

**DEVELOPMENT AGREEMENT BETWEEN PASCO COUNTY AND
SIERRA PROPERTIES I, LLC, FOR A PORTION OF DEVELOPMENT OF
REGIONAL IMPACT NO. 260, WIREGRASS RANCH**

THIS DEVELOPMENT AGREEMENT (DA) is made and entered into by and between Pasco County, a political subdivision of the State of Florida, by and through its Board of County Commissioners, hereinafter called "COUNTY," and SIERRA BBD PROPERTY, LLC, a Florida limited liability company, hereinafter called "DEVELOPER," the developer of record for the portion of the Wiregrass Ranch Development of Regional Impact (DRI) No. 260 set forth below.

W I T N E S S E I H:

WHEREAS, the COUNTY approved a development order for the Wiregrass Ranch Development of Regional Impact (the "DRI"), and has amended the same from time to time. The actions of the COUNTY to approve and to amend the Wiregrass Ranch DRI development order are collectively hereinafter referred to as the "Development Order" (DO);

WHEREAS, DEVELOPER is the owner (Parcel C4 and Parcel M22) or former owner (Parcel S1) of certain parcels which is described on the attached on Exhibit "A", within the DRI and/or has a contractual interest related to improvements that occurred or will occur on certain other real property within the DRI including constructed county approved road improvements within the Mansfield Boulevard right of way ("Mansfield Improvements"). Parcel C4, Parcel M22, S1 and the Mansfield Improvements are collectively referred to herein as the "Project";

WHEREAS, the DO specifically authorizes DEVELOPER entering into this DA with the COUNTY;

WHEREAS, the Development Order sets forth the required mitigation for the transportation impacts of the Project and the DRI, which mitigation has been partially satisfied by the DEVELOPER'S predecessor in interest to date by the construction of the Mansfield Improvements;

WHEREAS, the COUNTY and DEVELOPER desire to enter into an agreement concerning the completed design, completed permitting and completed construction of the Mansfield Improvements for the

COUNTY, all of which have been accepted by the COUNTY and/or DOT (as applicable) and are mobility fee creditable in accordance with the DO, and to set forth the parties respective obligations relating to same.

WHEREAS, the COUNTY acknowledges and agrees that it has not issued any mobility fee credit (or impact fee credit) in relation to the design, permitting or construction of the Mansfield Improvements.

NOW, THEREFORE, in consideration of the mutual covenants and provisions herein contained and other good and valuable consideration, receipt, and sufficiency of which is hereby acknowledged, the COUNTY and the DEVELOPER hereby agree as follows:

1. WHEREAS CLAUSES

The WHEREAS clauses set forth above and all exhibits attached hereto are incorporated herein by reference and made a part of this DA.

2. PURPOSE

It is the purpose and intent of this DA to further set forth the terms and conditions for the DEVELOPER to receive mobility fee credit for the completed design, permitting and construction of the Mansfield Improvements for the COUNTY and to set forth the parties respective obligations regarding same. All terms and conditions of this DA shall be interpreted in a manner consistent with, and in furtherance of, the purposes as set forth herein.

3. GENERAL REQUIREMENTS

This DA shall be for the duration of ten (10) years, subject to any conditions precedent or termination provisions herein or mutual agreement, from the effective date of this DA. The effective date of this DA shall be upon execution by all parties.

4. FINANCE AND CONSTRUCTION OF MANSFIELD IMPROVEMENTS

a. DEVELOPER, or its predecessor in interest, designed, permitted and constructed the Mansfield Improvements as set forth herein.

b. DEVELOPER or its predecessor in interest timely commenced and completed the Mansfield Improvements in accordance with the requirements of the DO and this DA and the other applicable requirements of the COUNTY and the FDOT, as applicable.

c. DEVELOPER shall receive reimbursements in the form of mobility fee ("MF") credits as set forth in Section 7 hereof for fifty percent (50%) of the actual, reasonable amount spent by the DEVELOPER for the Mansfield Improvements. The procedures for such reimbursements/credits are set forth in Section 7. below.

5. MANSFIELD IMPROVEMENTS DESIGN AND PERMITTING

a. Design, Permitting, and Construction Requirements: To the best of Developer's knowledge, without duty of inquiry, all design, permitting and construction for the Mansfield Improvements were completed in accordance with the standards promulgated by the FDOT in accordance with Section 366.045, F.S. and the COUNTY, as applicable, including, but not limited to, cross sections, drainage, and plan/profile sheets.

b. COUNTY/FDOT Review and Approval of Design: The County and/or DOT, as applicable, approved 100 percent design plans for the Mansfield Improvements prior to commencement of the Mansfield Improvements.

c. Permitting Requirements: To the best of Developer's knowledge, without duty of inquiry, any and all required permits for the work performed were obtained from the COUNTY and/or FDOT, as applicable, and any and all applicable local, Federal, and State regulatory agencies, including the Southwest Florida Water Management District.

6. MANSFIELD IMPROVEMENTS BIDDING AND CONSTRUCTION

a. Mansfield Improvements Construction. To the best of Developer's knowledge, without duty of inquiry, construction of the Mansfield Improvements was timely completed in accordance with the final alignment, design, specification, and construction plans as approved by the COUNTY and other applicable Federal, State, and local regulatory agencies.

7. MOBILITY FEES, CREDITS AND REIMBURSEMENTS

a. The Project shall be assessed mobility fees in accordance with the COUNTY'S adopted mobility fee regulations, as amended, and this DA.

b. Upon the effective date of this DA, the COUNTY agrees to budget, in a MF account, any roadway/interstate (SIS) and bicycle/pedestrian portion of the mobility fees paid to the COUNTY from within the Project (referred to herein as either the "Sierra Wiregrass Parcels C4, M22 and S1 Mansfield MF Paid Account" or the "SWG Mansfield MF Paid Account"). The SWG Mansfield MF Paid Account shall not include transit or administrative portions of the mobility fees paid to the COUNTY from within the Project. The DEVELOPER shall not be eligible for any interest on the SWG Mansfield MF Paid Account.

c. The process for DEVELOPER to receive mobility fee credits against the roadway/interstate (SIS) and bicycle/pedestrian shares of the mobility fees ("MF Credits") for fifty percent (50%) of the actual, reasonable amounts spent for the Mansfield Improvements is as follows. Actual, reasonable amounts spent by the DEVELOPER or the DEVELOPER's predecessor in title for the Mansfield Improvements shall include design, permitting and construction costs (including any bonding and insurance costs, testing and CEI expenses and services). Based on review by the County of construction invoices for actual expenditures and comparison with the County approved Certificate of Cost Estimate, the County has determined that such submitted construction costs (including any bonding and insurance costs, testing and CEI expenses and services) of \$4,331,890.16 are reasonable and therefore creditable at fifty percent (50%) as noted above (for a credit amount of \$2,165,945.08). Based on review by the County of design and permitting invoices submitted the County has determined that such submitted costs of \$400,320.24 are reasonable and therefore creditable at fifty percent (50%) as noted above (for a credit amount of \$200,163.12). In the event that, in the future, the Developer locates additional design invoices (not yet submitted) within six (6) months of the effective date of this DA, such amounts shall be creditable if upon submittal to the County, they are determined to be reasonable by the County and in any event, when combined with the design costs specifically credited above do not collectively exceed eleven 11% of the construction costs. (All such design and construction costs shall be referred to herein as the "Creditable Expenditures").

d. The DEVELOPER shall be eligible to apply for and receive MF Credits in an account based on Creditable Expenditures (referred to herein as the "Sierra Wiregrass Parcels C4, M22 and S1 Mansfield MF Credit Account or the "SWG Mansfield MF Credit Account"). Requests for credits may be submitted to the COUNTY at a frequency no greater than monthly and such requests shall be in accordance with the guidance outlined in the County's "Developer Pipeline Project Provisions" document, unless otherwise provided for herein. COUNTY shall establish a credit in the SWG Mansfield MF Credit Account for all undisputed Creditable Expenditures within sixty (60) days of submittal. Any disputed amounts not approved prior to the end of the sixty (60) day period, will be carried over to the next submittal for credit or denial. Should any amount be denied for credit, the DEVELOPER may appeal such decision in a manner consistent with the adopted mobility fee regulations. The COUNTY agrees to place the Mansfield Improvements in the CIP for the fiscal year 2014 and to keep the Mansfield Improvements in the CIP to the extent necessary to allow for the MF Credits provided for herein.

e. Simultaneously with the first two requests for credit issuance, DEVELOPER may apply to exchange MF Credits to be established in the SWG Mansfield MF Credit Account for cash reimbursements from the SWG Mansfield MF Paid Account. Thereafter, requests to exchange MF Credits in the SWG Mansfield MF Credit Account for cash reimbursements from the SWG Mansfield MF Paid Account may be submitted to the COUNTY at a frequency of no greater than quarterly. All such exchange requests shall include documentation identifying the amount of the roadway/interstate and bicycle/pedestrian mobility fees the DEVELOPER believes have been collected by the COUNTY since the DEVELOPER's last exchange request and identifying the corresponding lots, parcels and/or addresses. To the extent that funds exist in the SWG Mansfield MF Paid Account, County shall make the cash reimbursement payment to the DEVELOPER within sixty (60) days of submittal. The cash reimbursement payment to the DEVELOPER shall be subject to all other requirements of the Prompt Payment Act. All cash reimbursements from the SWG Mansfield MF Paid Account shall result in a corresponding decrease in the SWG Mansfield MF Credit Account.

f. Developer agrees to indemnify, defend and hold the County harmless from, and against any claims or suits, made by Locust Branch, LLC ("Locust Branch") or Pulte Home Corporation

("Pulte") or related entities which arise from any claims made by such entities that they are entitled to any of the MF Credits awarded to Developer related to the Mansfield Improvements or that the assignments of credits permitted herein are not authorized.

g. DEVELOPER may sell and assign MF Credits received pursuant to this Agreement to any end users within the Project and the DRI (and end users outside of the DRI and Project to the extent allowed by the mobility fee regulations) and execute credit letters to be presented to the County ("MF Credit Letters"). The MF Credit Letters shall be consistent with a form reasonably approved by the County with specific reference to the Sierra Wiregrass Parcels C4, M22 and S1 Mansfield MF Credit Account. Credits received pursuant to this Agreement may only be used for the roadway/interstate and bicycle/pedestrian, portion of the mobility fee. End users may not use MF Credits for the transit and administrative portions of the mobility fee. It is anticipated that, to the maximum extent possible, MF Credit letters will be submitted to the COUNTY whenever the DEVELOPER has COUNTY approved MF Credits to cover the mobility fees that are due.

h. The COUNTY reserves the right to pay out annually the cash value of any unused, accrued impact fee/mobility fee credit to the DEVELOPER and such cash value shall be removed from any credit balance.

8. GENERAL PROVISIONS

a. Independent Capacity: The DEVELOPER and any consultants, contractors, or agents are and shall be, in the performance of all work, services, and activities under this DA, independent contractors and not employees, agents, or servants of the COUNTY or FDOT, or joint ventures with the COUNTY or FDOT. The DEVELOPER does not have the power or authority to bind the COUNTY or FDOT in any promise, agreement, or representation other than specifically provided for in this DA. The COUNTY and FDOT shall not be liable to any person, firm, or corporation who contracts with or provides goods or services to the DEVELOPER in connection with the Mansfield Improvements, or for debts or claims accruing to such parties against the DEVELOPER. There is no contractual relationship expressed or implied between the

COUNTY or FDOT and any other person, firm, or corporation supplying any work, labor, services, goods, or materials to the DEVELOPER as a result of the Mansfield Improvements.

b. Notice: Whenever one (1) party gives notice to the other party concerning any of the provisions of this DA, including notice of termination, such notice shall be given by certified mail, return-receipt requested. The said notice shall be deemed given when it is deposited in the U.S. Mail with sufficient postage prepaid (notwithstanding that the return-receipt is not subsequently received). Notices shall be addressed as follows: John C. White, Sierra BBD Property, LLC, 509 Guisando de Avila, Suite 200, Tampa, Florida 33613-5253, with a copy to Clarke G. Hobby, Esq., Hobby & Hobby, P.A., 109 N. Brush Street, Ste. 250, Tampa, FL 33602, the COUNTY, Attention: Assistant County Administrator (Development Services), West Pasco Government Center, 8731 Citizens Drive, Suite 320, New Port Richey, Florida 34654, with a copy to David A. Goldstein, Chief Assistant County Attorney, West Pasco Government Center, 8731 Citizens Drive, Suite 340, New Port Richey, Florida 34654. These addresses may be changed by giving notice as provided for in this paragraph.

c. Entire Agreement: This DA embodies and constitutes the entire understanding and agreement between the parties with respect to the transactions contemplated herein, and this DA supersedes all prior and contemporaneous agreements, understandings, representations, communications, and statements, either oral or written.

d. Modification and Amendment: Neither this DA, nor any portion hereof, may be waived, modified, amended, discharged, nor terminated, except as authorized by law pursuant to an instrument in writing, signed by the party against which the enforcement of such waiver, modification, amendment, discharge, or termination is sought and then only to the extent set forth in such instrument.

e. Waiver: The failure of any party to this DA to object to or to take affirmative action with respect to any conduct of the other which is in violation of the terms of this DA shall not be construed as a waiver of the violation or breach or of any future violation, breach, or wrongful conduct.

f. Contract Execution: This DA may be executed in several counterparts, each constituting a duplicate original, but all such counterparts shall constitute one (1) and the same agreement.

g. Gender: Whenever the contract hereof shall so require, the singular shall include the plural, the male gender shall include the female gender and the neuter and vice versa.

h. Headings: All article and descriptive headings of paragraphs in this DA are inserted for convenience only and shall not affect the construction or interpretation hereof.

i. Construction: The parties hereby agree that each has played an equal part in the negotiation and drafting of this DA and, in the event any ambiguity should be realized in the construction or interpretation of this DA, the result of such ambiguity shall be equally assumed and realized by each of the parties to this DA.

j. Cancellation: This DA may be canceled by mutual consent of the parties to the DA.

k. Third Party Beneficiaries: Nothing in this DA shall be construed to benefit any person or entity not a party to this DA.

l. Strict Compliance with Laws: The DEVELOPER agrees that acts to be performed by it in connection with this DA shall be performed in strict conformity with all applicable Federal, State, and local laws, rules, regulations, standards, and guidelines.

m. Nondiscrimination: The DEVELOPER will not discriminate against any employee employed in the performance of this DA or against any applicant for employment because of race, creed, color, handicap, national origin, or sex. The DEVELOPER shall insert a similar provision in all contracts for the Mansfield Improvements.

n. Signatories Authority: By the execution hereof, the parties covenant that the provisions of this DA have been duly approved and signatories hereto are duly authorized to execute this DA.

o. Controlling Law: This DA shall be governed by and construed in accordance with the laws of the State of Florida. Venue for any litigation arising from this DA shall be in the Sixth Judicial Circuit in Pasco County, Florida.

p. Successors and Assigns: The DEVELOPER and owners may assign this DA and all its rights and obligations hereunder to any person, firm, corporation, or other entity, with the consent of

the parties to this DA, which consent should not be unreasonably withheld or delayed, and any such assignee shall be entitled to all the rights and powers of such participation hereunder. Upon any such assignment, such assignee shall succeed to all the rights and obligations of the assignor hereto, and shall, for purposes of specific rights and/or obligations assigned, or otherwise, all purposes hereof, be substituted for such participant.

q. Force Majeure: In the event the DEVELOPER'S or COUNTY'S performance of this DA is prevented or interrupted by consequent act of God, or of the public enemy, or national emergency, or a governmental restriction upon the use or availability of labor or materials, or civil insurrection, riot, racial or civil rights disorders or demonstration, strike, embargo, flood, tidal wave, fire, explosion, bomb detonation, nuclear fallout, windstorm, hurricane, sinkholes, earthquake, or other casualty, disaster, or catastrophe, or judgment, or a restraining order or injunction of any court, the DEVELOPER or COUNTY shall not be liable for such nonperformance. This paragraph shall not apply to force majeure events caused by the DEVELOPER or under the DEVELOPER'S control, or caused by the COUNTY or under the COUNTY'S control, as applicable.

IN WITNESS WHEREOF, the parties hereto have by their duly authorized representatives executed this DA on the dates set forth below.



[Signature]
PATRICIA S. O'NEILL, CLERK & COMPTROLLER

BOARD OF COUNTY COMMISSIONERS
OF PASCO COUNTY, FLORIDA

[Signature]
THEODORE J. SCHRADER, CHAIRMAN
Date: 7/9/2013
APPROVED IN SESSION
JUL 9 2013
PASCO COUNTY BCC

WITNESSES:

SIERRA BBD PROPERTY, LLC, a Florida
limited liability company

BY: _____
JOHN C. WHITE, ITS VICE PRESIDENT

STATE OF FLORIDA
COUNTY HILLSBOROUGH

The foregoing instrument was acknowledged before me this _____(date), by JOHN C. WHITE, the Vice President of Sierra BBD PROPERTY, LLC, a Florida limited liability company, who is personally known to me or who has produced _____(type of identification) as identification.

Seal:

NOTARY