and any other existing events.

f. Other Improvements. There will be a sewage treatment plant (STP) provided as depicted by the Conceptual Site Plan that serves the Property and the entirety of Knights Key, which is the plant that will be upgraded. The STP shall be AWT compliant using SBR technology. The Owner shall also provide the following in connection with the STP: adequate access for sludge removal, adequate buffering, emergency power, reclaimed water pumping storage facilities, and on-site process control system space. This Development Agreement provides for the perpetual non-exclusive right of the owners of the Property to use the sewage treatment system on the terms and conditions set forth herein. Owner shall not be responsible for the piping, pumps or other equipment to connect residences, businesses, and other public and private facilities on Knights Key not owned by Owner. The responsibility for such improvements to serve others shall be that of the City. The Owner shall transfer the ownership of the STP and underlying land at the time the STP receives a Certificate of Occupancy/completion and is licensed/authorized to begin operation by the State of Florida. The transfer shall include, but not be limited to all operating permits/licenses, all appurtenances, and access points above or below ground, if applicable, free and clear of all liens and encumbrances. Within one hundred and eighty (180) days of the execution and delivery of this Agreement, the Owner shall execute a perpetual non-exclusive easement for ingress,

egress and utilities in favor of the City to provide the necessary access to the STP. The STP will include a system for the reuse of treated wastewater for irrigation on the Property.

g. Internal Infrastructure. The underground infrastructure, water and sewer serving the transient residential dwelling units and residential dwelling units and commercial units, shall be completed before a Certificate of Occupancy may be issued for the unit.

h. Fire Safety. The Owner shall provide fire walls and other such fire protection facilities as required by the Life Safety Code administered by the City Fire Department. Fire sprinklers will be installed as required by City Code.

i. Open Space Ratio. Pursuant to City Code Sections 9.5-343, 9.5-262, and 9.5-267, a minimum of 20% open space is required. The Owner will maintain a minimum of 20% open space on the Property.

j. Wind Load. The Owner shall construct all structures on the Property, including doors, windows, and cladding, to withstand the mile per hour peak winds as specified in the 2004 Florida Building Code.

k. Energy Efficiency. The Owner shall construct all residential and commercial structures in conformance with the specifications of the State of Florida Energy Efficiency Code for Building Construction (State Energy Code).

l. Permits from Other Regulatory Entities. Other agency permits or approvals may be required as provided by applicable law prior to the City's issuance of building permits for redevelopment of the Property. The Owner shall obtain

all necessary permits or approvals from other local, regional, state and federal regulatory entities and provide copies of each to the City within a reasonable time after such permits are issued. A log of the permits and approvals required for the Project and the status of each is incorporated herein as Exhibit D.

m. Stormwater Management. The Development shall comply with the stormwater management criteria in City Code Section 9.5-293 and as approved by the SFWMD. The Development will meet all applicable federal, state, regional, and local stormwater management requirements, including any applicable requirements pursuant to the National Pollutant Discharge Elimination System (NPDES) permit issued by the Florida Department of Environmental Protection for the City of Marathon in February 2005, prohibiting direct discharges into Outstanding Florida Waters.

n. Affordable/Workforce Dwelling Units. The Owner shall provide a total of thirty (30) affordable/workforce rental dwelling units on site. The Owner may sell in whole the affordable housing complex to the condominium association or the resort management group subject to the affordable eligibility criteria pursuant to Section 9.5-4(A-5) of the City's Land Development Regulations. A restrictive covenant or deed restriction in a form acceptable to the City shall be recorded in the public records of Monroe County and shall be effective for fifty (50) years from the date of the Certificate of Occupancy and shall automatically renew for two (2) fifty-year periods. Owner will enter into an agreement with the Middle Keys Community Land Trust ("MKCLT") or similar entity to perform income qualification evaluation for renters of units on an annual basis. Such agreement must be approved by the City Attorney and executed by the parties prior to issuance of Certificates of Occupancy for these units if

the affordable/workforce ROGO allocations are available. The City will reserve thirty (30) affordable housing allocations from the existing stock to be issued upon receipt of the Certificate of Occupancy of the affordable housing structure. As provided in Section C. 4. e., above, should the City adopt a Comprehensive Plan Amendment and Land Development Regulations which allow affordable/workforce studio units to be constructed with a fractional ROGO allocation or its equivalent, then the number of allocations required to complete the affordable housing component of the Property shall be reduced in a like manner.

o. Temporary Housing. The use of fifty (50) temporary housing units for construction personnel will be permitted by the City through the completion of construction of the resort and will be reduced as need allows. Such housing units shall meet all City Code requirements for such temporary housing. The number of temporary units and completed transient units for which a certificate of occupancy has been issued shall not exceed 199 total units. This provision will be reviewed by the City after the first three years of the term of this Agreement.

p. Additional Conditions by Mutual Agreement. Nothing in this Agreement shall preclude the parties from applying additional conditions, by mutual written consent, during the final permitting approval process.

q. Temporary Sales Facilities. The construction/placement of a temporary sales center and a two-model unit will be permitted by the City.

r. Unity of Title. The Owner has agreed to execute a Unity of Title in connection with the rezoning of the Property combining the upland parcels described in Exhibit A and to record same in the public records of Monroe County,

Florida. Owner agrees to execute and record such Unity of Title prior to 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 Florida Keys Field Office within a reasonable time after recordation. Prior to recordation, the Owner shall additionally provide the City an Opinion of Title in a form acceptable to the City Attorney.

6. **Public Utilities; Concurrency, Impact Fees.** The following identifies the public facilities that are required and that will service the development authorized by this Agreement; who shall provide the facilities; what new facilities, if any, will be constructed; and a schedule to assure public facilities are available concurrent with the impacts of development.

a. **Potable Water.** Domestic potable water is provided by the Florida Keys Aqueduct Authority.

b. **Electric Service.** Electric service is provided by Florida Keys Electric Cooperative.

c. **Solid Waste.** Solid waste service is provided by Marathon Garbage Service or its successors and assigns, as determined by the City Council.

d. **Fire Service.** Fire service is provided by the Marathon Fire Department.

e. **Concurrency.** All public facilities identified above are available as of the date of this Agreement, and capacity for each is projected to be available concurrent with the impacts of development.

f. **Wastewater.** Wastewater treatment shall be provided by

the construction of a new advanced wastewater treatment ("AWT") plant approved by the Florida Department of Environmental Protection. The treatment plant shall meet the AWT nutrient removal standards as specified by DEP and shall be completed before a Certificate of Occupancy may be issued for any unit or accessory use.

g. Public Recreational facilities. Public recreational facilities shall be addressed through impact fees, if any.

h. Impact Fees. 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 the City, concurrent with the issuance of the building permits for each unit, of any applicable City impact fees required by ordinance then in effect, as well as by payment by the Owner of any applicable utility system development fees. Owner agrees to pay impact fees pursuant to any applicable impact fee ordinances adopted within twenty-four (24) months of the effective date of this Agreement. Any impact fees required to be paid by Owner pursuant to any such impact fee ordinances will be offset by the dollar amount paid by Owner toward the provision of any improvements that are the subject of said impact fee ordinances. Specifically, the Owner shall receive a dollar credit for all costs (including soft costs) for the design and construction of the Sewage Treatment Plant on a pro rata basis as to that portion of the treatment capacity required for residences, businesses and public facilities not on Owner's property or not owned by Owner. In addition, Owner agrees to provide a seventy five thousand (\$75,000) cash donation to the City to supplement the City's budget and defray the cost's associated with improvements to the City's fire fighting infrastructure.

i. **Traffic Study.** Prior to issuance of conditional use approval for structures on the Property, Owner agrees to conduct a Level III traffic study to assess the project's vehicle traffic impacts on U.S. 1 Highway. If the Level III traffic study demonstrates that redevelopment of the Property will result in traffic impacts above those generated by the development previously existing on the Property, as previously documented, Owner will mitigate its fair share of the increased traffic impacts resulting from redevelopment of the Property. If FDOT requires the construction of a left turn lane on U.S. Highway 1 into the Property, Owner agrees to build and pay for it.

7. **Reservations or Dedications of Land for Public Purposes.** The parties anticipate that the Owner may reserve or dedicate land for public purposes in connection with the development authorized by this Agreement; specifically the dedication of land for Pigeon Key Foundation not to exceed two thousand six hundred (2,600) square feet, as depicted on the Site Plan, Exhibit B. If it is determined that through a structural engineering analysis that the Pigeon Key Railcar cannot be salvaged or moved without damage, Knights Key Corporation will provide for a similar size facility that can be leased by the Pigeon Key Foundation in the same area as proposed as the Railcar. Upon dissolution of the Pigeon Key Foundation, the property will revert back to the Owner. Within one hundred and eighty days (180) of the execution of and delivery of this Agreement, the Owner shall execute a perpetual non-exclusive easement for ingress, egress, and utilities in favor of the City across the northern portion of the Property as shown as the roadway on the Site Plan attached hereto as Exhibit B. The parties are currently unaware of the specifics of other such reservation(s) or dedication(s). Such reservations or dedications may include, by way of example, easements necessary

for the provision of stormwater, utility, and wastewater services to the Property.

8. All Local Permits Approved or Needed.

a. Development Approvals. The following City development approvals are required for the development authorized by this Agreement:

1. Conditional Use Approval. Conceptual site plan approval by the City Council and planning staff confirming compliance with this Agreement and applicable City Code requirements.

2. Site Plan. Final site plan application and approval by the City building official, fire marshal, and planning staff confirming compliance with this Agreement and applicable City Code requirements.

3. Building Permits. As of right building permits will be issued, as provided pursuant to the City Code, for each transient residential dwelling unit as well as for the boat dock units, pool facilities, commercial floor area, and other individual structures. An overall site permit will address landscaping, parking, paths, setback, open space and other associated items. The Owner has informed the City that it intends to employ the services of a “private provider” architectural engineering firm to review building permit applications and perform construction inspections and issue reports to the City, as allowed by state law applicable to the Building Code. The City has indicated that it will cooperate with the Owner to facilitate the use of “private provider” services for building permit review and inspections, whose cost will be the responsibility of the Owner. The Owner shall have a period of three (3) years from the effective date of this Agreement to obtain the first Certificate of Occupancy for a building on the Property and one (1) year from the effective date of this Agreement to obtain the first building

permit. Building permits, but not Certificates of Occupancy, will be issued without obtaining full non-residential growth ordinance (NROGO) allocations.

b. **Review.** No further review or discretionary review will be required by the City, it being agreed that the Development, as depicted on the approved Conceptual Site Plan attached hereto, requires only the aforementioned development approvals so long as the final site plan substantially complies with the Conceptual Site Plan approved under this Agreement.

c. **Compliance.** Nothing in this Agreement shall be deemed to obviate the Owner's compliance with terms and provisions of each such identified approval.

d. **Completeness.** The parties acknowledge that the Owner has submitted all information necessary for review under the City Code.

9. **Mutual Cooperation.** The City agrees to cooperate with the Owner in a timely manner in providing and/or granting all permits, licenses, approvals, or consents necessary or appropriate to fully implement this Agreement. The City and the Owner agree to cooperate fully with and assist each other in the performance of the provisions of this Agreement.

10. **Development to Comply with Permits and City Comprehensive Plan and Code Provisions.** The development described in and authorized by this Agreement shall be constructed in accordance with all specified permit conditions, and in accordance with all applicable provisions of the City's Comprehensive Plan and City Code. No Certificate of Occupancy for a permanent individual building, with the exception of the temporary sales office/model unit and fifty (50) construction trailers,

shall be issued until the City has assured itself that, subsequent to approved plans, the Owner has complied with all conditions in the permits issued by the City and other regulatory entities for that building.

11. Finding of Consistency. The City of Marathon finds that the Development authorized herein is consistent with the City's Comprehensive Plan and Land Development Regulations, as applicable.

12. Compliance with Permits, Terms, Conditions, and Restrictions not Identified Herein. The failure of this Agreement to address a particular permit requirement, condition, term, or restriction shall not relieve the Owner of the necessity of complying with the laws governing said permitting requirements, conditions, terms, or restrictions.

13. Governing Laws.

a. Controlling Regulations. For the duration of this Agreement, all approved development on the Property shall comply with and be controlled by this Agreement and by the provisions of the Comprehensive Plan and City Code, as applicable. The parties do not anticipate the application of subsequently adopted laws and policies to the Property except as expressly provided in this Agreement.

b. Subsequently Adopted Laws and Policies. Pursuant to Section 163.3233, Florida Statutes (2004), the City may apply subsequently adopted laws and policies to the Property only if the City 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 the City expressly states that they apply to the Development that is subject to this Agreement; (c) the local government 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 the Owner. Redevelopment of the Property shall not be subject to any moratoria or other restrictions on redevelopment, including the redevelopment of existing mobile home parks, or marinas, or recreational vehicle parks, which may be established or otherwise imposed in any manner or at any time by the City. Nothing in this Agreement shall prohibit the parties from mutually agreeing to apply subsequently adopted laws to the Property.

c. State or Federal Laws. If State or federal laws enacted after the effective date of this Agreement preclude any party's compliance with the terms of this Agreement, this Agreement 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 or statutory law.

14. Amendments, Renewal, Revocation and Termination. This Agreement may be amended, renewed, or terminated as follows:

a. Amendments. As provided in Section 163.3237, Florida Statutes (2004), this Agreement may be amended by mutual consent of the parties to this Agreement or by their successors in interest; an instrument in writing signed by the parties or their successors shall accomplish an amendment under this provision.

b. Renewal. As provided in Section 163.3229, Florida Statutes (2004), this Agreement may be renewed by the mutual consent of the parties,

subject to the following public hearing requirements in Section 163.3225, Florida Statutes (2004): the City shall conduct at least two (2) public hearings, one of which may be held by the local planning agency at the option of the City. 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 Monroe County, Florida, 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 the Property, the population densities, and the building intensities and height and shall specify a place where a copy of the Agreement can be obtained.

c. Termination by Owner. This Agreement may be terminated by the Owner or its successor(s) in interest following a breach of this Agreement, upon written notice to the City as provided in this Agreement.

d. Revocation by City. Pursuant to Section 163.3235, Florida Statutes (2004), this Agreement may be revoked by the City if the City finds, on the basis of competent substantial evidence, that there has been a failure to comply with the terms of this Agreement.

e. Termination by Mutual Consent. This Agreement may be terminated by mutual consent of the parties, and such mutual termination shall not require a public hearing to effect the termination.

15. Breach of Agreement and Cure Provisions.

a. Written Notice on the Owner. If the City concludes there

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

b. Written Notice on the City. If the Owner concludes that there has been a material breach in the terms and conditions of this Agreement, the Owner shall serve written notice on the City, identifying the term or condition the Owner contends has been materially breached and providing the City ninety (90) days from the date of receipt of the notice to cure the breach or negotiate an amendment to the Agreement. The following events, unless caused by fire, storm, flood, other Act of God, or events beyond the control of the City, shall be considered a material breach of this Agreement: (a) failure to comply with the provisions of this Agreement, or (b) failure to timely process any application for site plan approval or other development approval required to be issued by the City for the Development authorized by this Agreement.

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

d. **Waiver of Breach.** If either party waives a material breach in this Agreement by the other party, such a waiver shall not be deemed a waiver of any subsequent breach.

16. **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) personal delivery; (b) deposit with the United States Postal Service as certified or registered mail, return receipt requested, postage prepaid; or (c) 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 THE OWNER:

Knights Key Corporation, Inc.
12800 University Drive
Suite 400
Ft. Myers, Florida 33907
Telephone: (239) 415-6202

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

John J. Wolfe, Esquire
2955 Overseas Highway
Marathon, FL 33050
Telephone: (305) 743-9858

TO THE CITY:

Mike Puto, City Manager
City of Marathon
10045-55 Overseas Highway
Marathon, Florida 33050
Telephone: (305) 743-0033

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

Jimmy L. Morales., Esquire
Stearns, Weaver, Miller, Weissler, Aldaheff, & Sitterson, P.A.
Museum Tower, 150 West Flagler Street
Miami, Florida 33130
Telephone: (305) 789-3200

17. Annual Report. On the anniversary date of the Effective Date of this Agreement, the Owner shall provide to the City 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.

18. Enforcement. In accordance with Section 163.3243, Florida Statutes (2004), any party to this Agreement, any aggrieved or adversely affected person as defined in Section 163.3215(2), Florida Statutes (2004), 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 (2004).

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

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

21. 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 the Agreement.

22. 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.

23. 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.

24. Litigation; Attorney's Fees; Venue; Waiver of Right to Jury Trial. In the event of any litigation arising out of this Agreement between the City and Owner, 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.

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

26. 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.

27. 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.

28. 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.

29. Recording; Effective Date. The Owner shall record this Agreement in the public records of Monroe County, Florida, within fourteen (14) days after the date of execution 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. The Owner shall also provide a copy of the recorded Agreement to the City within the same time period. This Agreement shall become effective thirty (30) days after the date it is received by the state land planning agency.

30. 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, by their duly authorized representatives, have set their hands and seals on the dates below written.

KNIGHTS KEY CORPORATION, INC, A FLORIDA CORPORATION

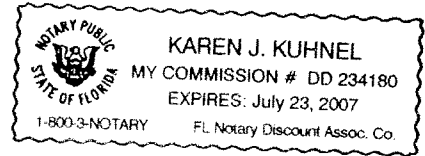
12/7/06 By: [Signature]
Date

STATE OF FLORIDA
COUNTY OF MONROE

The foregoing instrument was acknowledged before me on this 7 day of December 2006, by Douglas J. Cordellas VP of Knights Key Corporation, who is personally known to me or who produced n/a as identification, and who did/did not take an oath.

[Signature]
Notary Public, State of Florida At Large

My commission expires: 7/23/07



CITY OF MARATHON

11-14-06 By: [Signature]
Date CHRISTOPHER M. BULL, MAYOR

ATTEST:

[Signature]
CITY CLERK

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

[Signature]
CITY ATTORNEY

EXHIBITS TO KNIGHTS KEY RESORT DEVELOPMENT AGREEMENT

- EXHIBIT A: LEGAL DESCRIPTION**
- EXHIBIT B: SITE PLAN**
- EXHIBIT C: BUILDING SCHEMATICS**
- EXHIBIT D: PERMITS AND APPROVALS LOG**

EXHIBIT A

LEGAL DESCRIPTION

PARCEL 1

Commencing at the intersection of the line common to Section 8 and 9, Township 66 South, Range 32 East, Tallahassee Meridian, Key Vaca, Monroe County, Florida, with the centerline of U.S. Highway No. 1, as existing December 15, 1959; thence Westerly along said centerline, 2450 feet; thence Southerly and at a right angle, 160 feet, to its intersections with the Southerly boundary line of the Right-of-Way of said U.S. Highway No. 1, the Point of Beginning; thence along said line extended, 40 feet to the Southernmost point of the widened Right-of-Way of said U.S. Highway No. 1; thence continuing along said line into the waters of the Atlantic Ocean, 400 feet; thence Westerly, at a right angle, and parallel to the centerline of said U.S. Highway No. 1, 130 feet more or less to the Mean High Water Line of Knights Key; thence meandering said Mean High Water Line in a Southerly, Westerly, Southerly, Northerly, Westerly and Northerly directions to the intersection of said Mean High Water Line with the Southerly Right-of-Way line of said U.S. Highway No. 1; thence Easterly along said Southerly Right-of-Way line to the Point of Beginning; it being intended to describe all that part of Government Lot 2, Section 8, Township 66 South, Range 32 East, and Government Lot 1, Section 17, Township 66 South, Range 32 East, on Knights Key lying South of the Southerly Right-of-Way line of said U.S. Highway No. 1 and a portion of submerged land lying adjacent to and contiguous with said Knights Key, said submerged land being described and deeded in I & I Deed No. 2007.

Less and Except Knights Key Village, a subdivision according to the plat thereof as recorded in Plat Book 5, Page 84, Public Records of Monroe County, Florida.

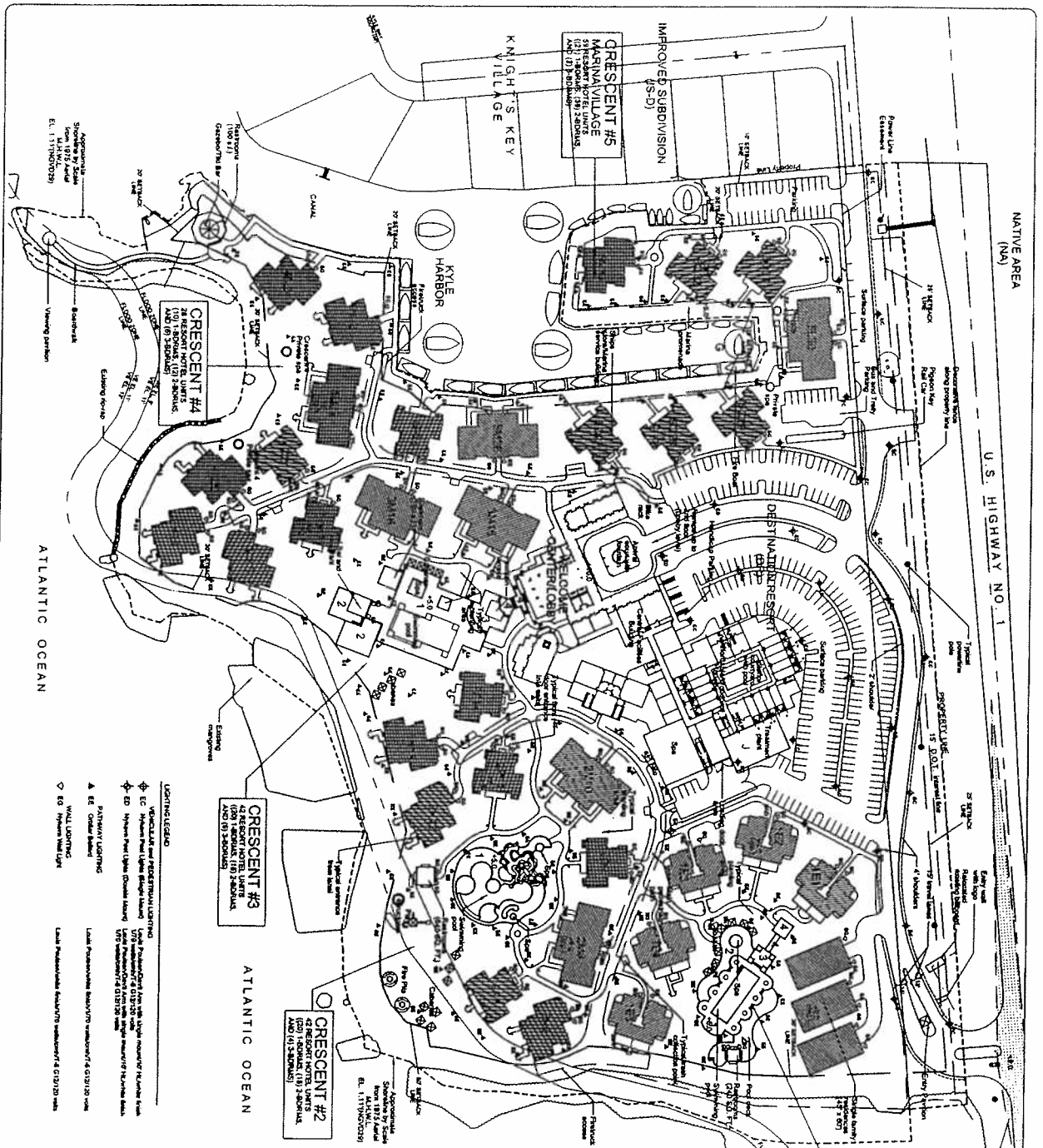
PARCEL 2

A portion of Section 8, Township 66 South, Range 32 East, on Knights Key, Monroe County, Florida, being a portion of the right of way of State Road No. 5 (U.S. 1) as shown on the Florida Department of Transportation Right of Way Map for Section 90030-2522, more particularly described as follows:

Beginning at the Northeast corner of Lot 22, Block 1 of "Knights Key Village" according to the plat thereof as recorded in Plat Book 5, at Page 84, of the Public Records of Monroe County, Florida, said point being on the South right of way line of State Road No. 5 (U.S. 1) as shown on said Florida Department of Transportation Right-of-Way Map, thence North $84^{\circ} 43' 39''$ East, along the previously described right of way line, for 1282.92 feet; thence North $5^{\circ} 16' 21''$ West, departing said right of way line, for 76.32 feet to a point on a line parallel with and 79.32 feet North of, as measured at right angle, said South right of way line; thence along the previously described line for the following described three (3) courses; 1) thence South $84^{\circ} 43' 39''$ West along a limited access line, for 33.50 feet; 2) thence continue South $84^{\circ} 43' 39''$ West for 34.50 feet; 3) thence continue South $84^{\circ} 43' 39''$ West, along a limited access line, for 1214.92 feet to a point on the Northerly extension of the East line of said Lot 22, Block 1; thence South $5^{\circ} 16' 21''$ East, along the previously described line, for 79.32 feet to the Point of Beginning, lying and being in Knights Key, Monroe County, Florida.

EXHIBIT B

Doc# 1624230
Bk# 2268 Pgh 576



- LIGHTING LEGEND**
- VC - Vertical Cylindrical Light Fixtures
 - EC - Emergency Exit Signage
 - ED - Emergency Exit Signage (Double Arrow)
 - ES - Emergency Exit Signage (Single Arrow)
 - CS - Candelabra
 - ES - Emergency Exit Signage
- WALL LIGHTING**
- ES - Emergency Exit Signage
- DAYLIGHT LIGHTING**
- ES - Emergency Exit Signage
- VEHICLE LIGHTING**
- ES - Emergency Exit Signage

UNIT MATRIX

CRESCENT	NO. OF BUNGALOW UNITS	NO. OF RESORT UNITS
CRESCENT #1	12	1
CRESCENT #2	12	1
CRESCENT #3	12	1
CRESCENT #4	12	1
CRESCENT #5	12	1
TOTAL	60	5

PARKING MATRIX

CRESCENT	NO. OF BUNGALOW UNITS	NO. OF RESORT UNITS	NO. OF PARKING SPACES
CRESCENT #1	12	1	1
CRESCENT #2	12	1	1
CRESCENT #3	12	1	1
CRESCENT #4	12	1	1
CRESCENT #5	12	1	1
TOTAL	60	5	5

OTHER UNIT MATRIX

CRESCENT	NO. OF BUNGALOW UNITS	NO. OF RESORT UNITS
CRESCENT #1	12	1
CRESCENT #2	12	1
CRESCENT #3	12	1
CRESCENT #4	12	1
CRESCENT #5	12	1
TOTAL	60	5

UNIT MATRIX

CRESCENT	NO. OF BUNGALOW UNITS	NO. OF RESORT UNITS
CRESCENT #1	12	1
CRESCENT #2	12	1
CRESCENT #3	12	1
CRESCENT #4	12	1
CRESCENT #5	12	1
TOTAL	60	5

UNIT MATRIX

CRESCENT	NO. OF BUNGALOW UNITS	NO. OF RESORT UNITS
CRESCENT #1	12	1
CRESCENT #2	12	1
CRESCENT #3	12	1
CRESCENT #4	12	1
CRESCENT #5	12	1
TOTAL	60	5

UNIT MATRIX

CRESCENT	NO. OF BUNGALOW UNITS	NO. OF RESORT UNITS
CRESCENT #1	12	1
CRESCENT #2	12	1
CRESCENT #3	12	1
CRESCENT #4	12	1
CRESCENT #5	12	1
TOTAL	60	5

UNIT MATRIX

CRESCENT	NO. OF BUNGALOW UNITS	NO. OF RESORT UNITS
CRESCENT #1	12	1
CRESCENT #2	12	1
CRESCENT #3	12	1
CRESCENT #4	12	1
CRESCENT #5	12	1
TOTAL	60	5

UNIT MATRIX

CRESCENT	NO. OF BUNGALOW UNITS	NO. OF RESORT UNITS
CRESCENT #1	12	1
CRESCENT #2	12	1
CRESCENT #3	12	1
CRESCENT #4	12	1
CRESCENT #5	12	1
TOTAL	60	5

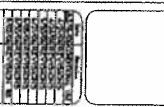


SITE PLAN
Scale
SP-1
1 of 01

MARANU LUXE BUNGALOW RESORT AND SPA

MARATHON, FLORIDA

EARTHLINE COMPANIES



CMIN ASSOCIATES

Urban & Environmental Planners - Landscape Architects

500 Duval Avenue, Suite 2000, Jacksonville, Florida 32202 (904) 477-4747

www.cmin.com COPYRIGHT (C) 2008 CMIN ASSOCIATES, INC.

This site plan has been reduced from its original size for recording purposes. Full size site plans are on file with the City of Marathon.

EXHIBIT C

**Doc# 1624230
Bk# 2268 Pg# 577**

BUILDING SCHEMATICS

Building Schematics were filed as part of the Site Plan submitted with the Major Conditional Use Application filed contemporaneously herewith.

PERMITS AND APPROVALS LOG

**Amendment to Conditional Use
Building Permits
FDEP Water Distribution System Permit
FDEP Sewer Collection System Permit
FDEP Stormwater Gravity Injection Well Permit
FDOT Driveway/Drainage Collection Permit
FDOT Utility Permit
FKAA Tapping Permit
SFWMD ERP Permit**