

**CITY OF MARATHON, FLORIDA
RESOLUTION 2011-90**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARATHON, FLORIDA AUTHORIZING THE SUBMISSION OF A GRANT APPLICATION TO THE FLORIDA DEPARTMENT OF COMMUNITY AFFAIRS SMALL CITIES DEVELOPMENT BLOCK GRANT PROGRAM FOR AN ECONOMIC DEVELOPMENT GRANT IN THE AMOUNT OF \$750,000.00; AND PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, the Florida Small Cities Community Development Block Grant ("CDBG) program is a competitive grant program administered by the Florida Department of Community Affairs ("DCA"); and

WHEREAS, the City of Marathon is eligible to apply to DCA for funding from the CDBG program for an economic development grant; and

WHEREAS, the City of Marathon has identified a need for economic development assistance that will benefit low-to-moderate income persons; and

WHEREAS, the Marathon City Council conducted a first Public Hearing on August 9, 2011, to obtain citizen input as to the grant application that it should submit to the DCA under the FFY 2011 CDBG program; and

WHEREAS, the Marathon City Council conducted a second Public Hearing on September 27, 2011, to allow citizens to review and comment on a proposed 2011 CDBG economic development grant application; and

WHEREAS, as a result of the second public hearing, the Council agreed to submit a 2011 economic development CDBG program application.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MARATHON, FLORIDA, THAT:

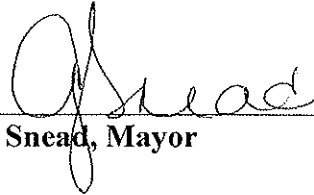
Section 1. The above recitals are true and correct and incorporated herein.

Section 2. The City Council hereby authorizes the submission of FFY2011 Economic development Small Cities Community Development Block Grant application to the Florida Department of Community Affairs and authorizes the appropriate City officials to execute the application on behalf of the City.

Section 3. This resolution shall take effect immediately upon its adoption.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF MARATHON, FLORIDA, THIS 27th DAY OF SEPTEMBER, 2011.

THE CITY OF MARATHON, FLORIDA



Ginger Snead, Mayor

AYES: Cinque, Ramsay, Keating, Worthington, Snead
NOES: None
ABSENT: None
ABSTAIN: None

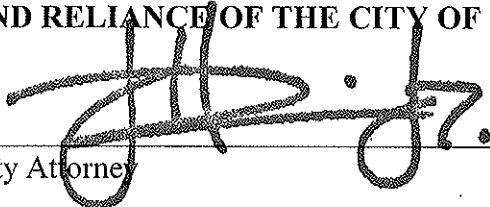
ATTEST:



Diane Clavier, City Clerk

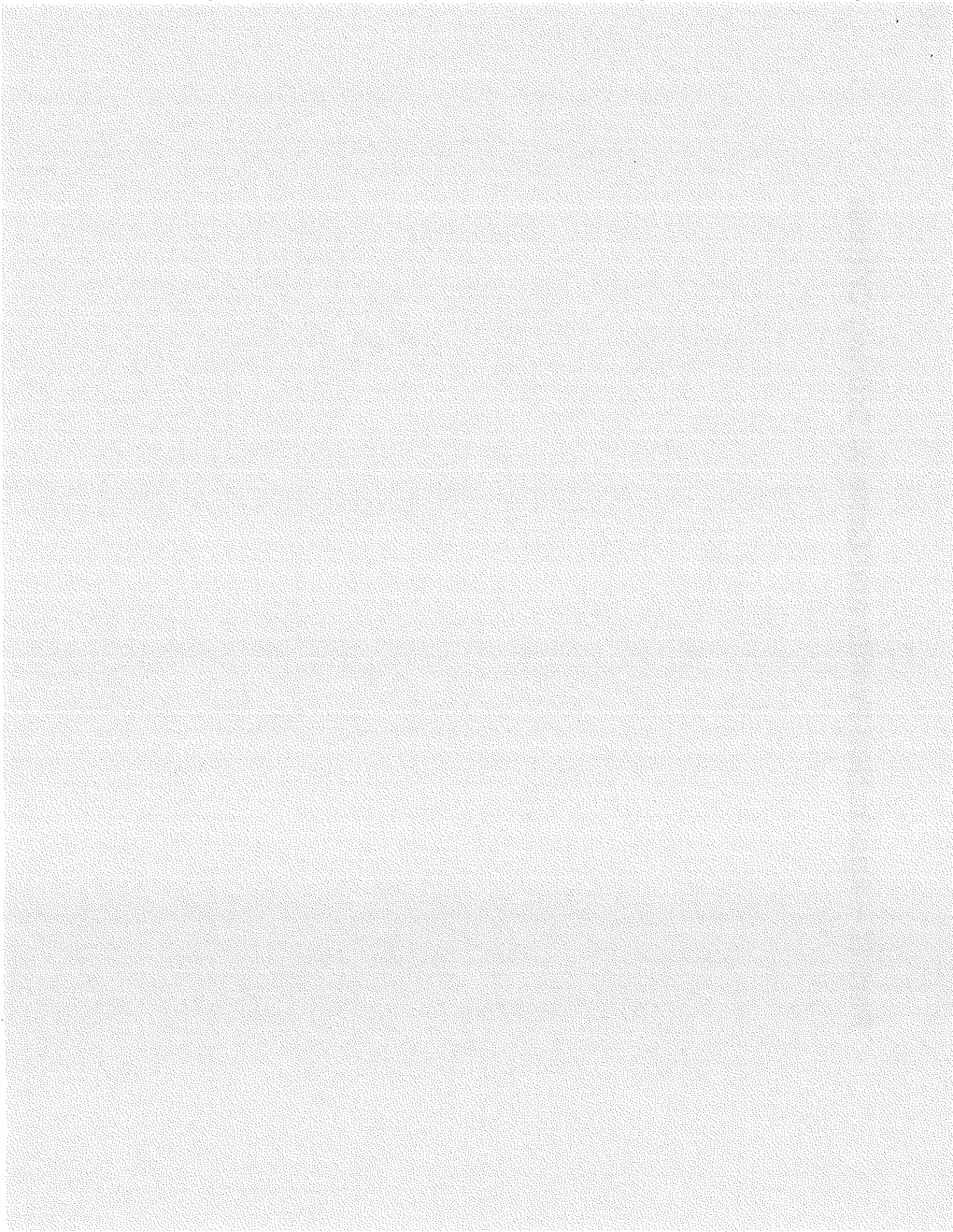
(City Seal)

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



City Attorney

Part II – Application Profile and General Scoring Criteria



**Application Profile
Form G-1**

Local Government Contact Information:

Local Government Name

City of Marathon

Street Address

9805 Overseas Highway

City

Marathon

Zip Code

33050

County

Monroe

Main Telephone

305-743-0033

Main Facsimile

305-743-3667

Chief Elected Official

Ginger Snead

Telephone

305-304-7842

Email Address

sneadg@ci.marathon.fl.us

Title

Mayor

Facsimile

305-289-4123

Financial Officer (Local Government)

Keys CPA – Peter Rosasco

Telephone

305-743-6586

Email Address

vdavis@keyscpa.com

Title

Chief Financial Officer

Facsimile

305-743-0726

Project Contact (Local Government)

Susie Thomas

Telephone

305-289-4103

Email Address

thomass@ci.marathon.fl.us

Title

Community Services Director

Facsimile

305-289-4123

Street Address

9805 Overseas Highway

City

Marathon

State

Florida

Zip Code

33050

Local Government's Grant Consultant (if

applicable) Meridian Community Services Group

Name and Address of Firm

Lisa Blair

1500 Mahan Dr., Ste 150, Tallahassee, FL 32308

Telephone Number

888-877-1908

**Application Profile
Form G-1 (Continued)**

Application Preparer Information

Preparer's Name

Calvin Knowles, Vice President

Street Address

Meridian Community Services Group, Inc., 1111 12th St., Unit 102

City

Key West

State

Florida

Zip Code

33040

Telephone

305-294-1000

Organization Preparing Application:

Private RPC Local Government

Facsimile 305-294-3000

Email Address

cknowles@meridserv.com

Application Type: Indicate the type(s) of funding requested. A completed application must include the appropriate sections as provided below. **A Planning and Design Specifications grant will not be offered unless the appropriate Planning and Design Specifications Grant box(es) are checked.** (These grants are not a separate category but may be offered to an applicant in Neighborhood Revitalization or Commercial Revitalization with an application score below the fundable range for a full grant and which does not have completed construction plans and specifications.)

Commercial Revitalization (Part IV)

Economic Development (Part V)

Housing (Part VI)

Neighborhood Revitalization (Part VII)

Planning and Design Specifications Grant – Neighborhood Revitalization

Planning and Design Specifications Grant – Commercial Revitalization

If you will accept a Planning and Design Specifications Grant, indicate amount being requested for: N/A

Basic Engineering \$

Additional Engineering \$

Administration \$

Funding Preference: The applicant may submit a Commercial Revitalization and a Housing application, or a Commercial Revitalization and a Neighborhood Revitalization application, but not a Housing and a Neighborhood application. Applicants will not be considered for an additional Commercial Revitalization, Housing or Neighborhood Revitalization grant until all previously awarded Planning and Design Specifications grants have been administratively closed by the Department.

Did you submit more than one application? Yes No

If so, what category of funding do you prefer?

Neighborhood Revitalization

Commercial Revitalization

Dates of Public Hearings on the Application:

First Public Hearing 8/9/2011

Second Public Hearing

Dates of Advertisement of Public Hearings:

First Public Hearing 7/20/2011

Second Public Hearing

Project Narrative (REVISED 2.21.11)
Form G-2

Describe the proposed project using the guidelines in the instructions. Use additional pages as needed.

Please see the instructions on the following page relating to applications for Economic Development loans. Specific directions for Commercial Revitalization and Economic Development application narratives can be found in the instructions provided for each respective category.

Project Narrative

The City of Marathon is submitting this application for the 2011 Small Cities Community Development Block Grant program, under the Economic Development Category. The amount of the request is \$735,000. The proposed use of the funds is to develop the Crane Point Eco-Adventure Canopy Tour Program, which will be an attraction based on the use of zip lines. This narrative is a summary of the proposed project, with additional details contained in the business plan and in the grant application.

Crane Point is a large tract of undeveloped property located at 5550 Overseas Highway within the City of Marathon. The property is located on the Gulf of Mexico. Crane Point is operated by the Florida Land and Sea Trust, Inc. The property is significant because it is one of the few remaining parcels of land that is undeveloped in the Keys. It contains tropical hardwood forests in addition to coastal habitat. Crane Point is unique in the Keys and a valuable community resource.

In order to be able to continue its mission of promoting environmental preservation and historic education, Crane Point must explore ways to generate additional revenue. If current trends continue and Crane Point cannot raise additional revenue, it will be forced to discontinue operations. Should that happen, the continued stewardship of the property is unclear.

Crane Point has done an extensive amount of research and fact finding and believes that a zip-line based attraction will be profitable. Thousands of tourists drive past Crane Point everyday in season along U.S. Highway 1, which is literally the only road in and out of Key West. By garnering just a fraction of this traffic, Crane Point can develop a viable tourist attraction that will provide for economic development and the preservation of a unique and valuable ecosystem.

The total cost for the project is \$1,080,000. This includes engineering, design, permitting, construction, and start-up costs. Crane Point has produced detailed cost estimates, which are found in the budget section of this application. Of the funds needed, \$735,000 would be a grant from the CDBG ED program, \$85,000 is from the Monroe County Tourist Development Council, and the balance are Crane Point funds currently on hand.

The project includes renovation of current facilities (some of which are historical), and construction of the following additional improvements:

- 1-2 Sky Bridges
- 6-8 Zip Lines
- 7-10 platforms
- 2 ground landings/takeoffs as necessary
- Short elevation-gain stairs or climbable elements as necessary
- Entry or exit structures which may be low slung platforms or archways.

The proposed development is in compliance with all applicable codes, zoning, land development regulations, future land use plans, and the comprehensive plan. Any necessary adjustments to Crane Point plans will be made as needed in the event conflicts are noted. Sufficient water and sewer capacity exists at the site, which is already a tourist attraction. All improvements will take place on property already owned by Crane Point. Therefore, no relocation of tenants or homeowners will occur.

Crane Point, as the participating party, is also a subrecipient to the City as a non-profit entity. All CDBG funds will be offered as a grant in exchange for the creation of at least 19 low to moderate income jobs. As such, the project meets a National Objective, benefit to low and moderate income persons. The activities, construction of improvements, is eligible. Operating costs, start up costs, equipment, supplies and salaries are ineligible and will not be paid with CDBG funds. All jobs created will be monitored for compliance with grant conditions.

If not for the infusion of CDBG funds, this project will be unable to proceed.

Form G-2-ED-LOAN (Not Applicable)

Specific directions for Economic Development application narratives can be found in the instructions provided for the Economic Development category.

If applying for a CDBG Economic Development grant, and a loan will be made from the CDBG funds, provide the following information:

1. Specify the exact corporate, personal, or partnership name of the proposed borrower(s) and guarantor(s).

2. Specify the amount of the CDBG loan request, the proposed interest rate, the proposed term of the loan, and the frequency and amount of payment. The interest rate may be no less than 5.5 percent per annum below the prime interest rate as of the date of the application, but in no case may be it less than 4.0 percent per annum.

Loan Request	Proposed Interest Rate	Proposed Term of Loan	Frequency and Amount of Payment
\$			

3. Specify the type and value of collateral offered and proposed lien or mortgage position of the CDBG loan.

Type of Collateral	Value of Collateral	Proposed Lien or Mortgage Position
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4. Specify why a loan of CDBG funds to a Participating Party is necessary for the project to work. A declarative statement by the Participating Party or the local government is not adequate. A quantitative explanation must be provided that justifies the amount and terms of the CDBG loan based on:
 - Filling a documented and quantified financial gap, or
 - Providing a funding mechanism to motivate a Participating Party to locate within an economically distressed area of the jurisdiction by paying the increased cost of locating to that distressed area, or
 - Creating a reasonable rate of return for a Participating Party when, without the infusion of CDBG funds, the rate of return is such that the Participating Party will not make the investment necessary for the job creation to occur, or
 - Providing a funding mechanism to "level the playing field," from a cost perspective in a Participating Party's decision to choose between locating in the local government's jurisdiction and locating in another state.

**General Scoring Criteria
Form G-3**

1. Enter the Local Government's Community-Wide Needs Score

Score: 82.62

This document is posted to the Department's website at:
<http://www.floridacommunitydevelopment.org/cdbg/index.cfm>

2. Special Designation Score

Score: 20

Check all applicable designations and enter a score of 20 if all activities, are within any of the boundaries of the following designated areas.

Empowerment Zone, Enterprise Community, or Champion Community, pursuant to the Economic Empowerment Act of 1993

Rural Area of Critical Economic Concern designated by the Governor or

Rural Economic Development Initiative (REDI) community

Area of Critical State Concern pursuant to Chapter 380.05, F.S.

Florida Enterprise Zone pursuant to Chapter 290.0065, F.S.

HUD-designated Renewal Community

Front Porch Community

3. Grant History Score If the applicant has not had an open CDBG contract in the NR, CR, or HR categories within five years of application deadline, claim 100 points.

Score:0

4. Outstanding Performance in Equal Employment Opportunity (EEO)

The applicant may claim **up to 25 points** for achievement in M/WBE contracting in the most recent CDBG grant administratively closed out not more than four years before application deadline date. Review the M/WBE reports submitted to DCA for that grant and enter a score based on the achievement reported.

Grant Number: _____

$$\frac{\text{Amount Awarded to M/WBE firms}}{\text{Total Prime Contracts Amount}} \times 100 = \text{M/WBE \%}$$

<u>M/WBE %</u>	<u>Points</u>
_____ 5.0 - 9.99%	5
_____ 10.0 -14.99%	10
_____ 15.0 -19.99%	20
_____ 20%+	25

If the applicant has not administratively closed out a CDBG grant within four years of the application deadline date, score 5 points.
points)

Score: _____0_____ (Maximum 25

General Scoring Criteria (Revised per Site Visit August 31, 2010)
Form G-3 (Continued)

Local Government Minority Employment

The applicant may claim **up to 60 points** for meeting minority employment goals. Complete the table below to calculate the applicant's percentage of minority employees. See instructions for calculations.

Number of Permanent Full-time Equivalent Minority Applicant Employees	÷	Number of Permanent Full-time Equivalent Applicant Employees	=	Applicant's Percentage of Minority Employees
<u>0</u>		<u>63</u>		<u>0</u> %

Enter percentage of minorities in the applicant's county: 23 %

If the "Prorated 60 Points Score" is claimed, complete the following equation:

Applicant's Percentage of Minority Employees	÷	Percentage of Minorities in Applicant's County	=	Applicant's Percentage of Minority Employees	X	60	=	Points Claimed
<u>0</u>		<u>8.5</u>		<u>0</u>				<u>0</u>

If the applicant has three (3) or less employees, 40 points may be claimed. _____

Total Score (60 Points Maximum):
0

5. Outstanding Performance in Fair Housing

The applicant may claim five points for each of the following Fair Housing goals. See instructions for guidelines and documentation requirements.

	Date	Score
Date Fair Housing Ordinance Adopted	10/12/10	5
Date of training or educational program designed for the general public and elected officials		0
Date of training or educational program designed for professionals		0
Total Score (15 Points Maximum)		5

Summary Score 107.62
(Transfer this score to the Scoring Summary)

Part II – Application Profile and General Scoring Criteria

Instructions

Application Profile (Form G-1)

The application profile must reflect requested information about the applicant, including demographics; the person who prepared the application; the type(s) of application and the funding preference (if more than one application is submitted).

Planning and Design Specifications Grants

Planning and Design Specifications Grants assist communities with the costs of preparing biddable construction plans and design specifications for commercial revitalization and neighborhood revitalization. **Check the appropriate box if you will consider a Planning and Design Specifications grant if your application score is below the fundable range.**

The maximum award is \$70,000. The grant must be consistent with the design portion of the RUS fee schedule and any additional engineering costs. If engineering design costs exceed \$70,000 because of additional engineering costs, the local government must use other funds for the amount but may be reimbursed from the CR or NR grant that is awarded upon completion of the plans and designs and the grant is amended for construction phase funding. Up to six percent of the planning and design award can be used for eligible administrative costs during the planning and design phase.

By signing the application, the applicant certifies that it will meet a National Objective by completing the CR or NR project for which the plans were designed. Planning and Design Specifications Grants should further the objectives, community development or mitigation needs set out in the local comprehensive plan, the capital improvements plan, or the local mitigation strategy.

Threshold Requirements

1. Planning grants will be offered only to applicants whose applications indicated they would consider such a grant and in order of application score, below the fundable range, until the available funding has been depleted.
2. Based on the availability of funding for these grants, preference will be given to NR projects.

Historic Preservation

Answer "Yes" if any project activity will result in one of the following:

- Direct physical changes to a structure older than 50 years, such as demolition (partial or complete), rehabilitation, restoration, remodeling, renovation, expansion, or relocation
- Direct physical changes to public improvements older than 50 years, such as stone curbs or brick streets
- Direct physical changes to a planned open space older than 50 years, such as a park or plaza
- Project activities occurring within 100 feet of a structure, public improvement, or planned open space older than 50 years
- Project activities occurring in a Historic District listed on the National Register of Historic Places

If this question is answered "Yes," proceed as follows:

- Contact the State Historic Preservation Office (SHPO) during the application planning process. Properties listed, or eligible for listing, in the National Register of Historic Places must be designed in accordance with the recommended approaches in the *Secretary of the Interior's Standards or Rehabilitation Guidelines for Rehabilitating Historic Buildings* (U.S. Department of the Interior, National Park Service). This publication and technical assistance may be obtained from the SHPO, 500 South Bronough Street, Tallahassee, Florida 32399-0250.
- Provide original photographs to SHPO that can be used to determine the historical/architectural significance of the property. Photographs must show each side of the structure and general views of the property in its surroundings; they should be identified by street address and keyed to the service area map. If potentially significant historic properties are identified, SHPO will recommend the appropriate approach.
- Provide the following with the application:
 - The location/address;
 - The construction date;
 - The activity affecting the historic property; and
 - The results of any pre-application discussions with SHPO regarding the potential impact of the proposed project on historic properties

Interlocal Agreements

Indicate whether or not activities will require an interlocal agreement. If activities will take place, or services will be extended or provided, outside of the applicant's jurisdiction, include an interlocal agreement signed by the chief elected officials, or legally designated individuals of the jurisdictions, that specifies:

- The units of local government (parties involved)
- The purpose of the interlocal agreement
- A delineation of the cooperation between the parties involved
- A description of the activities and the service area(s)
- The amount of funds being committed (and associated terms)
- A statement that the project is not inconsistent with the local comprehensive plans of all involved jurisdictions

State of Financial Emergency

Please indicate whether or not the local government has been declared to be in a state of financial emergency pursuant to Section 218.50-218.504, F.S., at any time during the two years prior to submission of application.

Grant Preparation Costs

If grant preparation costs are to be paid from the grant, the grant writer must have been procured pursuant to 24 CFR Section 85.36. Include the following in the Supporting Documentation Section:

- A copy of the Request for Proposal advertisement
- The ranking sheets
- Minutes of the meeting where the grant writer was selected
- A copy of the invoice from the grant writer
- A copy of the contract between the local government and the grant writer

If the Department determines that the procurement or contracting process did not meet program requirements, or that an expense is ineligible, the associated expense(s) will be disallowed.

If the local government prepared the application using local government staff or the staff of another governmental agency selected pursuant to Chapter 287, F.S., the local government may seek payment only for direct costs incurred as part of grant application preparation. In order to be eligible for payment, documentation of direct costs must be provided with the application.

National Flood Insurance Program

Please indicate whether the local government is a current participant in the National Flood Insurance Program.

Project Narrative (Form G-2)

The information below must be included in the project narrative:

1. Applications proposing more than one activity or service area must include a narrative for each activity and/or service area.
2. Applications presenting both addressed and unaddressed needs must include a separate project narrative for each.
3. For addressed and unaddressed needs, a narrative description of each proposed activity must include the following information:
 - Activity description, including the need being met
 - Explanation of the need for CDBG funding
 - Proposed construction start and completion dates
 - Quantity and location of activity within the service area
 - Cost of the activity
 - How the activity meets a national objective
 - Purpose of the activity (if not readily apparent) ~~and~~
 - Beneficiaries (Total, VLI and LMI) of the activities.
4. Describe all activities to be undertaken and the projected cost, without regard to the funding source or whether such funding will be counted for leverage.
5. Describe any activities in which a portion of the construction will occur outside of the applicant's jurisdiction.
6. Describe any impact that proposed DOT or county road construction will have on the proposed CDBG funded activity.
7. Specify whether any portion of the project area is located in a flood-prone area and whether the local government participates in the National Flood Insurance Program.
8. If complementary activities are being undertaken, explain how they relate to the project.
9. If funds from other sources are being "leveraged," describe how the funds will be used (what they will pay for, etc.).

10. If the removal of public building architectural barriers to handicapped persons is being paid for with CDBG funds, identify:
 - The location and function of each building
 - The barriers to be removed in each building
 - How the expenditure of CDBG funds will resolve the problem
11. If using a survey that was completed for a previous CDBG project, state the subgrant number and year the survey was conducted.
12. The narrative for **Economic Development** applications must include a statement regarding, or description of, the following:
 - The roles of all Participating Parties, local governments, agencies, and other parties whose actions or participation are necessary for the project's success
 - The number and types of jobs to be created and/or retained
 - Additional development, spin-off jobs, and the need for additional goods and services which are likely to be stimulated by the proposed project
 - Any increases to the tax base that will occur, including property, sales, and other taxes
 - Anticipated training needs of LMI persons who may apply for the created jobs; and how and who will provide the training
 - That the cost per job to be created and/or retained by each Participating Party as a direct result of the CDBG assisted activity is less than \$35,000 in CDBG funds

The narrative for **Commercial Revitalization** applications must include a statement regarding, or description of, the following:

- If acquisition or demolition other than for an easement is proposed as part of the project, provide the following documentation with the application:
 - The purpose of the proposed acquisition or demolition
 - A list of the sites proposed for acquisition or demolition
 - The ownership of each site
 - The purpose of the proposed acquisition or demolition
 - Current land use of the proposed site
 - Estimated value of each site
 - Current zoning for each site

General Scoring Criteria (Form G-3)

1. Enter the **Community Wide Needs Score** provided by the Department. This document is posted to the Department's website at: <http://www.floridacommunitydevelopment.org/cdbg/index.cfm>
2. If the local government has one or more special designations, enter the **Special Designation Score**. Points cannot be claimed unless all activities occur within the boundaries of a special designation. If Special Designation points are claimed, service area and jurisdiction maps must reflect the boundaries of the designated area(s) if the designation does not encompass the entire jurisdiction.
3. If the applicant has not had an open CDBG subgrant in the NR, HR, or CR categories within five years of application deadline, claim 100 points for the **Grant History Score**.
4. Outstanding Performance in Equal Employment

A. Outstanding Performance in Equal Employment Opportunity

(i) Achievement in M/WBE Contracting

- Enter the appropriate score based on achievement reported in M/WBE reports to DCA from the most recently administratively closed grant. The percentage is calculated by dividing the total amount of funds reported as awarded to M/WBE contractors or subcontractors by the total amount of all prime contracts awarded.
- If the applicant has no administratively closed CDBG grant within four years of the application deadline date, score 5 points.

(ii) Local Government Minority Employment Score

When determining the local government minority employment score:

- "Permanent full-time employment" includes full-time and part-time employees who are eligible to receive benefits, but not elected officials. **County applicants shall count only the staff employed by the Board of County Commissioners, and not any constitutional officers. Only one payroll within 45 days of the application deadline shall be used for establishing total full time employees and total full time minority employees.**
- The number of part-time employees, who meet the definition of permanent full-time employees because they are eligible to receive benefits, must be converted to full-time equivalents (FTE) based upon the number of hours worked in an average week, with 40 hours per week setting the standard for full-time employment.

Minority population percentages are provided by the Department. For the local government employment score calculations, "within the County" includes the sum of incorporated and unincorporated areas.

The applicant may claim:

- 60 points if the percentage of permanent full-time and full-time equivalent minority employees equals or exceeds the percentage of

minorities within the County, OR

- 40 points if the local government has three or fewer employees without regard to full-time or part-time status, OR
- A prorated portion of 60 points if the percentage of full-time and full-time equivalent minority employees is less than the percentage of minorities within the county.

5. Outstanding Performance in Fair Housing

The applicant may claim:

- A. 5 points if, before the application deadline, the local government adopted a Fair Housing Ordinance that covers all federally protected classes (race, color, familial status, handicap, national origin, religion, and sex).
- B. 5 points if the local government conducted a training or educational program within 12 months before the application deadline date that meets **all** of the following conditions:
 - Public notice was provided pursuant to Rule 9B-43.0031(19), *F.A.C.*, for the general public
 - The session was conducted at a meeting of the local governing body and was designed for the general public and local elected officials
 - An agenda and training manual/materials were provided for the session.
 - An attendance log was maintained.
- C. 5 points if the local government conducted a training or educational program within 12 months before the application deadline date that meets **all** of the following conditions:
 - Notice was provided by mail or e-mail to appropriate professionals and property owners
 - The session was designed and conducted for professionals such as bankers, realtors, insurance agents, or property owners, agents, brokers, etc.
 - An agenda and training manual/materials were provided for the session; and
 - An attendance log was maintained

If points are claimed for both "B" and "C," the training and educational programs must have taken place at different times. Documentation will be reviewed during site visit.

Local governments within the same county who are applying for CDBG funding may conduct joint training sessions.

No more than 15 points can be claimed for Outstanding Performance in Fair Housing.

Summary

Up to 100 points can be claimed for Outstanding Performance in Equal Opportunity and Outstanding Performance in Fair Housing:

- 25 points Achievement in M/WBE Contracting
- 60 points for meeting minority employment goals
- 15 points for Outstanding Performance in Fair Housing

Part III – Sources and Uses of Non-CDBG Funds (Leverage)

**Sources and Uses of Non-CDBG Funds
Private, Participating Party, Public Leverage from Non-Local and Local Funding Sources**

Source	Form L-1 Amount	Amount	Type
Monroe County Tourist Development Council	Claimed for Scoring	Not Claimed for Scoring	(Participating Party, Loan, Grant, Local Government Funds, Donated Land, or Other Leverage)
Activity # Construction and Design	\$85,000	0.00	Grant
17D			
Crane Point			
17D Construction, Equipment and Design	\$85,000	0.00	Participating Party
Start Up Costs, Inventory, Initial Payroll	0.00	\$175,000	Participating Party
Subtotals			
Total Leverage Claimed for Scoring	\$170,000	\$175,000	
		\$170,000	

Use the preceding totals to compute the number of points you are claiming for leverage scoring.

Leverage Score Summary

Leverage Points Calculation for CR, NR and HR

$$\$_{\text{blank}} \div \$5,000 = \text{blank Points}$$

Maximum 25 Points

Leverage Points Calculation for ED

$$\$170,000 \div \$10,000 = 17 \text{ Points}$$

Maximum 125 Points

Summary Score 17
(Transfer this score to the Scoring Summary)

Part III – Sources and Uses of Non-CDBG Funds (Leverage)

Instructions

Leverage

Leverage includes grants and loans to the local government, funds expended by other entities for the project, including a Participating Party in an Economic Development project, fee waivers, or land required for the project which is donated by the local government or any other entity or private individual (i.e., an easement). Funds expended incidentally in a service area by other entities, on activities which the local government is not legally responsible for, and which would occur regardless of the CDBG activity (such as FDOT paving of a state highway), may not be claimed for leverage.

Points can be claimed for documented leveraged funds that were committed to the project by the local governing body prior to the application deadline. Documentation must be included with the application (Appendix E) that reflects the commitment. List by activity all leverage funding; indicate the source and amount of funds that will be claimed for scoring.

- For Commercial Revitalization, Housing and Neighborhood Revitalization applications, divide the total amount of leverage funds claimed for scoring by \$5,000 and claim one point for each \$5,000 of non-CDBG funds contributed to the project as leverage.
- For Economic Development applications, divide the total amount of leverage funds claimed for scoring by \$10,000 and claim one point for each \$10,000 of non-CDBG funds contributed to the project as leverage. List all funds to be contributed.
- Amounts less than \$5,000 (or for ED, \$10,000) shall be prorated.

The following requirements relate to the use of leveraged funds claimed for application score points:

- a. Except for grant application preparation costs, leverage must be expended after the date of application site visit and prior to submission of the administrative closeout
- b. Leveraged funds must be expended proportionately and concurrently with CDBG funds to the extent feasible.
- c. Except for fee waivers and donation of land, leverage must be cash expenditures.
- d. Impact, permit and other fees which the local government would normally collect due to the CDBG project, but which the local government waives, qualifies as local government leverage. (If the fee would have been collected by another entity and that entity waives the fee, it qualifies as “non-local” leverage.)

- e. Only leverage funds expended for non-maintenance activities within a service area that directly benefit the proposed beneficiaries of the activity qualify for scoring purposes.
- f. Funds for jurisdiction-wide or large area-wide activities (i.e., sewer or water treatment plant, water tank, etc.) shall not be counted unless the CDBG project is for the same activity or the leveraged funds are for a new or expanded water or sewer plant and the CDBG project is for the associated water or sewer lines or hook-ups.

The proportion to be counted shall be based on a pro-rata share of service to the project's beneficiaries. If beneficiary information is not available, households may be used for calculating the proportion (For example, leveraging a new sewer plant with a CDBG grant for 50 of 200 total hookups will allow the proportion to be calculated using total and CDBG beneficiaries, if these are known; if total beneficiaries are unknown, use the proportion of CDBG hook-ups to total hook-ups [25%.])

- g. Grant or loan funds, which the local government will expend, must be under contract or awarded to the local government when the application is submitted. All documents necessary to complete the award, loan or grant must be fully executed by all parties before the application deadline date.
- h. Funds not yet awarded by EDA may be claimed for leverage if the local government can document that it received a written formal notification that their EDA application has been received, reviewed and found to warrant further consideration within the 12 months before the application deadline.
- i. Grants or loans from the Florida Communities Trust, pursuant to Chapter 380.501-.515, F.S., may be counted if the parcel is included in a grant awarded prior to application deadline and the parcel will be part of a CDBG activity.
- j. For grants and loans in NR, for each \$5 of construction leverage expended on an activity, there must be at least \$1 of CDBG funds expended on the same activity.

To meet this requirement, the following activities listed separately in the application shall be considered one activity:

- Water plant, new or replacement water lines and water hook-ups
- Sewer plant, new or replacement sewer lines and sewer hook-ups

- New roads and resurfacing existing roads
 - Land acquisition, including easements, required for any activity shall be considered part of that activity
- k. Funds which will be *expended on the project by another entity* must be officially committed to the project on the application deadline by a letter signed by an authorized individual representing that entity.

The letter must state the amount, source and use of the entity's funds and, except for State Housing Initiatives Partnership (SHIP) funds, must indicate that the funds are currently available. The applicant is responsible for ensuring that the person signing the letter is authorized to commit the funds.

Donated Land

- l. To be counted for leverage, land must already be owned by the local government, be the subject of a purchase agreement or purchase option, or be the subject of a donation agreement (contingent on only the local government obtaining the grant and completing the project).
- m. Donation of land qualifies as leverage only if the property is not already being used for the CDBG activity requiring the land and the donation allows the local government to avoid a purchase of land for the project. If the land is already in use and the CDBG activity allows continuation of the existing use, leverage cannot be claimed (i.e., land being used as a park will not qualify as leverage for a new park; land not used as a park, but donated for that use will qualify as leverage; a golf course which will also be used as a wastewater spray field will not qualify as leverage.)
- n. The value of donated land shall be based on one of the following:
- The most recent value established by the County property appraiser.
 - An appraisal based on proposed use by a state licensed appraiser.
 - The most recent sale price if sale was within 12 months of application deadline; or, for property valued at less than \$2,500, a statement of value from someone knowledgeable about property values.

- For easements, a proportional value, based on the size of the easement to the value of the total property's size, is acceptable.

Economic Development/Participating Party Leverage

In addition to the overall leverage requirements, leverage funds provided by a Participating Party must be reflected in the Participating Party's letter of commitment. For scoring purposes, a Participating Party may claim a leverage amount that is less than the total amount reflected on Form E-2.

To qualify for points, funds must be:

- In the form of available cash, new equity or debt funds.
- Spent on activities at the job creation location or on activities directly in support of grant-related activities at the job creation location.
- Expended on initial startup costs.

Funds cannot be for ongoing costs of operation, such as payroll, rent, lease expense, inventory purchases, non-capitalized equipment, maintenance, or other like expenses may not be counted.

Public Leverage from Local Funding Sources

Leverage contributions provided by the local government must be reflected on Form L-1 and in the local government's letter of commitment.

To be claimed for points, funds:

- Must be from the applying local government.
- Must be used for CDBG eligible activities that directly enhance or expand the scope of the CDBG activities or project, are in direct support of the job creating entities, or are necessary for the completion of the proposed CDBG funded activities.
- May include funds from General Revenue, Program Income from a prior CDBG project, waiver or payment of

permitting fees, funds expended which will not be reimbursed by a CDBG grant.

- Cannot be grants from any governmental or private agency, in-kind services, normal recurring governmental services or expenses, forgiven or deferred taxes, donations, or expenses that are maintenance in nature.
- If provided by a loan, must be fully approved, subject only to the receipt of CDBG or other federal funding.
- CDBG application preparation costs paid for the local government, which will not be reimbursed by the grant, may be counted as leverage.
- Documentation must be included with the application that reflects that the leverage claimed for scoring purposes was “committed” to the project by the local governing body prior to the application deadline.

Public Leverage from Non-Local Government Sources

Leverage funds provided by non-local government sources must be reflected on Form L-1 and in the Participating Party’s letter of commitment.

To claim points, funds must be:

- From a source other than CDBG, the applying local government (applicant), or a political subdivision of the applicant.
- Used for CDBG eligible activities that directly enhance or expand the scope of the CDBG activities or project, are in direct support of the job creating entities, or are necessary for the completion of the proposed CDBG funded activities.
- Fully approved and ready to be sold if provided by the sale of bonds.
- Fully approved, subject only to the receipt of CDBG or other federal funding if provided by a loan.
- An amount that is less than the amount reflected on Form L-1.

Other Funds Needed for the Project (not claimed for leverage)

Identify (by activity, amount and source) in the appropriate column of the Sources and Uses of Non-CDBG Funds spreadsheet any funds not claimed for leverage but which are required for the project. For Neighborhood Revitalization, Commercial Revitalization and Housing projects, documentation of the availability of these funds will be requested at the site visit. Funds are "available" if the local government can document (e.g., executed funding document or letter of funds award) that the funds are certain to be received. **If the availability of any non-CDBG funds required for an NR, CR, or HR project is not documented at site visit and is still not documented with the completeness letter response, the application's score will be reduced by 300 points.** For Economic Development projects, documentation of the availability of all funds necessary for the completion of a project must be provided by the end of the 60-day offer to contract period.

Part V – Economic Development (CDBG-E)

**Job Creation/Retention and LMI Benefit Impact Score
Form E-1**

1. Average Cost per Beneficiary Score

Cost per FTE job: (\$34,999 max.) Total CDBG funds requested ÷ Total # of FTE jobs created or jobs retained = \$ 750,000

Enter points based on the following:

\$ 1 - \$ 9,999	175 points
\$10,000 - \$19,999	160 points
\$20,000 - \$34,999	150 points
\$35,000 +	Loss of funding reservation
	Enter Score: <u>150</u>
	175 Points Maximum

2. Low-to-Moderate Income (LMI) Beneficiary Impact Score

Number of FTE Jobs to be Created/Retained for LMI Persons ÷ Total Number of FTE Jobs Created/Retained = 90 %

Enter points based on the following:

0 to 50.99%	Loss of funding reservation
51% and above	0 points
OR If a national objective is to be attained under the provisions of 24 CFR Section 570.483(b)(4)(iv) or (v)	0 points
	Enter Score
	<u>0</u> 0 Points Maximum

Form E-1 (Continued)

3. Full-time Equivalent LMI Jobs Score

Number of hours to be worked on an annual basis by all created/retained LMI job employees 38,000 divided by 2,000 hours = 19

Total Number of FTE LMI jobs.

Enter the points below based on the following number of FTE LMI jobs.

- Under 12 jobs 150 points
- 12-18 LMI jobs 160 points
- 19 or more LMI jobs 175 points
- Enter Score

175 175 Points Maximum

4. Unemployment Level Score

Applicants (Cities and Counties) may score points if the most recent unemployment percentage for their County exceeds the most recent Seasonably Adjusted Unemployment percentage for the entire State by .01 or more. Locate the range below that reflects the most recent unemployment percentage above the applicant's county unemployment percentage and enter score.

Under .1% Over State Unemployment Level	0 points
.1% to 1% Over State Unemployment Level	10 points
1.1% to 1.75% Over State Unemployment Level	15 points
1.76% to 2.5% Over State Unemployment Level	20 points
2.51% + Over State Unemployment Level	25 points
Enter Score: <u>0</u>	
25 Points Maximum	

Other Community Development Activities

1. Economic Development Element of the Local Government's Comprehensive Plan Score

Has the local government adopted an Economic Development Element to its Comprehensive Plan in conformance with Chapter 163, F.S.?

Yes _____ (30 points) No X _____ (0 points)

If yes, include a copy of the Economic Development Element with the application and include evidence of adoption of the Element by the local government.

Score _____ 0 _____ 30 Points Maximum

2. Investment Ratio – For CDBG Loans Only

For projects where a loan is proposed, calculate the ratio of CDBG loan funds requested by each Participating Party to all eligible leverage funds. If the CDBG funds to be loaned to a Participating Party constitute more than 50% of the total funds to be invested by the Participating Party at the job creation location, the project will lose its funding reservation.

Name of Participating Party _____

A. CDBG Funds Requested for a CDBG loan to a Participating Party (does not include requested CDBG administrative cost) \$ _____

B. Total private funds to be spent at the job creation location by a Participating Party: \$ _____

C. Private Investment Ratio $[2(B) \div 2(A)]$ Carried to four decimal places = _____

If 2C is .9999 or less score reduction = Loss of funding reservation

If 2C is 1.0 or greater, score reduction = zero points _____
0 Points

If proposing to offer a CDBG loan to more than one Participating Party, a separate calculation must be done for each Participating Party.

**Total Funds Required for CDBG Project
Form E-2**

Activity #	A Activity Name (If you wish to undertake an activity that is not listed below, contact the CDBG Program for assistance.)	B RUS Engineering Table	C CDBG Funds	D Participating Party Leverage Funds	E Public Leverage from Local & Non-Local Sources	F Other Funds Required- Not Scored as Leverage	G Total Funds Contributed to Project
01	Acquisition (in Support of)	No Engineering	\$	\$	\$	\$	\$
17D	Building Construction	Table II	\$619,500	\$	\$75,000	\$	\$694,500
04A	Demolition of Vacant Dilapidated Buildings	No Engineering	\$	\$	\$	\$	\$
03J	Water Facilities (Water Treatment Plant, Tanks, Wells)	Table I	\$	\$	\$	\$	\$
03J	Water Lines	Table II	\$	\$	\$	\$	\$
03J	Sewer Facilities	Table I	\$	\$	\$	\$	\$
03J	Fire Protection	XX	\$	\$	\$	\$	\$
03I	Flood and Drainage	Table II	\$	\$	\$	\$	\$
03K	Street Improvements	Table II	\$	\$	\$	\$	\$
03G	Parking Facilities	Table II	\$8,500	\$	\$	\$	\$8,500
03	Relocation of Utilities to Underground	Table II	\$	\$	\$	\$	\$
03J	Solid Waste Disposal	Table II	\$	\$	\$	\$	\$
08	Relocation	No Engineering	\$	\$	\$	\$	\$
17C	Rehabilitation of Commercial Buildings	Table II	\$	\$	\$	\$	\$
03	Removal of Architectural Barriers in Public Buildings	TABLE II	\$	\$	\$	\$	\$
18A	Direct Assistance to For Profits	AS APPLICABLE	\$	\$	\$	\$	\$
16B	Historic Rehabilitation and Preservation	TABLE II	\$	\$	\$	\$	\$
	Other - Describe		\$	\$	\$	\$	\$
FOR NON-CDBG FUNDS ONLY							
	Initial Inventory (Start-Ups Only)	No Engineering	\$	\$	\$	\$	\$
	Increase Inventory	No Engineering	\$	\$	\$	\$	\$
	Non-Capitalized Tools and Equipment	No Engineering	\$	\$30,000	\$	\$	\$30,000
	Other - Describe	Start Up Costs/Training	\$	\$205,000	\$	\$	\$205,000
1.	Totals (Columns C, D, E and F)		\$	\$	\$	\$	\$
2.	Total Funds Required to Complete CDBG Project (all sources); excluding Engineering & Admin, add columns C, D, E, & F						\$
3.	Indicate the RUS Used and Enter Engineering Funds	RUS TABLE USED: <u>I</u> <u>II</u> <u>X</u> <u>Both Prorated</u>					
	Basic Fee		\$40,000	\$25,000	\$10,000	\$	\$75,000
	Resident Inspection Fee		\$	\$	\$	\$	\$
	Preliminary Engineering Fee		\$	\$	\$	\$	\$
	Additional Engineering Services		\$	\$	\$	\$	\$
4.	Total Engineering Fees by Source		\$40,000	\$	\$	\$	\$40,000
5.	Enter Administrative Funds		\$67,000	\$	\$	\$	\$67,000
6.	Totals by Source		\$735,000	\$260,000	\$85,000	\$	\$1,080,000

**Participating Party with an Existing Business
Current Employee and Jobs Documentation
Form E-3**

Participating Party _____ Crane Point _____

A Job Title of Retained Job	B Total FTE Jobs Currently Existing	C Total FTE Jobs to be Retained for LMI Persons	D Hourly Pay Rate or Annual Pay Rate	E Total Annual Payroll for This Job Title	F Total Annual Payroll For Jobs Held by LMI Persons
Museum Store Manager	1	1	\$15 per hour	\$30,000	1
Retail Staff	.5	.5	\$10.50 per hour	\$12,600	.5
Operations Manager	1	0	\$42,000 Annual	\$42,000	1
Executive Director	1	0	\$42,000 Annual	\$42,000	1
TOTALS					

**Participating Party Jobs Creation Information
Form E-4**

Name of Participating Party Crane Point

A	B	C	D	E	F	G
Job Title of Created Job	Total FTE Jobs to be Created	Total FTE Jobs to Be Created for LMI Persons	Hourly Pay Rate or Annual Pay Rate	Total Annual Payroll for This Job Title	Total Payroll for Jobs Created for LMI Persons	Proposed Hiring Date Month/Year
Course Manager	1	0	80K/yr	80,000	0	01/2012
Asst. Course Mgr.	1	0	55K/yr	55,000	0	03/2012
Program Director	1	1	40K/yr	40,000	40,000	03/2012
Photographer	1	1	15/hr	30,000	30,000	03/2012
Reservation Clerk	1	1	11/hr	22,000	22,000	03/2012
Retail Staff	1	1	10/hr	20,000	20,000	03/2012
Maint/ Driver	2	2	12.75/hr	25,500	51,000	03/2012
Guide	13	13	12.5/hr	25,000	298,000	03/2012
TOTALS	21	19			163,000	

Use additional sheets if necessary.

Summary Score 325
(Transfer this score to the Scoring Summary)

Part V – Economic Development

Instructions

ED grants assist communities with economic development through creation of jobs primarily for persons from low-to-moderate income households. Projects also expand the community's tax base.

Economic Development Project Assurance

By signing the application, the applicant assures the Department that it or another named provider has sufficient sewage treatment plant capacity and/or potable water plant capacity to provide an adequate level of service to the job creation location and to the Participating Party or Parties at the level of operational activity and employment proposed in the application.

CDBG Funding Limitations

CDBG Funds shall not be used for:

- Working capital, inventory, supplies, or to refinance existing debt
- Purchasing assets from any entity if any principal of the Participating Party owns an interest of 20% or more in that entity
- Building or developing infrastructure beyond that which is required as a prerequisite for job creation by the Participating Party
- A loan to a non-public entity which is determined to be not appropriate as defined in 24 CFR 570.482(e)
- Direct assistance to non-public entity in the form of a grant

Job Creation/Retention, LMI Benefit Impact and Unemployment Percentage (Form E-1)

This section requires applicants to specify project activities; outline the project budget, including all resources required for project completion; identify sources of funding, and document commitments of funding; document LMI job creation benefit; and submit supporting documentation required for project evaluation. The information requested in the application is needed to calculate the following scores:

A. Average Cost per Beneficiary Score – Divide the total CDBG funds requested by the total number of full-time equivalent jobs to be created or retained. Include the calculation. Use the range scale on the left of the section with the corresponding points on the right of the section to determine the points.

B. Low-to-Moderate Income (LMI) Beneficiary Impact Score – Divide the number of full-time equivalent jobs to be created or retained for persons from Low-to-Moderate Income households by the total number of full time equivalent jobs to be created or retained. Include the calculation. If percentage is less than 51%, score this is a loss of funding reservation issue. If percentage is 51% or more, score zero.

C. Full-Time Equivalent LMI Jobs Score – Divide the total number of annual hours to be worked by employees from low-to-moderate income households by 2,000. Include the calculation. Use the range scale on the left of the section with the corresponding points on the right of the section to determine the points.

D. Unemployment Percentage Score – Use the website <http://www.labormarketinfo.com/library/LAUS.htm> to locate the most recent Local Area Unemployment Statistics (LAUS) and determine the unemployment rate for the County where the proposed project is to be located.

Choose the most recent available monthly posting preceding the application submission. For City applicants, use the County's unemployment rate. Locate the State's Seasonally Adjusted Unemployment Rate for the same period at the bottom of the same report. Use the range scale on the left of the section to determine the percentage points the County's Unemployment Rate is above the State's Seasonally Adjusted Unemployment Rate for the same period. Score the corresponding points on the right of the section.

Other Community Development Activities

1. Enter score for ED element of local comprehensive plan
2. Enter score for loan if applicable

Total Funds Required for CDBG Project Completion by Activity and Funding Source (Form E-2)

Enter the proposed budget by activity and funding source. This form must reflect all funding required to complete the proposed project. Non-CDBG funding sources identified on this form must be committed to the project.

1. Enter the proposed project cost, excluding administrative and engineering costs, for each activity. All eligible ED activities are listed in Column A.
2. Enter the CDBG budget items in Column C.
3. Enter the Participating Party/Parties leveraged funds budget items in Column D. Enter the public (local and other government sources) leveraged funds budget items in Column E.
4. Enter other funds required for the project, but not claimed for leverage, in Column F.
5. The Cost Standard Used to estimate costs must be provided as supporting documentation. The Department will review the standard for cost reasonableness and may request justification of the cost reasonableness of any budgetary item. If the local government cannot justify a cost, the Department will reduce the line item budget at the time of contracting.
6. Total Columns C, D, E, and F (CDBG Project Costs by funding resource). Note that engineering and administrative costs are not included in the CDBG Project Cost.
7. Enter total funds from all sources required to complete project.
8. Indicate the RUS Table used to determine engineering fees and enter proposed CDBG engineering fees as outlined in Column B. Please see RUS Form 1942-19 (in the last section of the application) for information concerning these costs.
9. Enter the total engineering fees in Columns C through F based on funding source(s) for these fees.
10. Enter the administrative costs in Columns C through F based on funding source(s) for these fees. Administrative costs to be paid with CDBG funds cannot exceed 8% of the total CDBG funds requested.

11. Enter the final totals by funding sources by adding the amounts in lines 2, 5 and 6 in Columns C through F. The CDBG total in C- 6 must equal the amount requested in Part III of the Application.

Documentation Requirements

Submit the documentation, explained in the following pages, in the Supporting Documentation Section. If items are missing, the application will be returned to the applicant for resubmission. Documentation must be on the appropriate letterhead and signed by an individual authorized to make the commitment. Unsigned letters shall not serve as a letter of commitment. The following items must be included with an ED application. The title of each should appear at the top of the page(s) for easy identification. Number the pages and indicate the page number where each of these items can be found.

	Documentation and Page Number
A. Local Government Commitment	_____
B. Local Government Cost Estimate	_____
C. Multi-Jurisdictional Activity Information	_____
D. Commitment of Non-CDBG Funds to be	_____
E. Spent by the local government	_____
F. Comprehensive Plan Conformance and Relevant Excerpts	_____
G. Initial Participating Party Commitments	_____
H. Business Plan	_____
I. Participating Party(s) Current Employee Information, if Applicable	_____
J. Participating Party(s) Proposed New Job Creation Information	_____
K. Financial Information for Participating Parties which are expanding or to whom a CDBG Loan Is Proposed	_____

Local Government Commitment

Each application must include a letter on local government letterhead, signed by the Chief Elected Official prior to the application deadline date, that provides:

1. A clear statement of the scope, nature, cost, and desired results of the project.
2. A statement of the local government’s willingness to expend non-CDBG funds required for project completion, referenced in the Activity and Funding Source. The statement must indicate all funds will be expended after the date of the site visit and prior to submission of the administrative closeout.

3. A quantitative description of the funds provided by the local government, including the source (general revenue, TIF, enterprise funds, bank loans, grants, etc.) and the budget activity line item for which the funds will be expended.
4. A statement that all proposed activities and job creation locations conform to local zoning requirements, land development regulations, the future land use map, and that they are not inconsistent with the Comprehensive Plan.
5. If not being created as part of the project, a statement that there is sufficient potable water and sewage plant treatment and delivery capacity to provide adequate service to the job creation location of each Participating Party at the projected levels of employment, operational activity, and customer usage.
6. The terms of any commitment made to a Participating Party, individual, business entity, or other local government, other than potential CDBG assistance, as an inducement for participation.
7. A description of how any displacement or relocation of homeowners, tenants, businesses or others, as a result of the project, will occur. If displacement or relocation will occur, include a copy of the notice(s) provided to potential displaced or relocated person pursuant to the Uniform Act and as illustrated in HUD Handbook 1378, Appendices 2 thru 7.
8. The basis for the determination that a national objective will be met as provided by 24 CFR Section 570.483(b) (4) (iv) or (v), if appropriate.
9. For the purpose of documenting public benefit only, agree that if upon completion of a project funding public infrastructure, the threshold cost per job of \$35,000 is not attained, the local government shall continue to track all jobs created as a direct result of the infrastructure or facility by all Participating Parties, and by those businesses or other job-creating entities who later create jobs as a direct result of the availability of the public improvement or facility.

All jobs created by all parties as a direct result of the public improvement or facility must be tracked in case it becomes necessary for the jobs to be used to document a national objective.

10. Affirm that the construction of infrastructure, such as drainage or retention ponds, roads, sidewalks, parking, etc., which will be paid for with CDBG funds, shall only be undertaken on public property, a public right-of-way, or a public or private utility easement.
11. Provide an unequivocal statement that, if the proposed CDBG funded infrastructure is not provided to the job creation location(s), the jobs cannot be created or retained by the Participating Party(s).
12. The Department may require a commitment from any other entity whose participation or investment is necessary for successful completion of the project.

Local Government Cost Estimate Documentation

Document by cost estimates for all activities (other than administration and engineering), the basis for the amount of CDBG funds requested in the application and the total cost of the project. Cost estimates are required for all components of the proposed activities to be paid for with

CDBG funds and for activities to be paid for by the local government with other funds.

If CDBG funds are being requested for the construction of infrastructure, the local government shall:

1. Provide a certification from a licensed engineer that the proposed route, scope, cost, and size of components and accouterments of the proposed infrastructure is the minimum necessary to provide for the needs of the Participating Party(s) at the job creation location(s).

If this determination is made based upon minimum permitting requirements of a state or federal agency, or minimal requirements of an insurance company, include documentation of that agency's requirements.

2. Include detailed and quantitative cost estimates from a licensed engineer, copies of previous bids from contractors, or cost estimates from a recently completed similar activity. Cost estimates must cover major components (i.e., lift stations, linear feet of road, etc.).
3. Provide cost estimates that segregate the cost of activities to be paid with CDBG funds from the cost of like activities to be paid for with non-CDBG funds.
4. Where CDBG funds are being used to pay for activities other than infrastructure:
 - a. If CDBG funds are being requested to pay for any portion of real property, easements, or rights of way, include copies of property tax statements, disinterested third party appraisals, an appraisal from a certified appraiser, or some other determination of value that documents that the proposed purchase price is based on the fair market value of the property.
 - b. If proposed building construction or rehabilitation is to be partially or fully paid with CDBG funds, include cost estimates from a general contractor, engineer, or architect, or from a recently completed similar facility.
 - c. If proposed acquisition of new or used machinery and equipment is to be partially or fully paid with CDBG funds, include cost estimates from a possible vendor or invoices from recent acquisitions.
 - d. If proposed acquisition of used machinery or equipment is to be partially or fully paid with CDBG funds from other than a normal vendor, include a disinterested third party appraisal demonstrating the current value.
 - e. If any other activity (other than administration and engineering) is to be partially or fully paid with CDBG funds, provide a detailed description and cost estimate of those activities.

Non-CDBG Funds to Be Expended by the Local Government

Provide documentation of the local government's commitment to provide necessary non-CDBG funds to complete the project that:

1. Agrees with the Total Funds Required for CDBG Project Completion by Activity and Funding Source Form.
2. Provides evidence that the commitment has been formally made and from what source(s) the funds are available.

3. Sufficient funds will be available to complete the project.
4. If the leverage amount claimed for scoring is less than that reflected on the Total Funds Required for CDBG Project Completion by Activity and Funding Source Form, please state this.

Initial Participating Party Commitments

Each Participating Party shall provide a signed binding and irrevocable statement of commitment that is contingent upon the receipt of CDBG funds, includes an expiration date (if applicable), and includes any and all conditions which must be met by the local government or any third party before performance under the commitment is binding.

The Department retains the right to reject commitments that are incomplete or insufficient. Attachments or appendices must be on Participating Party letterhead, signed or initialed by the Participating Party. The statement of commitment shall include at a minimum:

1. The concept, scope, and cost of its part of the project.
2. A brief description of each Participating Party that reflects its legal name, explains the products or services offered, and states how it will benefit from the project.
3. An indication of whether the Participating Party's business will be a start-up.
4. If the business is an expansion or relocation, a description of the present operating conditions, locations and the reason for expansion or relocation.
5. If a business relocation, a description of the impact on present employees.
6. A description of the nature of the Participating Party's commitment, including:
 - Total number of jobs to be created and/or retained
 - Number to be created and/or retained for LMI persons
 - Number of jobs with company sponsored health care
 - Amount and terms of its private financial commitment to the project
 - The proposed sources of any borrowed funds
 - An agreement to relocate, begin construction, or take other appropriate action within a specified period of time after the effective date of the grant
 - An agreement to provide required documentation.

Documentation must reference the basis upon which the job creation estimates are made, such as franchise information, industry averages, specific like-projects, or other empirical data.

7. Commitment to provide a completed Household Income Verification form for each employee in one of the created jobs and who holds one of the created jobs at the time the job creation commitment by the Participating Party is fulfilled.
8. Commitment to provide a certified payroll report which verifies that those employees documented with the Household Income Verification form are active employees.
9. Commitment to provide training to members of families of low and moderate income as necessary to equip them with the skills required to obtain and retain the job to be created and/or retained.
10. Commitment to notify the Recipient in writing when it begins and completes the hiring for the required jobs.
11. Commitment to utilize use the service of the local workforce board and/or advertise the newly created positions in one or more of the local newspapers that serve the city/county.
12. Commitment to develop a schedule which identifies the start date for construction of its facilities; the dates by which such construction will be 33%, 66% and 100% complete; the date that hiring of employees will begin; and the date by which all employees will be hired.
13. Commitment to submit a detailed quarterly report to the Recipient that demonstrates progress toward achieving the milestones.
14. Commitment to provide to the Recipient or its agents such information concerning the project as may reasonably be required.
15. Commitment to comply with Chapter 119, F.S., for all documents, papers, letters or other materials subject to the provisions of Chapter 119, F.S., and made or received by the Participating Party in conjunction an application or subsequent grant.
16. In the case of an expansion, a commitment to provide a certified payroll report from the last payroll period prior to the Application Site Visit, which documents all of the company's active employees.
17. Commitment to track all jobs created as a direct result of the construction and availability of the infrastructure paid for with CDBG funds for a one-year period following the date of the administrative closeout of the grant. Administrative closeout may not occur until grant cost per job (defined as total grant amount divided by total jobs created or retained) by all Participating Parties no longer exceeds \$10,000 or for one year following physical completion of the infrastructure, whichever comes first.
18. A statement of willingness to sign a legally binding Participating Party Agreement subject to award of the grant.
19. The names, titles, and ownership shares of all principals.
20. If applicable, a statement that the job creation location could not have been selected without the proposed infrastructure being provided to the site.
21. Documentation of site control over the proposed job creation location through ownership, lease, rent, contract for purchase, contract for

lease, contract to rent, or purchase option.

22. A detailed and quantitative cost estimate for all activities to be undertaken by a Participating Party, documenting the uses and amounts of all Participating Party funds that are necessary for the completion of the project, whether or not they are scored for leverage points.
 - Leverage funds may not be used for ongoing operations and expenses. Typical uses of leverage funds include land, buildings, machinery, permits, construction and construction fees, impact fees, relocation expenses, capital equipment, furniture, fixtures, and rolling stock.
 - Only the initial investment in supplies, inventory, uniforms, non-capital equipment, and tools, the replacement of which will be expensed-out, can be counted for leverage.
23. State whether or not the amount of funds used for leverage scoring is less than the full estimated cost of the Participating Party(s) investment into the project.
24. The Participating Party must state whether it plans to finance its portion of the project from borrowing, equity, or both, and in what anticipated amounts.
25. Provide adequate information to complete HUD Form 2880 to document the pecuniary interest and other disclosure requirements of Section 102 of the HUD Reform Act of 1989.
26. A statement that for the last two years (a) the Participating Party has not declared bankruptcy; and (b) that no principal of the Participating Party has declared bankruptcy.
27. If a Participating Party is an existing operating entity, or will be a spin-off or subsidiary of an existing operating entity, provide for the existing entity:
 - Financial statements (balance sheets, profit and loss statements, and cash flow statement) for the previous two years. If the Participating Party is a publicly held corporation, published annual statements will suffice.
 - Current interim financial statements, if applicable.

The Department may require a statement of commitment from any other investor, equity participant, or other party whose participation, cooperation, or investment is necessary for the successful completion of the project.

Business Plan

The Participating Party or its agent (not by the local government or its agents or consultants) must provide, separate and distinct from any other documentation, a business plan. Use the business plan templates provided by the Small Business Administration, a Small Business Development Center, or any other template that includes the basic elements that are in the SBA Business Plan template. Audited annual financial statements are acceptable for a publicly traded corporation listed on one of the major US Stock Exchanges, if they address issues of expansion and financing of the expansion.

The business plan must include or address:

1. A description of the business from an ownership, organizational, historical, and structural perspective.
2. The market for its products and its marketing plan.
3. The competition it faces in the marketplace.
4. A management plan, including operational and financial issues.
5. Schedule for CDBG related expansion or initiation of operations.
6. Critical risks and perceived problems.

Participating Party Current Employee Information (Form E-3)

Projects that will meet a national objective by creating new jobs or by retaining existing jobs must provide documentation of currently existing employees and jobs. Form E-3 (Participating Party with an Existing Business/Current Employee and Jobs Documentation Form) must be provided for each Participating Party. For businesses that are creating new jobs, a recent payroll report will be reviewed at the Application site visit to establish a base above which job creation will occur.

If the project will meet a national objective by creating or retaining jobs, the following must be included in the application:

1. Documentation that a third party (such as a state or federal regulatory agency) requires that action be taken that, without CDBG assistance, would result in the loss of those jobs in the State of Florida; or
2. Documentation that the Participating Party has openly and publicly stated that without the assistance of CDBG funds, the business will cease operations in the State of Florida. Documentation may include newspaper articles, detailed statements recorded in the minutes of public meetings, and/or copies of notices distributed to employees, and
3. If the application is for a loan to assist in job retention, documentation from third party lenders that the funds are not available at reasonable rates and terms must be provided.

Participating Party Proposed Job Creation Information (Form E-4)

Economic Development projects meeting a national objective by job creation must provide a separate Form E-4 for each Participating Party that provides information on the proposed new jobs. The documentation will provide the basis for the estimation of the number of newly created jobs that will be occupied by persons from low and moderate-income households.

Financial Information and Commitment from Proposed CDBG Loan Recipients

If a CDBG loan will be made to a Participating Party, the following information shall be provided:

1. A pro-forma financial statement (balance sheet, profit and loss statements, and cash flow projections) on an annual basis for the first two years of operation. Projections must:
 - Be based upon generally accepted accounting practices.
 - Show all debt service before and after taxes and include the list of assumptions upon which the projections are based.
 - Provide sufficient detail to document all relevant assertions.
 - Be contained in the business plan and in the CDBG application, (particularly, wages and salaries, debt service, management and ownership compensation, cash investment, depreciation and amortization, interest expense, initial working capital, production costs, accruals, etc.
 - If the purpose of the CDBG loan is to decrease debt service to make the project feasible rather than to provide gap financing, a pro-forma must be provided for the first two years of operation reflecting only private financing and for the first two years of operation reflecting CDBG funds as part of the financing to document the significant change in debt service.
2. Complete the spreadsheet provided for analyzing the required pro-forma projections that are included in the Forms section, entitled **Participating Party Balance Sheet and Profit and Loss Statement**. This form may be reformatted to meet the various styles of accounting used by differing industries if necessary. If any modification reduces the availability of data needed for the Department's review of the application, the Department will require the submission of that data by the local government.
3. Describe any collateral to be pledged by the Participating Party or other conditions to be met by the Participating Party that are required by the local government.
4. If any portion of the grant is to be used for a loan to a for-profit business, provide documentation that each principal will personally guarantee the CDBG loan.

Award and Offer to Contract Documentation

The local government must submit the documentation listed below within 60 days of receipt of the Department's Award and Offer to Contract Letter. All documentation shall be on the committing entity's letterhead and signed by persons authorized to commit the entity.

Award and Offer to Contract Documentation

	Documentation	Page
A.	Executed Participating Party Agreements with Participating Party Work Plans	
B.	Additional Participating Party documentation to include proof of the availability of all dollars necessary for project.	
C.	Commitment of Local and Non Local Public Funds	
D.	CDBG Loan Recipient and Startup Business Documentation	

Executed Participating Party Agreement(s)

The local government shall submit Participating Party Agreements for all job creation entities identified in the application. Agreement(s) shall be executed by the local government and the Participating Party and shall include all provisions required by the Department.

Additional Participating Party Documentation

1. Document the existence, source, and availability of any cash equity investment that is being pledged to the project by a Participating Party. Copies of current bank statements or letters from depository institutions, stock brokerage companies, insurance companies, or other federal or state regulated or chartered third-parties, stating that they are holding the funds on deposit, will be adequate. A letter from a Participating Party stating that the funds exist is not adequate.
2. Document the amount and source of working capital that will be required for at least the first six months of operation or the source of the additional amount of cash investment, if any, that will be required to provide additional working capital for the relocation or expansion of an existing organization. Copies of current bank statements or letters from depository institutions, brokerage companies, or other third-parties holding the funds on deposit will be adequate. A letter from a Participating Party stating that the funds exist shall not be adequate.
3. Document the availability of all funds that are required for the successful completion of the Participating Party's portion of the total project through a written and executed (by all parties) loan commitment, with all contingencies specified and all points and fees paid, from each lender, vendor, consortium, or private individual who will be a provider of funds or credit that is required for the successful completion of the project.

This written commitment shall provide:

- The nature of its commitment, including the amount, terms, expiration, cost, and special conditions, if any, of its offer to the Participating Party.
- Any collateral or other requirements by funding source to be provided or completed by the Participating Party.

- Name, address, and phone number for a loan officer or contact person for each funding source.
4. The loan commitment must not be contingent upon such actions as credit review, loan application completion, review by loan committee, or other subjective decisions, or upon payment of fees or points. If fees or points are to be financed as part of the loan rather than paid in advance, the loan commitment must so state.
 5. A copy of an irrevocable letter of credit from an FDIC insured bank or an established line of credit from a vendor or other third party may suffice for any cash or lending commitment by a Participating Party.
 6. Provide documentation that shows that the letter of credit is for the purpose for which the Participating Party has pledged it, or that an established line of credit has an adequate unused balance that can be used for the purpose to which the Participating Party has pledged it; and/or a copy of a fully executed (by all parties) loan agreement and closing statement, reflecting that the loan has already closed and that any points or fees have been paid or financed as part of the loan.

Commitment of Local and Non-Local Public Funds

Provide documentation that shows that all locally provided public funds required for the completion of the project are budgeted and available. If bonds are to be sold, they must be placed with the underwriter and any validation hearings must have been completed. The Department retains the right to require that the funds be placed in an escrow account.

For grants or loans from other governmental entities, documentation shall be in the form of a fully executed contract with the governmental entity that commits the funds to the local government, or a letter from the appropriate government agency stating that the grant or loan has been fully approved and that the grant or loan is awaiting execution.

CDBG Loan Recipient and Start Up Business Documentation

An underwriting analysis that meets the requirements of 24 CFR Section 570.482(e), and Appendix A of 24 CFR Part 570. The underwriting analysis must be prepared by a certified public accountant or other financial professional or economic development professional.

Following the Department's acceptance of the financial analysis, any material revisions affecting the underlying assumptions upon which the analysis was based will require a re- second evaluation by the local government and must be submitted again to the Department.

If the Participating Party is a sole proprietorship or 50 percent or more of any business or Participating Party is owned by one individual, the following must be provided:

1. A copy of a consumer credit report on each principal;
2. A current personal financial statement from each principal and the prior years' tax returns from each principal; and
3. For a CDBG loan, corporate or partnership income tax returns for the previous two years.

**For Economic Development Grants Only
Pre-Employment Household Income Certification Form
Form I-2**

SECTION I: To be completed by participating business

LOCAL GOVERNMENT:	Participating Business:	DATE OF INTERVIEW:
Was the applicant employed prior to being hired by the participating business?		Yes No
If hired, will the applicant receive company sponsored health care benefits?		Yes No

Which type of position will the applicant fill if hired:

Officials & Managers	Other Professional	Office & Clerical
Sales	Technicians	Operators (semi-skilled)
Laborers	Service workers (unskilled)	Craft Workers (skilled)

SECTION II: To be completed by applicant / employee

Name of applicant:	City and state of residence:
--------------------	------------------------------

(Circle your total household size and then answer whether total household income is or is not within each of the three ranges.)

Number of Persons in Household	2 Income Range (Moderate)	Is Total Household Income Within This Range?		4 Income Range (Low)	Is Total Household Income Within This Range?		6 Income Range (Very Low)	Is Total Household Income Within This Range?	
		YES	NO		YES	NO		YES	NO
1	0 - \$	YES	NO	0 - \$	YES	NO	0 - \$	YES	NO
2	0 - \$	YES	NO	0 - \$	YES	NO	0 - \$	YES	NO
3	0 - \$	YES	NO	0 - \$	YES	NO	0 - \$	YES	NO
4	0 - \$	YES	NO	0 - \$	YES	NO	0 - \$	YES	NO
5	0 - \$	YES	NO	0 - \$	YES	NO	0 - \$	YES	NO
6	0 - \$	YES	NO	0 - \$	YES	NO	0 - \$	YES	NO
7	0 - \$	YES	NO	0 - \$	YES	NO	0 - \$	YES	NO
8	0 - \$	YES	NO	0 - \$	YES	NO	0 - \$	YES	NO
	0 - \$	YES	NO	0 - \$	YES	NO	0 - \$	YES	NO

Note: For households of more than 8 persons, insert in the blank row the household size and the correct range for each of the three income levels.

Household Income Verification Form (Continued)
Form I-2

SECTION III: To be completed by applicant / employee

Indicate how many people in each of the following categories reside in the household. Some household members may need to be counted in more than one category.

Female Head
of Household

Handicapped

Elderly (60+)

Indicate race and ethnicity below:

Race	Total	# of Hispanic Ethnicity
White		
African American		
Asian		
American Indian or Alaskan Native		
Native Hawaiian Pacific Islander		
American Indian or Alaskan Native and White		
Asian and White		
African American and White		
American Indian/Alaskan Native and African American		
Other Multi-racial		
Totals		

CERTIFICATION: I, the undersigned, certify that the information stated in this form is true and accurately reflects the household composition and income data.

JOB APPLICANT/EMPLOYEE: _____ DATE: _____

**Participating Party Jobs Creation Information
Form E-4**

Name of Participating Party City of Marathon

A	B	C	D	E	F	G
Job Title of Created Job	Total FTE Jobs to be Created	Total FTE Jobs to Be Created for LMI Persons	Hourly Pay Rate or Annual Pay Rate	Total Annual Payroll for This Job Title	Total Payroll for Jobs Created for LMI Persons	Proposed Hiring Date Month/Year
Course Manager	1	0	80K/yr	80,000	0	01/2012
Asst. Course Mgr.	1	0	55K/yr	55,000	0	03/2012
Program Director	1	1	40K/yr	40,000	40,000	03/2012
Photographer	1	1	15/hr	30,000	30,000	03/2012
Reservation Clerk	1	1	11/hr	22,000	22,000	03/2012
Retail Staff	1	1	10/hr	20,000	20,000	03/2012
Maint/ Driver	2	2	12.75/hr	25,500	51,000	03/2012
Guide	13	13	12.5/hr	25,000	298,000	03/2012
TOTALS	21	19			163,000	

Use additional sheets if necessary.

Summary Score _____
(Transfer this score to the Scoring Summary)

<Company Letterhead>

<Date>

The Honorable Ginger Snead, Mayor
City of Marathon
9805 Overseas Highway
Marathon, FL 33050

Dear Mayor Snead:

I would like to thank you and the City of Marathon for your support of the Crane Point Eco-Adventure Canopy Tour Program, which will be located on land currently owned by Crane Point.

It is my understanding that as a part of the Community Development Block Grant (CDBG) funding application, I am required to commit to the following:

1. Crane Point owns the property located at 5550 Overseas Highway, Marathon, Florida, and intends to construct improvements necessary to create zip-line based tourist attraction.
2. Crane Point will be the owners and managers of the Canopy Tour, which will create a minimum of 21 full-time equivalent jobs within the first two years of operation of which at least 19 full-time equivalent jobs will be available to low to moderate income persons. These 21 full-time equivalent jobs will all be new positions therefore having no impact on current employees. The 21 new job creation estimates are based on employment needs that will be created as this vacant land is occupied and this expansion is made. These calculations are conservative estimates. We estimate that the facility will open by Spring of 2012 and begin hiring the employees by that time, contingent upon grant funding.
3. Crane Point intends to sign a legally binding Participating Party/Subrecipient Agreement upon award of the grant.
4. We have secured \$85,000 from the Monroe County Tourist Development Council and have an additional \$260,000 in fund available for the project.
5. The location was selected because this is the location of the Crane Point property. There are no other pre-conditions that must be met by the City of Marathon.

7. Hitchcock's will make a minimum investment of \$260,000. For the purposes of this grant application, an investment of \$260,000 in addition to the \$85,000 from the Monroe County Tourist Development Council. All of these funds will be committed to the construction of the new facility and start up costs. We certify that the proposed investment will be spent after the date of the site visit and prior to submission of the administrative closeout.
8. Crane Point and/or any of its partners have not declared bankruptcy within the past two years.
9. Attached are financial statements for Crane Point and other documentation as required.

Sincerely,

John Henderson

Enclosures



CITY OF MARATHON, FLORIDA

9805 Overseas Highway, Marathon, Florida 33050
Phone: (305) 743-0033 Fax: (305) 289-4123

Mr. Patrick Howard
Department of Economic Opportunity
Tallahassee, FL

September 27, 2011

RE: City of Marathon Commitment
Crane Point Economic Development Application
2011 Small Cities CDBG

Dear Mr. Howard:

I am writing this letter as part of the required application process for the Economic Development Category of the State of Florida Small Cities Community Development Block Grant (CDBG) Program. The intent of the letter is to provide a commitment to the State of Florida that, should this application be funded, the City of Marathon supports this application and will endeavor to assist in the completion of the project in the ways described in the application.

Background

The City of Marathon is submitting an application for the 2011 Small Cities Community Development Block Grant program, under the Economic Development Category. The amount of the request is \$735,000. The proposed use of the funds is to develop the Crane Point Eco-Adventure Canopy Tour Program, which will be an attraction based on the use of zip lines running through an environmental preservation area. This narrative is a summary of the proposed project, with additional details contained in the grant application.

Crane Point is a large tract of undeveloped property located at 5550 Overseas Highway within the City of Marathon. The property is located on the Gulf of Mexico. Crane Point is operated by the Florida Land and Sea Trust, Inc. The property is significant because it is one of the few remaining parcels of land that is undeveloped in the Keys, and it contains tropical hardwood forests in addition to coastal habitat. Crane Point is unique in the Keys and a valuable community resource. Crane Point has owned the property for decades, and there will be no relocation or displacement of homeowners, tenants, or businesses.

In order to be able to continue its mission of promoting environmental preservation and historic education, Crane Point must explore ways to generate additional revenue. If current trends continue and Crane Point cannot raise additional revenue, it will be forced to discontinue operations. Should that happen, the continued stewardship of the property is unclear.

Crane Point has done an extensive amount of research and fact finding and believes that a zip-line based attraction will be profitable. Thousands of tourists drive past Crane Point everyday in season along U.S. Highway 1, which is literally the only road in and out of Key West. By garnering just a fraction of this traffic, Crane Point can develop a viable tourist attraction that will provide for economic development and the preservation of a unique and valuable ecosystem.

Costs, Financing, and Scope

The total cost for the project is estimated to be \$1,080,000. This includes engineering, design, permitting, construction, and start-up costs. Crane Point has produced detailed cost estimates, which are found in the budget section of the application. Of the funds needed, \$735,000 would be a grant from the CDBG ED program, \$85,000 is from the Monroe County Tourist Development Council, and the balance is from Crane Point funds currently on hand. Of the Crane Point funds, \$25,000 would be spent after the

Economic Development Grant is funded. The Tourist Development Council funds, \$85,000, would also be spent after the grant funded.

The project includes renovation of current facilities (some of which are historical), and construction of the following additional improvements:

- 1-2 Sky Bridges
- 6-8 Zip Lines
- 7-10 platforms
- 2 ground landings/takeoffs as necessary
- Short elevation-gain stairs or climbable elements as necessary
- Entry or exit structures which may be low slung platforms or archways.

The estimated budget is as follows:

Activity	Source of Funding		
	CDBG	Tourist Dev Council	Crane Point
Construction of Facilities Related to Zip Line Installation and Rehab of Existing Facilities	\$627,700	\$75,000	
Parking Lot	\$8,500		
Eng and Prof Services	\$40,000	\$10,000	\$25,000
Administration of CDBG	\$58,800		
TOTAL	\$735,000	\$85,000	\$25,000

The budget as presented in this letter is compiled based on the best available information. During the course of the project, the budget may change. The City will monitor the project and inform the State of budget variances, either through written correspondence or, if needed, a formal budget amendment. Cost estimates have been prepared by Crane Point and appear to be reasonable.

Compliance with Codes and Infrastructure Capacity

The proposed development is in compliance with all applicable codes, zoning, land development regulations, future land use plans, and the comprehensive plan. Any necessary adjustments to Crane Point plans will be made as needed in the event conflicts are noted. Sufficient water and sewer capacity exists at the site, which is already a tourist attraction. All improvements will take place on property already owned by Crane Point. Therefore, no relocation of tenants or homeowners will occur.

Low Income Job Benefit

Crane Point, as the participating party, is also a subrecipient to the City as a non-profit entity. All CDBG funds will be offered as a grant in exchange for the creation of at least 19 low to moderate income jobs. About 21 new jobs in total will be created. As such, 90 percent of the jobs created will benefit low income people, and therefore the project meets a National Objective, benefit to low and moderate income

persons. The activities (construction of improvements, parking lot, engineering, administration) are eligible.

Operating costs, start up costs, equipment, supplies and salaries are ineligible and will not be paid with CDBG funds. All jobs created will be monitored for compliance with grant conditions.

Impact of CDBG Economic Development Funding

If not for the infusion of CDBG funds, this project will be unable to proceed and the LMI jobs will not be created. The CDBG funds will help to create a viable tourist attraction that will Crane Point now and the in the future. The City of Marathon cannot fund this project from any other available resources.

The City of Marathon supports this application and will assist in any way that it reasonably can.

Sincerely,

The Honorable Ginger Snead, Mayor
City of Marathon

Crane Point Eco-Adventure Canopy Tour Program

Business Plan



FLORIDA KEYS LAND AND SEA TRUST, INC.

CRANE POINT MUSEUM AND NATURE CENTER

**5550 Overseas Highway,
Marathon, Florida 33050**

305-743-3900

www.cranepoint.net

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I. Executive Summary

Crane Point, with roots going back to 1976, is a non-profit museum, nature center and historic site located on 63 pristine acres in Marathon, Florida. Today, Crane Point is the Florida Keys only wooded sanctuary complete with tropical hardwoods and trails; butterfly, bird and fish habitats; and structures that represent a time 100 years ago. The core mission of Crane Point is to promote environmental preservation and the historical culture of the Florida Keys.

While Crane Point is a certified non-profit organization which executes a mission and programs that are decidedly non-profit in character, there is no doubt the organization does operate as a for-profit entity when it comes to day-to-day practices and even longer term goals and objectives. This “bottom-line tone” has been set for years by the make-up of Crane Point’s Board of Directors which includes a large percentage of former business people, many of whom managed or directed very large corporate enterprises. This business philosophy has been greatly strengthened in the last three years through the leadership of Crane Point’s Executive Director whose background includes executive level management, hospitality and tourism and through the leadership of Crane Point’s Operations Director whose background includes finance, biology and horticulture.

While certain segments of this business plan focus on Crane Point in general, the primary mission of this document is to provide varied and essential information, perspectives, and forecasts related to one new project that represents a truly sustainable revenue stream, i.e. “profit”, for Crane Point. This project - or enterprise - is Crane Point’s proposed “Eco-Adventure Canopy Tour Program”.

There is ample evidence that “ecotourism” or “adventure travel” have become popular pursuits by a significant percentage of today’s population. While it is true that society as a whole has increasingly become sedentary, this is fortunately not the case for what still remain a sizable percentage of our traveling visitors. What’s more, this adventuresome segment of our population that regularly pursues opportunities for an ecotourism experience seems to generally have better than average disposable income to fuel such passions.

Crane Point’s leaders believe our proposed Eco-Adventure Canopy Tour Program legitimately fits the definitions of ecotourism and/or adventure travel. This assumption is easily verified through Googling “ecotourism” or “adventure travel” in which multiple canopy tours (zip lines) appear in the search results.

Crane Point’s leaders believe our proposed Eco-Adventure Canopy Tour Program holds much potential for not only becoming a popular ecotourism or adventure travel destination, but also a profitable venture for the organization itself – a priority goal (see Section I of this business plan). We are also confident that the Eco-Adventure Canopy Tour Program will provide, within the first year of operation, a minimum of twenty two (22) new jobs for residents in the Florida Keys.

This we know – approximately 3.3 million visitors visit the Florida Keys each and every year, seemingly oblivious of such potent calamities as our thorny economy or even the Horizon oil

spill. One need look no further than the healthy bed-tax revenues that accrued to the Monroe County Tourist Development Council in 2010 and 2011 to readily see this is an accurate assumption. If even just 1% of this visiting population stopped to participate in our proposed Eco-Adventure Canopy Tour Program (33,000 people annually), Crane Point will have realized a nearly 100% increase in the number of people visiting our sanctuary on an annual basis (Crane Point currently experiences, on average, about 18,000 visitors each year). While our research with other tourist facilities in the Keys verified that each is visited by more than 1% of the 3.3 million visitor base, we decided to make extremely conservative projections which envision 16,500 participants experiencing the Eco-Adventure Canopy Tour Program in Year 1 (.67% of the visitor base). Knowing that Crane Point already attracts 18,000 plus visitors annually to experience the site as it is today, we undoubtedly can and will attract the 16,500 participants to experience our new attraction. Our projections for year two includes providing tours to 23,500 participants as we expect after the first year to achieve stabilized utilization of the attraction.

The Crane Point Eco-Adventure Canopy Tour Program is arguably the most exciting attraction to be introduced in the Florida Keys in decades. The project shall include the professional installation of a sky bridge, platforms, and ground landings, and a number of zip line cables from which visitors will speedily glide over the rich environmental and historical assets of the 63-acre Crane Point Nature Preserve. Keys visitors of practically all ages (local, in-state, out-of-state, international) will enthusiastically travel to and participate in this exciting recreational and ecologically immersive experience which will elicit a deep-rooted appreciation for our natural Keys environment.

The Crane Point Eco-Adventure Canopy Tour Program will be a new and highly sought after outdoor adventure which compliments the current mix of traditional family attractions and activities. The canopy tour will focus on providing a unique, thrilling, educational outdoor adventure experience for visitors to Crane Point. This new addition would be available to clientele on a year round basis, thereby increasing and diversifying the clientele that Crane Point currently enjoys.

II. Business Mission, Description, Vision, Goals, and History

The core mission of the Florida Keys Land and Sea Trust, Inc. (also known as the Crane Point Museum and Nature Center and noted as "Crane Point" throughout this plan) is to promote environmental stewardship and the historical culture of the Florida Keys. Crane Point is also deeply involved in projects that incite citizens, especially our children, to be enthused with nature; including plants, animals, and the waters of the Gulf of Mexico. Since 1991, Crane Point has been the destination of choice for tens of thousands of Keys visitors and local residents, especially families with young children.

Crane Point, with roots going back to 1976, is a non-profit museum, nature center and historic site located on 63 pristine acres in Marathon, Florida. Today, Crane Point is the Florida Keys only wooded sanctuary complete with tropical hardwoods and trails; butterfly, bird and fish habitats; and structures that represent a time 100 years ago.

In the last two years, Crane Point has successfully navigated a difficult period in its 35-year life, precipitated primarily by the general reduction in funding from grants and donations. More specifically, our grantors and donors appear to be supporting organizations that provide for basic human needs; food, shelter, daycare and clothing. Conversely, non-profits such as cultural organizations had to adjust to meeting financial obligations with reduced financial assistance from foundations and other private funding. Over the past three years, Crane Point leaders worked diligently to reduce expenses and have managed to reverse its negative financial status.

Crane Point's leadership has chosen to view this challenging period as an opportunity to review our organizational policies and programs and to retain and even strengthen those that remain viable. We have used this time as an opportunity to determine visions that will be successful, both immediately and in the next two decades. For example, one strategy or vision that Crane Point's leaders believe is a positive path to keeping our valuable sanctuary healthy and popular is to design sensible programs that give back to Marathon and the Florida Keys. From spectacular Halloween events each year attracting hundreds of families, to evening lectures focusing on stars and planets, to monthly presentations on nearly every aspect of our local environment, to dramatic presentations offered in non-traditional settings, to family fun days designed to get people outside, Crane Point continues to be a unique attraction to both local citizens and outside tourists. It is both a place to relax and go back in time but also to be active, outdoors, and learn at every turn of our 63 acres of very special trails and attractions.

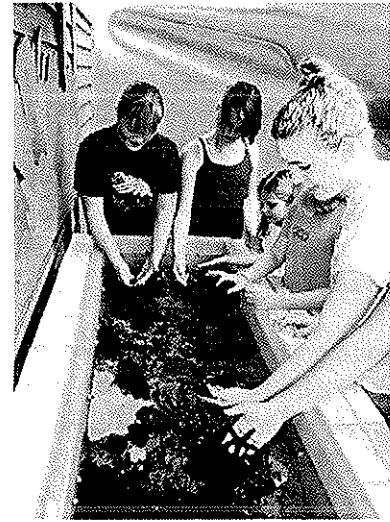
A second example of Crane Point's company growth vision involves the Adderley House. Without doubt, the National Historic Site of the Adderley House is a favorite attraction for local and outside visitors - especially those with an appreciation for learning about a way of life long forgotten in the Keys. It is because the Adderley House is such a significant attraction for visitors that Crane Point's leaders continue to work



hard to keep the structure in top shape and historically accurate.

A third example of Crane Point's company growth vision involves our understanding, or realization, about how society itself is changing. What this curious statement means is that Crane Point is increasingly aware that our society, especially children, is becoming a sedentary population with seemingly more fascination with television and computer technology than exercise and participation with nature or the understanding of our cultural past. We think this trend is essentially negative and we have determined to do our part to provide continuing and exciting alternatives to the national migration to a sedentary existence. The programs and planned activities at Crane Point - organized around holidays, weekends, and seasons - are all designed to stimulate healthy outdoor pursuits as well as hands-on learning of our culture, history, and environment.

One of many good examples of this healthy philosophy involves Project "OUTSIDE!" (Outdoor Understanding Through Student Involved Days [in the] Environment). Project OUTSIDE has been designed for certain early grade levels of students attending Monroe County schools to demonstrate and encourage healthy lifestyles and to educate and involve young people in myriad aspects of our local, outdoor environment and the historic culture of the Florida Keys. The goal of Project OUTSIDE is to expose a large number of local students - 1,500 annually in groups of 50 students per trip - to a vista of environmental and cultural imagination, participation, and appreciation. Our goal envisions local students becoming so involved and interested in the outdoor environment and historic culture of the Florida Keys that a life-time of good stewardship and healthy pursuits will be seeded.



Crane Point is a certified non-profit organization which executes a mission and programs that are non-profit in character. When it comes to day-to-day practices and even longer term goals and objectives, Crane Point's sound fiscal objectives that reflect that of a for profit entity, are the direct result of the Board of Directors business expertise.

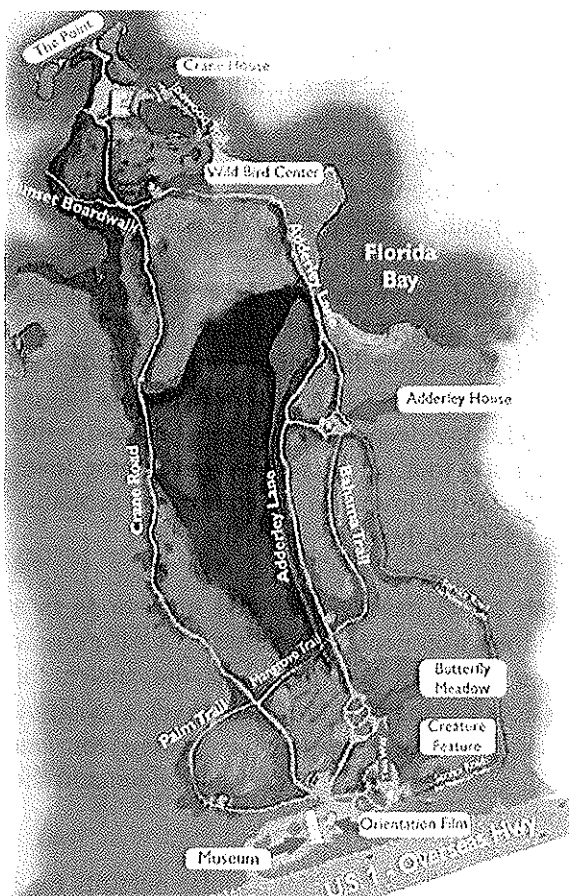
At this time, it is important to make two essential points:

1. All non-profits desire – indeed, are compelled both morally and practically – to remain solvent and prosperous in order to fulfill their respective missions.
2. It is both legal and encouraged that non-profit organizations have the opportunity to operate “for-profit” components within their overall non-profit enterprise. This has long been addressed and permitted through our nation's tax codes and is reflected by relevant organizations in their annual 990 reports to the IRS.

With these two points made, let it now be said that Crane Point's leadership has set goals and objectives that are all designed to keep the organization viable, popular, and successful, both

immediately and in the next two decades by steering profits to improve our facilities and to expand our educational offerings. Success here is defined as “profitable” - not for stockholders as in a for-profit business venture - but in a way that brings substantial revenues into our non-profit organization. While it is true that many activities conducted by Crane Point staff and volunteers are more accurately categorized as “maintenance” or “investment” on or in our physical assets, one of our major goals today is to initiate a handful of new programs or projects that represent a truly sustainable revenue stream, i.e. “profit”.

Here it is important to make yet another major point, one that literally guides the content of the remainder of this business plan. While certain segments of this business plan focus on Crane Point in general, the primary mission of this document is to provide varied and essential information, perspectives, and forecasts related to one new project that represents a truly sustainable revenue stream, i.e. “profit”. This project, or enterprise, is Crane Point’s proposed Eco-Adventure Canopy Tour Program.



The Florida Keys Land Trust was created in 1976 by a group of concerned citizens in an effort to save the hardwood hammocks of the Florida Keys. These tropical woodlands, called hammocks, contain both unique hardwood species such as Lignum Vitae and Jamaica Dogwood along with native thatch palms that grow nowhere else in the United States.

In August of 1978, the Florida Keys Land Trust was incorporated as a non-profit organization (the name changed to the Florida Keys Land and Sea Trust several years later) for the purpose of preservation, conservation, and the restoration of rare and endangered areas of the Florida Keys.

In 1989, the Trust purchased the 63 acres known as Crane Point, saving this unique parcel of land from scheduled development as a complex of private homes and shopping mall. Crane Point is undisputedly an ecological and cultural treasure and is now the largest and most important parcel owned by the Trust. Sheltered amidst its tropical forest are numerous rare and endangered species as

well as unique archaeological and historical riches. The 63 acres is home to a large thatch palm hammock, a hardwood hammock, a mangrove forest, tidal lagoons, wetland ponds and the fauna that is associated with these various ecosystems.

Crane Point harbors evidence of human use dating back well over seven hundred years. The first documented settlers to this particular property were George and Olivia Adderley, who lived here from 1902 until 1949.

Crane Point is named for Francis and Mary Crane, a Massachusetts couple who purchased the property in 1949. At that time approximately 600 people lived in the Middle Keys along with a profusion of mosquitoes. The Cranes built a causeway to Big Rachel Key where they built their home. The house was a very unique design for its time, with walls of windows and large roof overhangs. It was the first modern house in the area. Francis and Mary Crane were ardent conservationists and horticulturists who worked to preserve the hammock and enhance it with flowering exotic trees and shrubs. The family retained the property until the late 1970's. Finally, the Crane Point Museum and Nature Center, founded in 1991, is a non-profit museum, nature center and historic site located on the 63 acres described above.

III. Definition & Market Projections for the Eco-Adventure Canopy Tour Program

"Eco-tourism" is perhaps the most over-used and even mis-used word in the travel industry today. What does it mean? The Ecotourism Society defines it as "responsible travel to natural areas which conserves the environment and improves the welfare of the local people". According to this definition, a walk through the rainforest is not eco-tourism unless that particular walk somehow benefits that environment and the people who live there. Similarly, a rafting trip is only eco-tourism if it raises awareness and funds to help protect the watershed.

"Adventure Travel" is another term which is heavily used by marketing departments. While travel to an exotic location is often adventurous it is not necessarily "adventure travel." Most dictionaries define adventure similarly, as "an unusual experience including some level of risk and uncertainty". Adventure travel includes the concept of risk and oftentimes some unconventional means of transport. A dugout canoe journey deep into the Amazon basin with it's attendant difficulties meets this definition. While a city tour of Paris might have some level of uncertainty it is not by definition "adventure travel". If you love true adventure you probably already know this and can see through the hype to find the real thing for yourself.

Whether called ecotourism or adventure travel, such travel based on natural attractions is a promising means of advancing social, economic, and environmental objectives. It offers new opportunities for small-enterprise investment and employment and heightens the stakes for protecting biological resources. However, making ecotourism or adventure travel a positive economic and environmental tool requires policies that foster responsible nature tourism development and conservation of the target area's biological heritage. Both seem to demand the presence of stakeholders with general all-around good integrity!

There is ample evidence that ecotourism or adventure travel have become popular pursuits by a significant percentage of our today's population. What's more, this adventuresome segment of our population regularly pursues opportunities for an ecotourism experience and seem to have better than average disposable income to fuel such passions.

Crane Point's leaders believe our proposed Eco-Adventure Canopy Tour Program fits the definitions of ecotourism and/or adventure travel. If one Googles "ecotourism" or "adventure travel" numerous canopy tours (zip lines) appear in the search results.



Crane Point's leaders and stakeholders believe our proposed Eco-Adventure Canopy Tour Program holds much potential for not only becoming a popular ecotourism or adventure travel destination, but also a profitable venture for the organization itself – a priority goal (see previous section (I) of this business plan). In the opinion of the professional contractor who has been retained to build our proposed Eco-Adventure Canopy Tour (Bonsai Design), "the biggest hurdles encountered when considering property for the installation and operation of an ecologically based canopy tour have been overcome [at Crane Point]. The requirement for a beautiful, somewhat remote, large plot of land has been met on and around the Crane Point property. Furthermore, excellent potential exists to capture a local client base as well as regional and itinerant populations which frequent the area. The site is feasible for the construction and operation of a world-class commercial zip line canopy tour.

Our extensive research into the feasibility of the Eco-Adventure Canopy Tour operating at a profitable level continues to indicate that this project will in fact be profitable. There are numerous indicators that bring us to this conclusion.

First and foremost, there are only three zip line tours in the entire state of Florida. One is located in the middle of a ranch in St. Cloud, Florida, and it does not provide the scope of experience that the Crane Point experience will be providing. The St. Cloud terrain falls short of the beautiful environment that a zip-line participant will experience within Crane Point's property. Although the St. Cloud facility provides a minimal educational tour, and the lines and platforms are positioned in a way to provide for an enjoyable experience, the ever-lasting experience such as the one that will be offered at Crane Point is absent. And yet, this ranch-based zip line still manages to attract thousands of visitors and is extremely profitable.

The other two zip line attractions consist of one and two lined tours. These attractions are small, plain, and simple. The facility with just one zip line is located at a zoo in Sanford, Florida. The facility with two zip lines is located on the property of the Sandestin Golf and Beach Resort in Sandestin, Florida. While hardly a zip facility, Disney World recently introduced a one line zip as part of an adventure attraction at their location in Orlando, Florida. None of these attractions offer the same type of expanded program that we will be offering since they are limited to one or two lines as opposed to our planned six-to-eight lines, one to two sky bridges, and multiple inter-connecting platforms featuring educational elements.

Clearly, these installations cannot compete with our proposed design and program plans resulting in Crane Point having a strong competitive edge in all of Florida as well as the entire southern

portion of the country as we will be offering a different experience altogether. While zip line facilities located nearly 1,000 miles away in the Carolinas and Tennessee are constructed over mountainous regions providing the guest with greater height and speed while propelling, they do not provide the beauty and thrill of propelling over a portion of the Gulf of Mexico. We will be the only attraction that offers our guests an opportunity to soar over Florida Bay,

The economic impact of the Eco-Adventure Canopy Tour to the City of Marathon and the Florida Keys is striking. According to the Monroe County Tourist and Development Council, the Florida Keys already enjoys the luxury of being a vacation destination to close to 3,300,000 tourists each year. We believe that with the installation of the Eco-Adventure Canopy Tour at Crane Point, Marathon will become considerably more attractive as a premier visitor destination. An eco-canopy tour program such as the one Crane Point plans to offer will undoubtedly bring thousands of additional visitors to Marathon. According to the TDC, visitors to Marathon (considered District III in Monroe County), spend \$386.00 per day including accommodations, and stay for an average of four nights. Many of the thousands of eco-canopy tour visitors will seek accommodations in our area, while some will just day-trip to our area. In any event, these visitors will spend money in our restaurants and shops and will take advantage of our water sports activities and other attractions that are offered in Marathon and surrounding communities in Monroe County. Our attraction has the potential of bringing millions of additional dollars annually to the City of Marathon's and Monroe County's economies.

With respect to our revenue projections for the Eco-Adventure Canopy Tour, based on information provided to us by the TDC and a zip-line consultant expert, we have determined that during the first year of operation we will conservatively run at between 45-50% capacity, resulting in \$1,134,500 in revenue from the tour, and an additional \$132,700 being generated from sales of logo wear, DVD's and photos. The tour rates used to factor this revenue estimate range from \$42.50 to \$85.00 with consideration applied to seasonality. We are certain that during year one, 16,500 participants will experience our eco-canopy tour program. Our projections are extremely conservative and more than reasonable as the projections are based on the fact that 3,300,000 visitors presently visit the Keys, and every facility that we researched verified that more than 1% of this visitor base utilizes their respective attraction. Crane Point took a more conservative approach and used .67% of the visitor base to calculate the projected revenue. Knowing that Crane Point already attracts 18,000 visitors annually to experience the site as it is today, we undoubtedly can and will attract the 16,500 participants to experience our new attraction. Our projections for year two includes providing tours to 23,500 participants as we expect after the first year to achieve stabilized utilization of the attraction's approximate attendance.

We are also confident that the Eco-Adventure Canopy Tour Program will provide, within the first year of operation, up to twenty-two (22) new jobs for residents in the Florida Keys (see section IVb for details of this projection). Their combined incomes of \$658,000 during the first year of operation and \$813,000 during the second year will result in most of this money remaining in Marathon and surrounding communities,. It will circulate through our local economy, benefiting our city and area, businesses and residents through the positive financial effects of having this additional workforce in place.

IV. Detailed Description of the Products and Services

The Crane Point Eco-Adventure Canopy Tour Program is one of the most exciting attractions to be introduced in the Florida Keys in decades. The project shall include the professional installation of sky bridges, platforms, ground landings, and a number of zip line cables from which visitors will speedily glide over the rich environmental and historical assets of the 63-acre Crane Point Nature Preserve. Keys visitors of practically all ages (local, in-state, out-of-state, international) will enthusiastically travel to and participate in this exciting recreational and educational experience which will elicit a deep-rooted appreciation for our natural Keys environment.

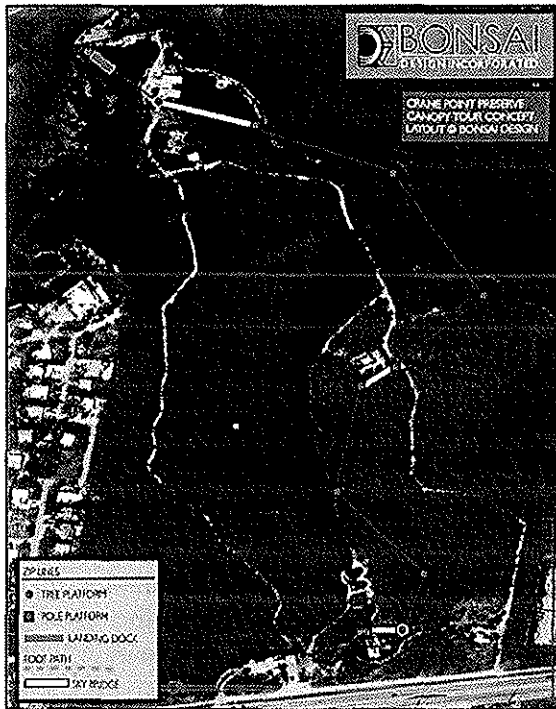
The thrilling experience of flying along a cable is unique to zip lines. They provide an exciting opportunity for participants to move beyond their realm of experience without going beyond their abilities. Suspended from a series of cables, participants soar over terrain features in a safety harness via a specialized trolley system. Skybridges are used to regain elevation lost in previous zip line legs as well as an opportunity to more thoroughly study surrounding environments from up to 40 feet in the air. The areas and routes to be followed by the Crane Point Eco-Adventure Canopy Tour include a rich forest and existing trails that criss-cross the Crane Point Nature Preserve.

The proposed Eco-Adventure Canopy Tour Program will result in the enhancement of the existing variety of activities offered by Crane Point. Our organizational mission of preserving the natural environment of the Florida Keys and to educate residents and visitors about the natural and cultural history of the area will be fully met since the Canopy Tour Program will also offer an educational guided tour with presentations through the Crane Point Museum, the Adderley House, and the Cracker House. In other words, this project shall include the installation of a canopy tour and the development of a program/attraction curriculum tailored to the diverse populations that Crane Point currently serves. The program will seamlessly integrate with existing elements of Crane Point, yet showcase the forest, ocean, and surrounding environment of the property. The Staff and Board of Directors of Crane Point seek to develop an exciting recreational and ecologically immersive experience which elicits a deep-rooted appreciation for the natural environment and caters to a wide variety of age and interest groups.

The proposed canopy tour design is based on the desire to ensure that the quality, aesthetics, and educational aspects adhere to Crane Point's mission statement. To this end, we have worked with designers to develop a course concept which incorporates multiple ecological zones and showcases the unique elements of our entire 63 acres. However, until comprehensive survey and design phases take place, determinations for final exact locations and components are subject to change. We feel confident the overall topography and tree stock provide the requisite options to insure the viability of an attractive and elementary diverse course.

The Crane Point Eco-Adventure Canopy Tour Program will be a new and highly sought after outdoor adventure which compliments the current mix of traditional family attractions and activities. The canopy tour will focus on providing a unique, thrilling, educational outdoor adventure experience for visitors to Crane Point. This new attraction would be available to clientele on a year round basis, thereby increasing and diversifying the clientele that Crane Point

currently enjoys. Future elements are targeted to achieve expanded participant volume and greater program diversity. All development is planned to affect the surrounding green space as little as possible. The primary goal of the program is to help the tour's visitors experience a reverence for nature and understand the inherent value therein. These considerations will be built into every facet of the installation, both programmatically and structurally. The concept layout that we have developed focuses on harmoniously capturing the unique attributes of the Middle Keys with the best-suited program layout.



IVa: Course Layout

A short training zip will be installed between trees in a location near to the start of the chosen course.

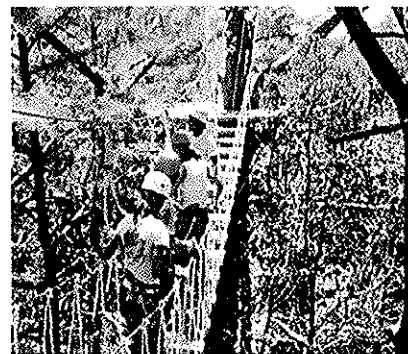
Zips will include smaller initial lines and larger over water flying open-air lines, thereby capturing both the sensation of high-speed flight and breathtaking exposure alike. Specifics to exact mounting points and the true path of the course will be finalized during the on-site design process.

The proposed location for the course will start with a series of zip-lines around the entrance, traverse across to the interior mangroves, back out to the hammock, beyond the Bahama Trail, and finally over the bay inlets to end at the point. The course will be accessed via a foot trail that would leave from the training area. Specifics to which trees will be utilized and the

true path of the course will be detailed in the design phase.

The canopy tour will be structured as a small group experience for up to 8 participants and accompanied by 2 guides. Participants will be required to adhere to course weight limits of approximately 70 to 250 pounds (course can be calibrated for either a lower or higher range as requested). Participants will move through the course in the "send and receive" or "pod" style of guiding. The tour will begin with a short zip line on which guests will be trained in zip line technique, including proper positioning, hand braking, and movement from platform to platform. Then the zip lines begin increasing in length and speed.

Skybridges will be located on the course to help participants catch their breath, spend some time



reflecting on what they are experiencing, and provide a different perspective to enjoy the scenery. Crossing a sky bridge is done at a slower pace allowing for a more detailed exploration into specific areas of interest. The course layout may require an occasional landing and takeoff at or near the ground followed by some hiking or pole-stair ascending in order to regain or lose elevation and allow continuation along the route by way of additional zip lines.

Fall protection for guests on zip lines and sky bridges will be provided by adjustable lanyards and steel clips attached to safety harnesses. Participants will always be clipped into belay-quality attachment points designed and installed to meet the fall protection standards recommended by the Association for Challenge Course Technology. Transfers from one element to the next will be handled directly by trained guides.

While adhering to the ethos and intent of Crane Point's stated goals; guides will tailor the individual group experience as necessary. The amount of attention given to education, ecology or simple recreation will be adjusted according to the intuitive decisions of the trained guide staff.

The tour will incorporate interpretive ground hikes to gain elevation as well as expose participants to individual teachable elements. Rappels, which help with elevation loss yet give participants a chance to further step out of their comfort zone, will likely be integrated into the experience as well.

Final design of the Crane Point Eco-Adventure Canopy Tour will include the following components:

- 1-2 Sky Bridges
- 6-8 Zip Lines
- 7-10 platforms
- 2 ground landings/takeoffs as necessary
- Short elevation-gain stairs or climbable elements as necessary
- Entry or exit structures which may be low slung platforms or archways

IVb: Component Descriptions

Zip Lines: The thrilling experience of flying along a cable is unique to zip lines. They provide an exciting opportunity for participants to move beyond their realm of experience without going beyond their abilities. Suspended from a series of cables, participants soar over the terrain features in a safety harness via a specialized trolley system. Crane Point will utilize nylon coated cable systems for the Canopy Tour Program. While enjoying quiet operation, redundancy, and extended cable life, this system choice targets a manageable, safe, and long-lasting operation. The double-line, coated-cable course utilizes 3/8" nylon-coated aircraft-grade product. The cable is produced and galvanized domestically, and then given a thick, durable and transparent coating, which is injection formed tightly to the cable strands. Additional advantages of this system include exponentially increased life span of the lines, and increased corrosion protection in the middle of the line, which has the highest incidence of pitting problems and attrition.

Sky Bridges: Sky bridges are an important part of a successful course and serve as a critical asset for canopy tour designers, operators and participants. Sky bridges can be used to regain elevation lost in previous zip line legs and set up the course for upcoming zip line legs. Crossing a sky bridge is done at a slower pace, allowing for a more detailed exploration into specific areas of interest. For this reason, they allow operators to manage the pace of the canopy tour, thereby optimizing the number of participants, and better managing the flow and timing of participants through the course. Bridges also help participants catch their breath, spend some time reflecting on what they are experiencing, and enjoy a different perspective. The design utilized by the tour builders incorporates support and safety cables that allow participants an unobstructed view of the course site.

Platforms: Platforms are the foundation of any canopy tour course. They are the operational staging areas for each leg of the tour. Platforms also provide opportunities for guides to interact with visitors and focus on educational aspects of the tour. Each platform will incorporate interpretive signage and/ or displays to further enhance the guests' experience. Crane Point will utilize innovative platform designs that provide an elegant yet sturdy structure while providing long-term protection for the surrounding area in which they are built. All platforms will be constructed using materials which meet or exceed the industry standard. The platform frame is welded galvanized steel, very strong and durable. All pole-based platforms would incorporate an elevation gain device in the form of spiral stairs, a climbing element, or both.

Braking Systems: Crane Point's Canopy Tour Program will utilize the hand brake system. This is a calculated effort on our part to affect a stronger participant experience by requiring one's personal interaction to control one's own speed. Even though this program encourages participant interaction, we will operate with a strict, hands-on, risk management philosophy.

Fall protection: Protection for guests on zip lines and sky bridges will be provided by adjustable lanyards and steel clips attached to safety harnesses. Participants will always be clipped in to belay-quality attachment points designed and installed to meet the fall protection standards recommended by the Association for Challenge Course Technology (ACCT). Transfers from one element to the next will be handled directly by trained guides.

Installation: The construction firm that Crane Point plans to employ for the canopy tour program (Bonsai Design) will provide project management and specialized skilled labor and materials for the installation of all elements. All elements of the project will be designed and built to meet or exceed ACCT standards.

- Installation based upon design with field adjustments for optimization
- Final proof testing and operations testing
- Final map of course layout, infrastructure, and exact specifications
- Certificate of Compliance with ACCT standards

Safety Equipment: Guests and guides will be outfitted with both fall protection equipment and zip line equipment in order to access and traverse the course. Equipment for use in rescues and emergencies will be placed strategically throughout the course, as well, so that guides can quickly respond when participants require assistance. Once final designs for the course have

been agreed upon, Crane Point will be presented with options and recommendations for choosing course safety equipment.

The following equipment will be required:

- Harnesses (seat and chest combination or full body).
- Helmets
- Adjustable fall protection lanyards
- Zip trolley and zip positioning lanyards
- Personal protection and positioning gear for staff performing routine inspection and maintenance procedures
- Take down equipment if needed for platform extraction.
- Rescue equipment to be stationed at strategic locations on each course

V. Organization and Management

The Florida Keys Land and Sea Trust, Inc. is governed by a Board of Directors. Four Directors comprises the Executive Committee that includes the Board Chairman, Vice-Chairman, Secretary and Treasurer. Five additional Directors comprise the remainder of the Board.

The day to day operation of Crane Point Museum and Nature Center is handled jointly by the Executive Director and Operations Director. Supporting staff include one full-time and one part-time museum store and admission clerk.

Crane Point relies on numerous volunteers who provide docent, tour-guide, building maintenance, and grounds-keeping services.

VI. Marketing and Sales Strategy

Crane Point's leaders and project stakeholders perceive there to be a wide and diverse variety of available tools and strategies to effectively market and promote the Eco-Adventure Canopy Tour Program. Many of these, but not all, are listed below as bullets:

- Annual funding from the Monroe County Tourist Development Council, through the agency's "Destination Event" grant program, is envisioned and expected. We would likely receive approximately \$20,000-\$30,000 annually to use for out-of-county advertising. Such advertising will appear in eco/adventure travel websites, in modest ads in eco/adventure publications, and in all promotional videos sent to out-county, out-state, and even out-country areas by the TDC and local Chambers of Commerce.
- We plan a web site designed and maintained by Floridakeys.com, the same web designer and host utilized by Monroe County Tourist and Development Council.
- Crane Point leaders have already taken steps to secure large and high-profile billboard signage located several miles east and west (above and below) of our location. Our plan is to provide exciting and enticing billboard-promotional-visuals that would be viewed by hundreds of thousands of tourists driving west on U.S. 1.
- All major rest areas/visitor centers along Florida's I 95 corridors will have Eco-Adventure Canopy Tour Program information available at their facilities to disseminate to prospective visitors.
- We expect the Eco-Adventure Canopy Tour Program will be highly profiled in the annual Visitors Guide to the Florida Keys, seen everywhere near news stands, supermarkets, hotel and motel lobbies, and in Chambers of Commerce. We do not think it is unreasonable to expect to actually be on the cover of this annual publication in our first year of operation – an asset that would be truly effective.
- Crane Point expects to design and place – everywhere in the Keys – a beautifully crafted, color-illustrated brochure which promotes and markets the Eco-Adventure Canopy Tour Program. Likewise, we anticipate designing and placing similar quality cards that will appear in all attraction card racks, also seen practically everywhere a tourist might appear.
- Crane Point plans to seek collaborative marketing opportunities with other Keys events that have a successful track record of out-county marketing including the Marathon Seafood Festival, Dolphin Research Center, Fantasy Fest, the Nautical Flea Markets (Big Pine and Key Largo), and many more. In these collaborative ventures, we expect to offer promotional discounts in the first year to attract large numbers of participants to the Eco-Adventure Canopy Tour Program.

- We expect to regularly feature the Eco-Adventure Canopy Tour Program on “Keys TV”, a cable channel that is extremely popular with visiting guests and tourists. Our vision for this opportunity is a five-minute video clip that will run each day, a couple of times per day.
- Once the video for Keys TV has been assembled, we plan to mail inexpensive CD’s to hundreds of travel agents and travel companies. This short video will become a valuable tool for other applications as well including Crane Point’s own website and possibly even through a strategic direct mail campaign targeting households with a known interest in eco and adventure travel.

Florida Keys Land & Sea Trust
Statement of Cash Flows
October 2008 through September 2009

Oct '08 - Sep 09

OPERATING ACTIVITIES

Net Income	-206,483.86
Adjustments to reconcile Net Income to net cash provided by operations:	
1201 · Accounts Receivable	1,334.10
A/R:1176 · Other Receivables	-1,328.60
INVENTORY:1140 · Museum Store	-2,953.20
PREPAID EXPENSES:1890 · Prepaid Insurance	2,379.00
PREPAID EXPENSES:1891 · Prepaid Health Insurance	2,647.46
2000 · Accounts Payable	14,981.56
2430 · back pay + severance	19,461.15
2420 · 1st State Bank 60 day note	18,972.21
2237 · Health Insurance Employee Ded.	-301.39
2226 · Retirement Fund-Employee Ded.	-639.46
CURR LIAB:2300 · S/T Payable	142.06
Net cash provided by Operating Activities	<u>-151,788.97</u>

INVESTING ACTIVITIES

ACCUM DEPR:1341 · Acc Depr-Land Impr	19,143.62
ACCUM DEPR:1351 · Acc Depr-Buildings	15,629.07
ACCUM DEPR:1432 · Acc Dpr-Building Impr-Land/Prop	11,526.70
ACCUM DEPR:1434 · Acc Depr-Building Impr-Museum	19,061.01
ACCUM DEPR:1501 · Acc Depr-Exhibits	7,562.23
ACCUM DEPR:1652 · Acc Depr-F & E-Museum	20,095.64
ACCUM DEPR:1653 · Acc Depr-F & E-Land Mgt	29,248.49
ACCUM DEPR:1851 · Acc Depr-F & E-Mgm & Adm	4,977.49
FIXED ASSETS:1610 · F & E-Museum	-1,255.00
FIXED ASSETS:1800 · F & E-Mgm & Adm	-2,203.58
1200 · Land	41,841.37
Net cash provided by Investing Activities	<u>165,627.04</u>

FINANCING ACTIVITIES

2500 · FUND BALANCES:2531 · Net Assets-Unrestricted	-8,469.52
2500 · FUND BALANCES:3000 · Opening Bal Equity	-19,461.15
Net cash provided by Financing Activities	<u>-27,930.67</u>

Net cash increase for period -14,092.60

Cash at beginning of period 29,610.22

Cash at end of period 15,517.62

10:13 AM
08/24/11

Florida Keys Land & Sea Trust
Statement of Cash Flows
October 2009 through September 2010 - Sep 10

OPERATING ACTIVITIES	
Net Income	61,617.54
Adjustments to reconcile Net Income to net cash provided by operations:	
A/R:1176 · Other Receivables	-23.85
INVENTORY:1140 · Museum Store	4,158.44
INVENTORY:1150 · Museum Store-Books	-124.45
2000 · Accounts Payable	-20,902.86
2430 · back pay + severance	-19,461.15
2420 · 1st State Bank 60 day note	-8,149.94
2237 · Health Insurance Employee Ded.	44.61
2226 · Retirement Fund-Employee Ded.	426.92
CURR LIAB:2300 · S/T Payable	-1,883.62
Net cash provided by Operating Activities	<u>15,701.64</u>
INVESTING ACTIVITIES	
FIXED ASSETS:1800 · F & E-Mgm & Adm	-240.00
Net cash provided by Investing Activities	<u>-240.00</u>
Net cash increase for period	15,461.64
Cash at beginning of period	<u>15,517.62</u>
Cash at end of period	<u><u>30,979.26</u></u>

City of Marathon

Citizen Advisory Task Force

Monroe County Aviation Sheriff's Hanger

10100 Overseas Hwy.

Marathon, Fl. 33050

September 15, 2011

- Before the meeting was called to order Susie Thomas introduced the comity members: John Bartus, Dona Lookadoo, Karen Denis, and Sharron Bauer.
- Quorum was established.
- Detailed explanation of the grant was given and Jeff Smith, Board of Directors Crane Point was introduced as well as Lynn Mapes.
- Mrs. Thomas gave a detailed explanation of the CDBG ED grant.
- Calvin Knowles with Meridian, who was procured as the Grant Administrator for the CDBG ED Grant, was present during the meeting via conference call. It was expressed as important to have a sign in sheet for this meeting. Calvin stated the Crane Point will commit to providing 21 jobs to the community 19 of which are for low income people.
- Karen Denis and Dona Lookadoo nominated John Bartus as Chairman.

1. **Meeting was called to order** by John Bartus at 5:16pm

2. **Roll Call –**

John Bartus – Present

Karen Denis – Present

Dona Lookadoo – Present

Sharron Bauer – Present, comprising a quorum

Also in attendance were:

Susie Thomas, Grant Services Director

Lynn Bruno, Grant Coordinator

Jeff Smith, Board of Directors – Crane Point

John Henderson, Director – Crane Point

General Public

Tina Henize

Deb Curlee

Linda Monahan

Lynn Mapes, Board of Directors – Crane Point

Anne Wilson

Beverly Z. Welber

Daniel Samass

Loretta Geotis

Frank Greenman

Joshua Mothner

Maryann Benvenuti

3. No Agenda

4. Chairman's Comments

- John Bartus welcomed everyone and asked that each person present introduce themselves.
- John Bartus asked John Henderson from Crane Point to give a brief overview of the project that is being put before the board.

5. John Henderson, Director of Crane Point, introduction and explanation of project.

- Established program for revenue and education
- Day to day operation does not sustain Crane Point and the purpose of the Zip line and Eco Tour is to be able to continue operations and improve the 63 acres
- Explained the concept of the zip line/eco tour causing as little of impact as possible.
- Detailed description of the construction of the towers - Question from Frank Greenman

6. Concerns and questions from the general public in attendance

- Are there any handicap provisions? Answer, if the surrounding area prohibits a structure from being accessed from structural impracticability ADA Compliance has an exemption, has asked designers to take a look at provisions for disabled.
- How will the Zip line impact the wildlife? Answer, to minimize impact to the greatest degree possible sites were chosen on existing trails and where existing exotics were already moved.
- Tina brought up her concerns regarding the nesting of the white breasted pigeon on the north end of the Zip line and will there be an environmental impact study? Answer, yes there will be an environment impact study done. John Henderson asked if there is a recommendation for some to provide this study. Another concern was why has there not been an impact review performed first before Crane Point put the amount of money into the project already? What if it is determined a disaster for the white crown pigeon. Frank Greenman's response to that question was there will be a risk benefit analysis not a yes or no to continue on with the project and explained this in detail.
- What if the numbers are not made what if the needed amount of jobs is not created? Staff and consultant responded.
- Lynn Mapes stated that the board has gone through every option and the Zip line was the best plan for Crane Point.
- Calvin Knowles with Meridian stated for addition protection the state will send someone to do a site visit and assessment then make a recommendation to the Federal Government.
- Will there be addition facilities built? Answer, no there will be improvements to the existing structures.
- Will Parking be an issue? Will it cut into the Hammock in any way? Answer, the parking facility will not encroach the hammock, will look into leasing the right of way.

John Bartus asked the board to make a motion

Sharron Bauer entertained a motion from the Board to sent the CDBG ED Grant to City Council

Karen Denis seconded

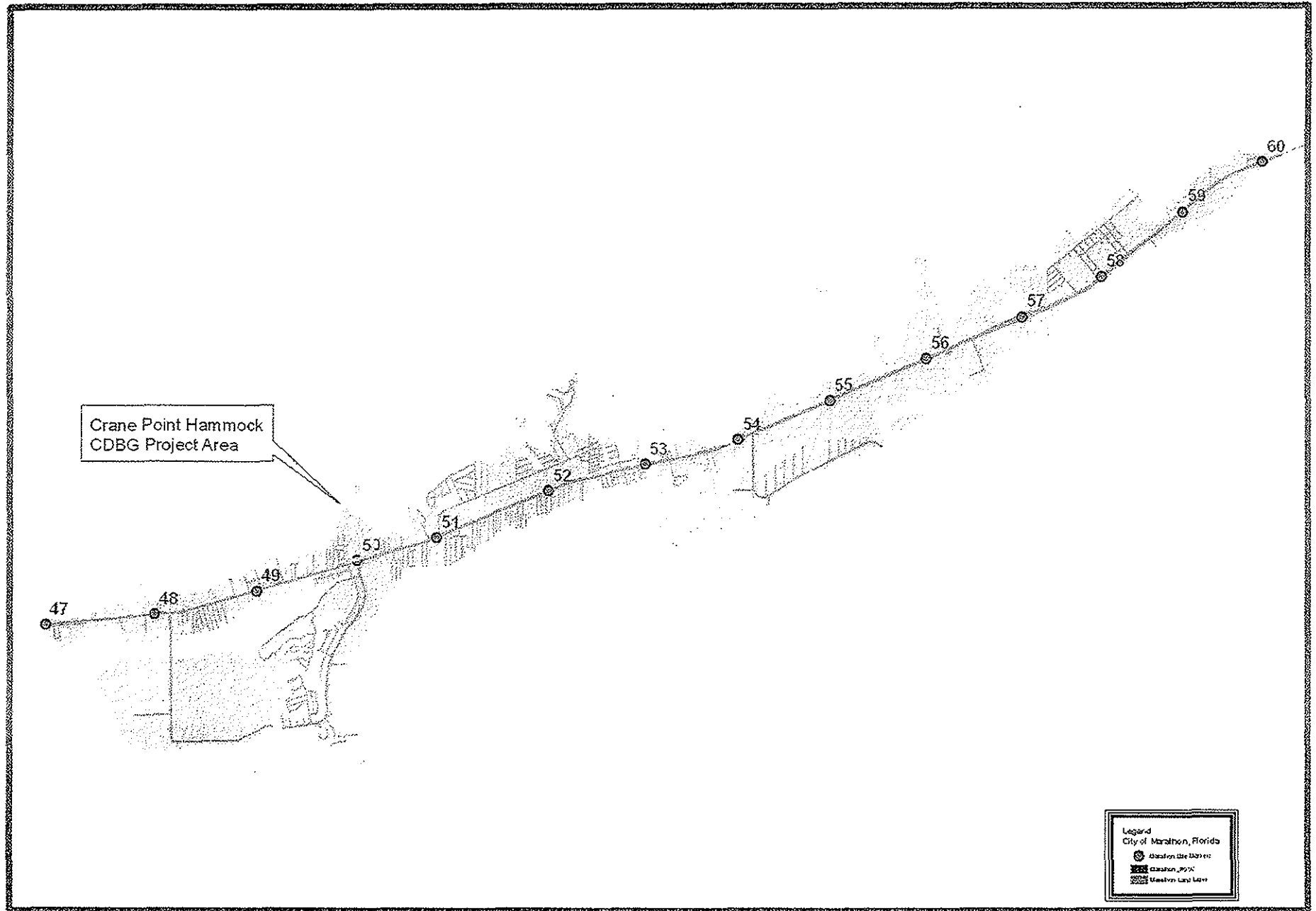
Vote was unanimous

7. Adjournment

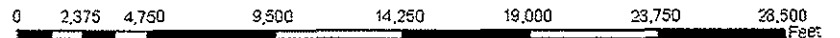
John Bartus moved to adjourn the meeting

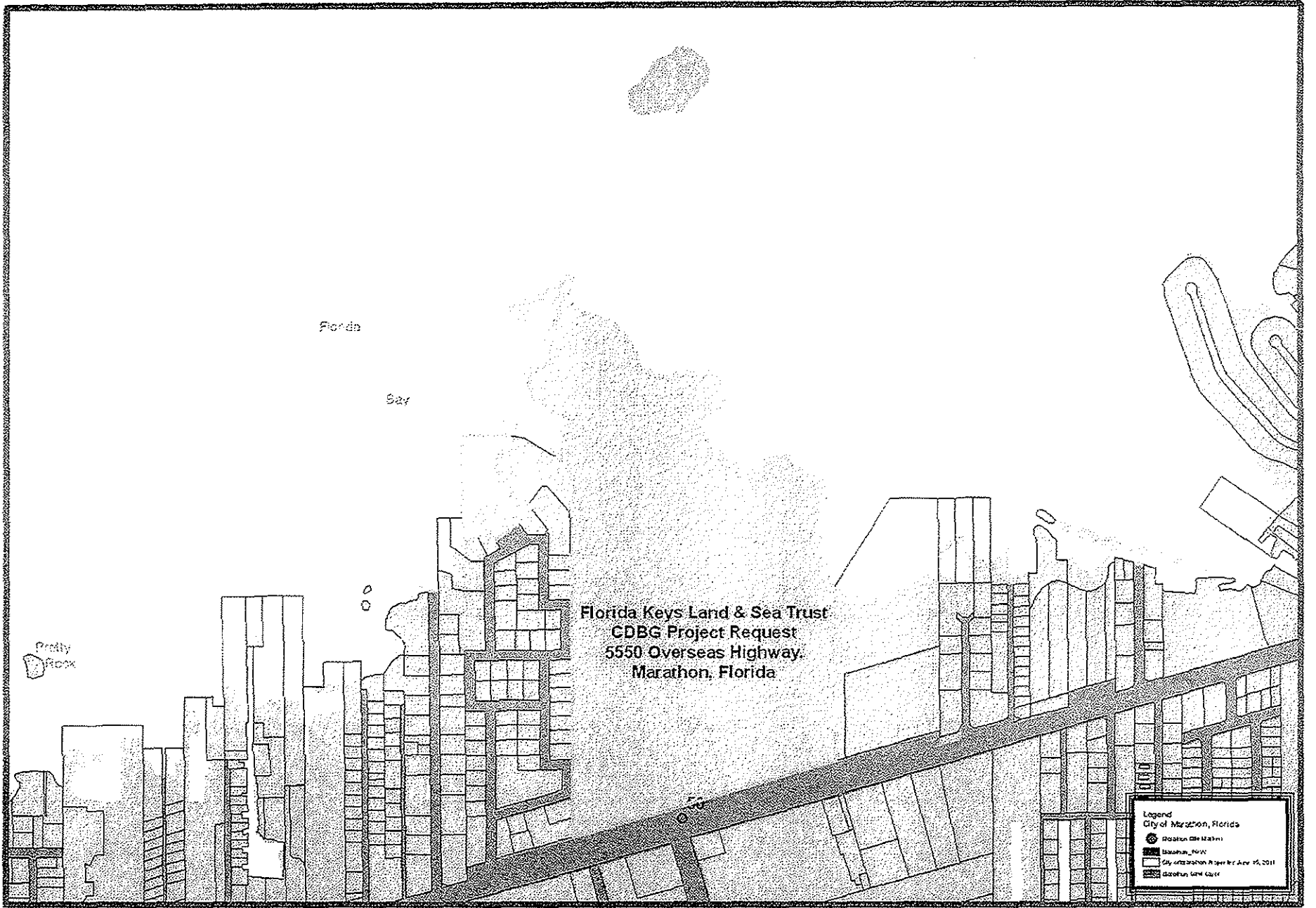
Sharron Bauer seconded

Meeting adjourned 6:15pm

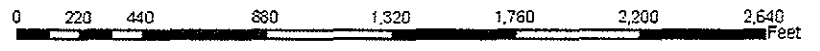


Corporate Limits - City of Marathon, Florida
 Official Map Product
 FKLST - Crane Point Hammock Project Area





City of Marathon, Florida
 Official Map Product
 FKLST - Crane Point Hammock Project Area



5104.7 7151
55.2 Attachment I. (a)

570823 REC1077 1120437

STATE OF FLORIDA
COUNTY OF MONROE

SPECIAL WARRANTY DEED

45.00
6.00
742500

THIS SPECIAL WARRANTY DEED is made the 14 day of DECEMBER, 1988, by the FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION, a corporate instrumentality of the United States Government, in its capacity as Receiver for American Savings and Loan Association, Inc., having a mailing address of 10 South LaSalle Street, Suite 1900, Chicago, Illinois 60603 (hereinafter referred to as "Grantor") to FLORIDA KEYS LAND TRUST, INC., a Florida non-profit corporation, having a mailing address of P.O. Box 1432, Key West, Florida 33041 (hereinafter referred to as "Grantee"). (Wherever used herein the terms "Grantor" and "Grantee" include all the parties to this instrument and their heirs, legal representatives and assigns of individuals, and the successors and assigns of corporations.)

WITNESSETH THAT: Grantor for and in consideration of the sum of TEN AND NO/100 DOLLARS (\$10.00) cash in hand paid and other valuable considerations, the receipt of which is hereby acknowledged, hereby GRANTS, BARGAINS, SELLS, ALIENS, REMISES, RELEASES, CONVEYS AND CONFIRMS unto Grantee all of its interest in and to that certain real property lying and being in Monroe County, Florida, together with all the tenements, hereditaments and appurtenances thereto belonging or in anywise appertaining, and being more particularly described on Exhibit "A" attached hereto and made a part hereof by reference (the "Property").

TO HAVE AND TO HOLD the Property in fee simple forever.

AND Grantor hereby covenants with Grantee that Grantor is lawfully seized of said Property in fee simple; that Grantor has good right and lawful authority to sell and convey said Property, and hereby warrants the title to said Property, and will defend the same against the lawful claims of all persons claiming by, through or under Grantor, except, however, that this conveyance is made subject to those matters contained and shown on Exhibit "B" which is attached hereto and made a part hereof by reference and is further made and accepted subject to the following restriction which shall bind and burden the Property and shall run with the land: no development of the Property for commercial or residential purposes of any kind whatsoever shall be permitted for a period of ten (10) years from the date hereof, it being the intention of Grantor and Grantee herein that the Property be maintained as a nature preserve during such period; provided, however, upon a transfer of the Property within ten (10) years from the date hereof to a third party non-affiliated with Grantee for full consideration in an arms length transaction the foregoing restriction shall be released upon compliance by Grantee and such third party purchaser with the terms and conditions of that certain Agreement Regarding Resale of Crane Point of even date herewith which is attached hereto as Exhibit "C" and incorporated herein by reference as if fully set forth herein. The restriction against commercial or residential development shall exclude the reasonable and necessary renovations, developments or improvements upon the Property for the purposes of constructing, operating, and maintaining a nature preserve or renovating the existing structures on the Property. Any restrictive covenant set forth herein may be waived or modified only upon the written consent of the Grantor.

FILED FOR RECORD
DEC 23 1988

This instrument prepared by:
C. Edward Kuntz, Esq.
Federal Asset Disposition Association
9000 Central Park
Suite 300
Atlanta, Georgia 30328

DS Paid 11/25/88
W. KUNTZ
DUNKLE FOD (S) BANK CR. CO.
BY [Signature] DC

570823

REC 1077 REC 0438

IN WITNESS WHEREOF, Grantor has hereunto set its hand and seal the day and year first above written.

FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION, in its capacity as Receiver for American Savings and Loan Association, Inc.

Signed, sealed and delivered in the presence of:

Concepcion Quintero
Witness

[Signature]
Witness

By: [Signature]

Title: Special Representative

STATE OF ILLINOIS

COUNTY OF COOK

I HEREBY CERTIFY that on this day personally appeared before me an officer duly authorized to administer oaths and take acknowledgments, FRANK J. PAUL, Special Representative of the Federal Savings and Loan Insurance Corporation, a corporate instrumentality of the United States Government, in its capacity as Receiver for American Savings and Loan Association, Inc., to me well known to be the person described in and who executed the foregoing Special Warranty Deed, and acknowledged before me that he executed the same freely and voluntarily for the purpose therein expressed.

WITNESS my hand and official seal this 14 day of DECEMBER, 1988.

[Signature]
NOTARY PUBLIC

(NOTARY SEAL)

My Commission Expires:

August 12, 1989

Space above this line for recording data

SATISFACTION OF MORTGAGE

KNOW ALL MEN BY THESE PRESENTS,

That MONROE COUNTY COMPREHENSIVE PLAN LAND AUTHORITY, a land authority under Section 380.0663(1), Florida Statutes and Monroe County Ordinance No. 031-1986, the owner and holder of a certain mortgage given by THE FLORIDA KEYS LAND TRUST, INC., to MONROE COUNTY COMPREHENSIVE PLAN LAND AUTHORITY, bearing date the 19th day of December, 1988, recorded in Official Records Book 1077, Page 205 through 208 and modification thereof dated September 1, 1989 and recorded in Official Records Book 1104, Pages 2311 through 2314 and modification thereof dated January 29, 1991 and recorded in Official Records Book 1207, Pages 1523 through 1525, and modification thereof dated July 23, 1992 and filed in Official Records Book 1221, Pages 574 through 576; all in the office of the Clerk of the Circuit Court of Monroe County, State of Florida; given to secure the sum of SEVEN HUNDRED THOUSAND AND NO/100 DOLLARS (\$700,000.00) evidenced by one certain note, upon the following described property, situate, lying and being in Monroe County, Florida, to wit:


The referenced area is generally described as the Northerly most portion of property contained within the legal description provided by The Florida Keys Land Trust for the property commonly known as Crane Point Hammock. Said area is contained within the referenced legal description noted as "Parcel II", and represents a portion of Government Lots 4 and 5 in Section II, Township 66 South, Range 32 East, lying North of the Overseas Highway, and recorded by the Monroe County Property Appraiser with the parcel identifier of RE #00101410, which area is approximately five acres and upon which property an improvement commonly known as the "Main House" exists.

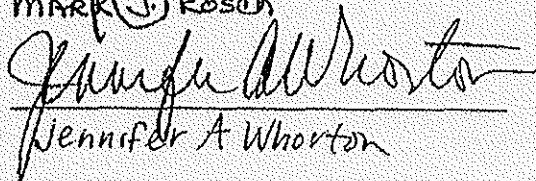
have received full payment of said indebtedness, and do hereby acknowledge satisfaction of said mortgage, and hereby direct the Clerk of the said Circuit Court to cancel the same of record.

WITNESS Our hand and seal this 14th day of January, A.D., 1998.

*Singular and plural are interchangeable as context requires.

WITNESSES



MARK J. Rose


Jennifer A. Whorton

MONROE COUNTY COMPREHENSIVE
PLAN LAND AUTHORITY

BY: 

CHAIRPERSON SHIRLEY FREEMAN

COUNTY OF
STATE OF

I HEREBY CERTIFY that on this 14th day of January, 1998, before me, an officer duly qualified to take acknowledgments, personally appeared: COMMISSIONER SHIRLEY FREEMAN, to me known to be the person described in and who executed the foregoing instrument and acknowledged before me that she

