

RESOLUTION NO. 2011-352

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY, FLORIDA, APPROVING THE ISSUANCE BY THE ST. JOHNS COUNTY COMMUNITY REDEVELOPMENT AGENCY OF ITS REDEVELOPMENT REVENUE REFUNDING NOTE (FLAGLER ESTATES PROJECT), SERIES 2011, IN A PRINCIPAL AMOUNT OF \$4,701,000, FOR THE PURPOSE OF OBTAINING FUNDS TO REFUND CERTAIN OUTSTANDING INDEBTEDNESS OF SAID AGENCY ISSUED TO FINANCE AND REFINANCE THE COSTS OF PAVING CERTAIN PUBLIC ROADS LOCATED WITHIN THE FLAGLER ESTATES ROAD AND WATER CONTROL DISTRICT AND THE FLAGLER ESTATES COMMUNITY REDEVELOPMENT AREA; AUTHORIZING A COVENANT TO BUDGET AND APPROPRIATE LEGALLY AVAILABLE NON-AD VALOREM REVENUES TO PROVIDE FOR THE PAYMENT OF SUCH 2011 NOTE IN THE EVENT REVENUES OF SAID AGENCY ARE INSUFFICIENT THEREFOR; AUTHORIZING THE EXECUTION AND DELIVERY OF AN INTERLOCAL REIMBURSEMENT AGREEMENT WITH SAID AGENCY AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, St. Johns County Community Redevelopment Agency (the "Agency") is a public community redevelopment agency, duly organized and existing under the provisions of Chapter 163, Part III, Florida Statutes, as amended; and

WHEREAS, the Board of County Commissioners (the "Board") of St. Johns County, Florida (the "County"), by the adoption of its Resolution No. 2002-185 established the boundaries of the Flagler Estates Community Redevelopment Area and by the adoption of its Resolution No. 2002-208 incorporated the boundary areas of the Flagler Estates Community Redevelopment Area into the Agency and approved the community redevelopment plan for the Flagler Estates Community Redevelopment Area; and

WHEREAS, Flagler Estates Road and Water Control District (the "District"), a independent special district, duly organized and existing under the provisions of Chapter 98-528, Laws of Florida, and Chapter 298, Florida Statutes, as amended, determined to undertake projects consisting of the paving of certain public roads within the District and the Flagler Estates Community Redevelopment Area (the "Projects"), and requested the assistance of the Agency in financing the Projects; and

WHEREAS, the Agency issued its Redevelopment Revenue and Refunding Note (Flagler Estates Project), Series 2007 (the "2007 Note"), to finance and refinance the costs of the Projects; and

WHEREAS, the Agency proposes to issue its Redevelopment Revenue Refunding Note (Flagler Estates Project), Series 2011 (the "Note"), authorized to be issued pursuant to a resolution of the Agency adopted on the date of adoption of this Resolution (the "Agency Resolution"), a copy of which is attached hereto as Exhibit A, to refund the 2007 Note and pay the costs of issuance relating to the Note, all in the manner described in the Agency Resolution; and

WHEREAS, by the Agency Resolution, the Agency has recommended and requested that the Board of County Commissioners of St. Johns County, Florida, approve the issuance of the Note by the Agency in order to satisfy the requirements of Sections 163.358(3) and 163.385, Florida Statutes, as amended, and provide a back up covenant to budget and appropriate legally available non-ad valorem revenues of the County to provide for payment of debt service on the Note in the event the tax increment revenues of the Agency described in the Agency Resolution (the "Tax Increment Revenues") are insufficient for such payment, in the manner hereinafter provided; and

WHEREAS, it is necessary and desirable for the Agency and the County to enter into an Interlocal Reimbursement Agreement substantially in the form attached hereto as Exhibit B (the "Reimbursement Agreement") in order to provide for repayment by the Agency to the County from available Tax Increment Revenues, after payment of debt service on the Series 2011 Note, of any amounts contributed by the County for debt service on the Note pursuant to this Resolution, in the manner provided in the Reimbursement Agreement; and Section 163.01, Florida Statutes, as amended, authorizes the County to enter into the Reimbursement Agreement;

WHEREAS, the Note shall not constitute a debt, liability or obligation of the County, the State of Florida (the "State") or of any political subdivision thereof, other than a limited obligation of the Agency, or a pledge of the faith and credit of the Agency, the County, the State or of any such political subdivision, and neither the Agency, the County, the State nor any political subdivision thereof will be liable on the Note, nor will the Note be payable out of any funds other than those pledged under the Agency Resolution;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY, FLORIDA, as follows:

SECTION 1. The above recitals are hereby incorporated into the body of this Resolution and are adopted as findings of fact.

SECTION 2. The issuance by the Agency of the Note in a principal amount of \$4,701,000, for the purposes set forth above, is hereby approved for the purposes of Sections 163.358(3) and 163.385, Florida Statutes, as amended. The Agency is hereby directed to ensure that prior to the issuance of the Note each of the following shall occur:

(A) The Reimbursement Agreement is executed and delivered by the Agency and the County.

(B) The Interlocal Agreement Addendum described in the Agency Resolution is executed and delivered by the District and the Agency.

(C) The Note contains on its face a statement to the effect that the Note has been issued by the Agency in connection with community redevelopment as described in Section 163.385(5), Florida Statutes, as amended, and includes a statement to the effect that neither the faith and credit nor the taxing power of the Agency, the County, the State or any political subdivision thereof is pledged to the payment of the principal of, premium, if any, or interest on the Note.

SECTION 3. Until the Note is paid or deemed paid pursuant to the provisions of the Agency Resolution, in the event that the Tax Increment Revenues are insufficient to pay debt service on the Note on any payment date, the County hereby covenants to appropriate in its annual budget, by amendment if necessary, from all legally available revenues of the County derived from any source whatsoever, other than (a) ad valorem taxation on real or personal property, (b) pledged non-ad valorem revenues, (c) governmental assessments and (d) revenues restricted by law or contract to other uses ("Non-Ad Valorem Funds"), lawfully available for such purpose in each fiscal year in which any principal of or interest on the Note becomes due and payable, amounts sufficient, together with other available moneys, to pay the principal of and interest on the Note as the same become due, which amounts shall be deposited into the Sinking Fund established under the Agency Resolution to pay the principal of and interest on the Note. Such covenant on the part of the County to budget and appropriate such amounts of Non-Ad Valorem Funds shall be cumulative to the extent not paid, and shall continue until such Non-Ad Valorem Funds or other legally available funds in amounts sufficient to make all such required payments under the Note shall have been budgeted, appropriated and actually paid.

Such covenant to budget and appropriate does not create any lien upon or pledge of such Non-Ad Valorem Funds, nor does it hinder, restrict or preclude the County from pledging in the future its Non-Ad Valorem Funds, nor does it require the County to levy and collect any particular Non-Ad Valorem Funds, nor does it require the County to maintain any services or programs now provided or maintained by the County which generate Non-Ad Valorem Funds, nor hinder, restrict or preclude the County from making the same or a similar covenant with respect to any other contractual obligations, nor does it give the holder of the Note a prior claim on the Non-Ad Valorem Funds as opposed to claims of general creditors of the County. Such covenant to appropriate Non-Ad Valorem Funds is subject in all respects to the payment of obligations secured by a pledge or pledges of and lien or liens upon any or all such Non-Ad Valorem Funds heretofore or hereinafter entered into (including the payment of debt services on bonds and other debt instruments). However, the covenant to budget and appropriate in its annual budget for the purposes and in the manner stated herein shall have the effect of making available for the payment of the principal of and interest on the Note in the manner described herein Non-Ad Valorem Funds and placing on the County a positive duty to appropriate and budget, by amendment, if necessary, amounts from Non-Ad Valorem Funds sufficient to meet its obligations hereunder; subject, however, in all respects to the restrictions of Section 129.07, Florida Statutes which provides, in part, that it is unlawful for the Board of County Commissioners of a County to expend or contract for the expenditure in any fiscal year more than the amount budgeted in each fund's budget and in no case shall the total appropriations of any budget be exceeded, except as provided pursuant to Section 129.06, Florida Statutes; and subject, further, to the payment of services and programs which (1) are essential public purposes affecting the health, welfare and safety of the inhabitants of the

County, (2) are legally mandated or required by applicable law and/or (3) are the services and programs for which the revenues were received.

Until the Note is paid or deemed paid pursuant to the provisions of the Agency Resolution, the County agrees and covenants that the average of actual receipts over the prior two fiscal years of the County of all legally available revenues of the County derived from any source whatsoever other than ad valorem taxation on real and personal property, which are legally available to contribute to payments on the Note, but only after provision has been made by the County for the payment of services and programs which are for essential public purposes affecting the health, welfare and safety of the inhabitants of the County or which are legally mandated by applicable law ("Non-Ad Valorem Revenues") shall cover projected maximum annual debt service on Debt (as hereinafter defined) secured by and/or payable solely from Non-Ad Valorem Revenues by at least 1.2 times. For the purposes of this paragraph, "Debt" means at any date (without duplication) all of the following to the extent that they are general obligations of the County or are payable in whole or in part from Non-Ad Valorem Revenues (a) all obligations of the County for borrowed money or evidenced by bonds, debentures, notes or other similar instruments, (b) all obligations of the County to pay the deferred purchase price of property or services, except trade accounts payable under normal trade terms and which arise in the ordinary course of business, (c) all obligations of the County as lessee under capitalized leases and (d) all indebtedness of other persons to the extent guaranteed by the County or secured by Non Ad-Valorem Revenues. The County agrees that, as soon as practicable after the end of each fiscal year, it shall deliver to the holder of the Note a certificate setting forth the calculation of the financial ratio provided in this paragraph and certifying that it is in compliance with the provisions of this paragraph.

SECTION 4. The Chair or Vice Chair of the Board and the Clerk or any Deputy Clerk of the Board are hereby authorized to (a) execute and deliver the Reimbursement Agreement, with such changes as may be approved by the Chair or Vice Chair, such approval to be conclusively evidenced by his or her execution thereof, and (b) and execute and deliver such other documents and take such other actions as are necessary to implement the transactions contemplated hereby and thereby.

SECTION 5. The Note shall not constitute a debt, liability or obligation of the County, the State or of any political subdivision thereof, other than a limited obligation of the Agency, or a pledge of the faith and credit of the Agency, the County, the State or of any such political subdivision, and neither the Agency, the County, the State nor any political subdivision thereof will be liable on the Note, nor will the Note be payable out of any funds other than those pledged under the Agency Resolution in the manner provided therein.

SECTION 6. All resolutions or orders and parts thereof in conflict herewith, to the extent of such conflict, are hereby superseded and repealed.

SECTION 7. To the extent that there are typographical and/or administrative errors and/or omissions that do not change the tone, tenor or context of this Resolution, then this Resolution may be revised without subsequent approval of the Board of County Commissioners of the County.

SECTION 8. This Resolution shall take effect immediately upon its adoption.

ADOPTED this sixth day of December, 2011.

(OFFICIAL SEAL)

BOARD OF COUNTY COMMISSIONERS OF
ST. JOHNS COUNTY, FLORIDA

By: 
Its Chair

ATTEST:

By: 
Its Clerk

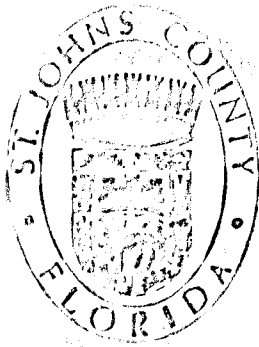


EXHIBIT A
Agency Resolution

CRA RESOLUTION NO. 2011-__

A RESOLUTION OF ST. JOHNS COUNTY COMMUNITY REDEVELOPMENT AGENCY PROVIDING FOR THE REFUNDING OF THE AGENCY'S OUTSTANDING REDEVELOPMENT REVENUE AND REFUNDING NOTE (FLAGLER ESTATES PROJECT), SERIES 2007, ISSUED TO FINANCE AND REFINANCE THE PAVING OF CERTAIN PUBLIC ROADS LOCATED WITHIN THE BOUNDARIES OF THE FLAGLER ESTATES COMMUNITY REDEVELOPMENT AREA AND THE FLAGLER ESTATES ROAD AND WATER CONTROL DISTRICT; AUTHORIZING THE ISSUANCE BY THE AGENCY OF \$4,701,000 IN PRINCIPAL AMOUNT OF A REDEVELOPMENT REVENUE REFUNDING NOTE (FLAGLER ESTATES PROJECT), SERIES 2011, TO REFUND SUCH 2007 NOTE AND PAY THE COSTS OF ISSUANCE OF SUCH 2011 NOTE; PLEDGING TO SECURE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON SUCH 2011 NOTE THE TAX INCREMENT REVENUES RECEIVED ANNUALLY BY THE AGENCY AND DEPOSITED INTO THE FLAGLER ESTATES COMMUNITY REDEVELOPMENT AREA ACCOUNT IN THE ST. JOHNS COUNTY COMMUNITY REDEVELOPMENT AGENCY TRUST FUND, CERTAIN AMOUNTS CONTRIBUTED BY ST. JOHNS COUNTY FOR PAYMENT OF SUCH 2011 NOTE, ALL MONEYS ON DEPOSIT IN AND INVESTMENTS HELD FOR THE CREDIT OF CERTAIN FUNDS CREATED HEREUNDER AND THE EARNINGS ON SUCH INVESTMENTS; MAKING CERTAIN COVENANTS AND AGREEMENTS FOR THE BENEFIT OF THE HOLDER OF SUCH 2011 NOTE; AUTHORIZING THE EXECUTION AND DELIVERY OF AN INTERLOCAL AGREEMENT ADDENDUM BETWEEN THE AGENCY AND SAID DISTRICT; AUTHORIZING THE EXECUTION AND DELIVERY OF AN INTERLOCAL REIMBURSEMENT AGREEMENT BETWEEN THE AGENCY AND SAID COUNTY; AUTHORIZING A NEGOTIATED SALE OF SUCH 2011 NOTE; DESIGNATING SUCH 2011 NOTE FOR THE EXCEPTION CONTAINED IN SECTION 265 OF THE INTERNAL REVENUE CODE OF 1986 WHICH DENIES FINANCIAL INSTITUTIONS ANY DEDUCTION FOR INTEREST EXPENSE ALLOCABLE TO TAX-EXEMPT OBLIGATIONS; AWARDED SUCH 2011 NOTE TO THE PURCHASER THEREOF; AND PROVIDING AN EFFECTIVE DATE.

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BE IT RESOLVED BY THE ST. JOHNS COUNTY COMMUNITY REDEVELOPMENT AGENCY:

ARTICLE 1

GENERAL

Section 1.1 Definitions.

When used in this Resolution, the following terms shall have the following meanings, unless the context clearly otherwise requires:

“Act” shall mean Chapter 163, Part III, Florida Statutes, as amended, and other applicable provisions of law.

“Additional Obligations” shall mean any additional parity indebtedness issued hereafter by the Issuer pursuant to the provisions of Section 5.1(B) of this Resolution.

“Authorized Depository” shall mean the State Board of Administration of Florida or a bank or trust company in the State which is eligible under the laws of the State to receive funds of the Issuer.

“Authorized Investments” shall mean all accounts with the State Board of Administration and any investment which shall be authorized from time to time by applicable laws of the State for deposit or purchase by the Issuer for the temporary investment of its funds.

“Bond Counsel” shall mean any attorney at law or firm of attorneys, of nationally recognized standing in matters pertaining to the federal tax exemption of interest on obligations issued by states and political subdivisions, and duly admitted to practice law before the highest court of any state of the United States of America.

“Chair” shall mean the Chair of the Issuer or such other person as may be duly authorized by the Issuer to act on the Chair’s behalf.

“Clerk” shall mean the Clerk of the Issuer or such other person as may be duly authorized by the Issuer to act on the Clerk’s behalf.

“Code” shall mean the United States Internal Revenue Code of 1986, as the same may be amended from time to time, and the regulations thereunder, whether proposed, temporary or final, promulgated by the Department of the Treasury, Internal Revenue Service, and all other promulgations of said service pertaining thereto.

“County” shall mean St. Johns County, Florida

“County Resolution” shall mean the resolution adopted by the County on the date of adoption of this Resolution approving the issuance of the Note and agreeing to contribute the County Support Payments.

“County Support Payments” shall mean the amounts contributed by the County pursuant to the County Resolution and deposited in the Sinking Fund to pay debt service on the Note in the event of a shortfall in the Tax Increment Revenues.

“Cost” when used in connection with a Project, shall mean (1) costs of acquisition, construction and installation by or for the District or the Issuer of any part of the Project; (2) costs incidental to such acquisition, construction and installation; (3) the cost of any insurance or indemnity or surety bonds necessitated by the Project; (4) legal and other consultant fees and expenses; (5) costs and expenses incidental to the issuance of the Additional Obligations issued to finance the Project; and (6) any other costs properly attributable to the issuance of such Additional Obligations and/or such acquisition, construction and installation, as determined by generally accepted accounting principles and may include reimbursement for any such items of Cost previously paid.

“Debt Service Requirement” for any Note Year shall mean the sum of (1) the aggregate amount required to pay the interest becoming due on the Note during such Note Year, except to the extent that such interest shall have been provided by payments out of other sources for a specified period of time, and (2) the aggregate amount required to pay the principal becoming due on the Note for such Note Year.

“District” shall mean the Flagler Estates Road and Water Control District.

“Fiscal Year” shall mean the period commencing on October 1 of each year and continuing through the next succeeding September 30, or such other period as may be prescribed by law.

“Governing Body” shall mean the members of the Issuer or its successor in function.

“Interlocal Agreement” shall mean the Amended and Restated Interlocal Agreement dated January 22, 2007, between the Issuer and the District, as amended and supplemented from time to time.

“Interlocal Agreement Addendum” shall mean the Interlocal Agreement Addendum between the Issuer and the District, substantially in the form attached hereto as Exhibit A, amending and supplementing the Interlocal Agreement.

“Issuer” shall mean the St. Johns County Community Redevelopment Agency.

“Note” shall mean the obligation of the Issuer authorized to be issued pursuant to Section 2.1 hereof, and shall be deemed to include also any Additional Obligations.

“Note Year” shall mean the annual period commencing August 2 of each year (except that the first Note Year shall commence on the date of issuance of the Note) and continuing through the next succeeding August 1. Each Note Year shall be designated with the number of the calendar year in which such Note Year ends.

"Noteholder" or "Holder" or "holder" shall mean any Person who shall be the registered owner of the Note according to the registration books of the Issuer.

"Paying Agent" shall mean the Clerk, as paying agent for the Note, and any other Person which may at any time be substituted as paying agent for the Note pursuant to resolution of the Governing Body.

"Person" shall mean an individual, a corporation, a partnership, an association, a joint stock company, a trust, any unincorporated organization or governmental entity.

"Pledged Funds" shall mean the Tax Increment Revenues, the County Support Payments and, until applied in accordance with the provisions of this Resolution, the proceeds of the Note and all moneys, including investments thereof, in the funds established hereunder.

"Project" shall mean the paving of public roads located within the boundaries of the District and the Redevelopment Area which shall be authorized by the Act and financed in whole or part with the proceeds of Additional Obligations.

"Project Fund" shall mean the Project Fund established pursuant to Section 4.3 hereof.

"Purchaser" shall SunTrust Bank, the purchaser of the Note.

"Redevelopment Area" shall mean the Flagler Estates Community Redevelopment Area established by the Board of County Commissioners of the County pursuant to Resolution No. 2002-185 of the County and incorporated into the boundary areas of the Issuer pursuant to Resolution No. 2002-108 of the County.

"Refunded Obligations" shall mean the Issuer's outstanding Redevelopment Revenue and Refunding Note (Flagler Estates Project), Series 2007.

"Registrar" shall mean the Clerk, as registrar for the Note, and any other Person which may at any time be substituted as registrar for the Note pursuant to resolution of Governing Body.

"Reimbursement Agreement" shall mean the Interlocal Reimbursement Agreement between the Issuer and the County, substantially in the form attached hereto as Exhibit B, as amended and supplemented from time to time.

"Resolution" and "this Resolution" shall mean this instrument, as the same may from time to time be amended, modified or supplemented by any and all resolutions of the Governing Body.

"Sinking Fund" shall mean the Sinking Fund established pursuant to Section 4.4 hereof.

"State" shall mean the State of Florida.

“Supplemental Resolution” shall mean any resolution of the Issuer amending or supplementing this Resolution, adopted and becoming effective prior to the issuance of the Note or in accordance with the terms of Section 5.5 hereof.

“Tax Increment Revenues” shall mean the tax increment revenues received annually by the Issuer and deposited in the Flagler Estates Community Redevelopment Area Account (the “Trust Account”) in the St. Johns County Community Redevelopment Agency Trust Fund under the provisions of the Act. The Tax Increment Revenues do not include any tax increment revenues derived from redevelopment areas other than the Redevelopment Area.

The terms “herein,” “hereunder,” “hereby,” “hereto,” “hereof,” and any similar terms, shall refer to this Resolution; the term “heretofore” shall mean before the date of adoption of this Resolution; and the term “hereafter” shall mean after the date of adoption of this Resolution.

Words importing the singular number include the plural number, and vice versa.

Section 1.2 Authority for Resolution.

This Resolution is adopted pursuant to the provisions of the Act.

Section 1.3 Resolution to Constitute Contract.

In consideration of the purchase and acceptance of the Note by those who shall hold the same from time to time, the provisions of this Resolution shall be deemed to be and shall constitute a contract between the Issuer and the Holders from time to time of the Note. The pledge made in this Resolution and the provisions, covenants and agreements herein set forth to be performed by or on behalf of the Issuer shall be for the benefit, protection and security of such Holders.

Section 1.4 Findings.

It is hereby ascertained, determined and declared as follows:

(A) Pursuant to resolutions of the County, including but not limited to, Resolution No. 2002-185 duly adopted by the County on September 17, 2002, the County determined that one or more slums or blighted areas exist within the County, that the rehabilitation, conservation and redevelopment of the blighted and slum areas is necessary in the interest of the public welfare and that there is a need for a community redevelopment agency to function within the County and carry out the purposes of the Act; and pursuant to Resolution No. 2002-208 duly adopted by the County on October 8, 2002, the County established the Issuer and all rights, powers, duties, privileges and immunities vested in a community redevelopment agency by the Act were vested in, and shall be exercised by, the Governing Body of the Issuer.

(B) The County by the adoption of its Resolution No. 2002-185, established the boundaries of the Redevelopment Area and, by the adoption of its Resolution No. 2002-208, incorporated the boundary areas of the Redevelopment Area into the Issuer and approved the community redevelopment plan for the Redevelopment Area.

(C) The County by enacting Ordinance No. 2002-64, which amended Ordinance No. 2001-70, among other things, created the St. Johns County Community Redevelopment Agency Trust Fund and created a separate account therein for the Redevelopment Area for the purpose of carrying out redevelopment in the Redevelopment Area pursuant to the Act.

(D) The Issuer has heretofore issued and has presently outstanding and unpaid the Refunded Obligations.

(E) The Issuer deems it necessary, desirable and in the best interests of the Issuer that the Refunded Obligations be refunded in order to achieve debt service savings.

(F) The refunding of the Refunded Obligations shall be financed with the proceeds of the Note.

(G) The Issuer deems it necessary, desirable and in the best interest of the Issuer that the Pledged Funds be pledged to the payment of the principal of and interest on the Note. No part of the Pledged Funds has been pledged or encumbered in any manner, except the Refunded Obligations.

(H) The estimated Pledged Funds will be sufficient to pay the principal of and interest on the Note, as the same become due, and all other payments provided for in this Resolution.

(I) The principal of and interest on the Note and all other payments provided for in this Resolution will be paid solely from the sources herein provided in accordance with the terms hereof; and no ad valorem taxing power of the Issuer or the County will ever be exercised nor will any Holder of the Note have the right to compel the exercise of such ad valorem taxing power to pay the principal of or interest on the Note or to make any other payments provided for in this Resolution, and the Note shall not constitute a lien upon any property of the Issuer or situated within its territorial limits, except the Pledged Funds.

(J) The Issuer and the District have heretofore executed and delivered the Interlocal Agreement in connection with the issuance of the Refunded Obligations. The Issuer and the District will execute and deliver the Interlocal Agreement Addendum to provide for the issuance of the Note by the Issuer and the refunding of the Refunded Obligations, and Section 163.01, Florida Statutes, as amended, authorizes the Issuer and the District to enter into the Interlocal Agreement Addendum.

(K) In order to induce the County to adopt the County Resolution, it is necessary for the Issuer to agree to reimburse the County for debt service on the Note contributed by the County, all in the manner and to the extent described in the Reimbursement Agreement, and Section 163.01, Florida Statutes, as amended, authorizes the Issuer and the County to enter into the Reimbursement Agreement.

(L) The Issuer desires to qualify the Note for the exception contained in Section 265(b)(3) of the Code to the provisions contained in Section 265(b) of the Code which deny financial institutions any deduction for interest expense allocable to tax-exempt obligations

acquired after August 7, 1986, and to designate the Note for the purpose of qualifying for such exception; and the Governing Body does hereby find and determine that the aggregate face amount of all qualified tax-exempt obligations (excluding private activity bonds, as defined in Section 141 of the Code, other than qualified 501(c)(3) bonds, as defined in Section 145 of the Code), including the Note, issued by or on behalf of the Issuer (and all subordinate entities thereof) during the 2011 calendar year is not expected to exceed \$10,000,000, and that as of the date hereof, no tax-exempt obligations issued or authorized to be issued by or on behalf of the Issuer (and all subordinate entities thereof) during the 2011 calendar year, other than the Note, have been designated by the Issuer for the purpose of qualifying for such exception.

(M) The Governing Body is advised that due to the nature of this financing and the present volatility of the market for tax-exempt public obligations such as the Note, it is in the best interest of the Issuer to sell the Note by a negotiated sale, allowing the Issuer to enter such market at the most advantageous time, rather than at a specified advertised future date, thereby permitting the Issuer to obtain the best possible price, interest rate and other terms for the Note and, accordingly, the Issuer does hereby find and determine that it is in the best financial interest of the Issuer that a negotiated sale of the Note be authorized. Proposals from lending institutions were requested to provide the Issuer with the necessary financing to refund the Refunded Obligations. The proposals received are on file with the Issuer. The proposal of the Purchaser was determined to be the best proposal received. The Purchaser has offered to purchase the Note at the price of par and having such specifications as described in this Resolution and has agree to file with the Issuer the Purchaser's Disclosure Statement attached hereto as Exhibit C in compliance with Section 218.385, Florida Statutes, as amended; and the Governing Body does hereby find and determine that it is in the best financial interest of the Issuer that such offer be accepted by the Issuer and that the Note be awarded to the Purchaser hereby.

Section 1.5 Authorization of Refunding.

The refunding of the Refunded Obligations in the manner herein provided is hereby authorized.

Section 1.6 Authorization of Execution and Delivery of Agreements.

The Chair and the Clerk are hereby authorized to execute and deliver the Interlocal Agreement Addendum and the Reimbursement Agreement, with such changes as may be approved by the Chair or the Clerk, such approval to be conclusively evidenced by his or her execution thereof.

ARTICLE 2

AUTHORIZATION, TERMS AND
EXECUTION OF NOTE

Section 2.1 Authorization of Note.

For the purpose of refunding the Refunded Obligations and paying the costs of issuance of the Note, the Issuer hereby authorizes the issuance of the Note, to be designated as

St. Johns County Community Redevelopment Agency Redevelopment Revenue Refunding Note (Flagler Estates Project), Series 2011," in the manner herein provided, in a principal amount of \$4,701,000.

Section 2.2 Description of Note.

The Note shall be dated the date of issuance thereof, and shall be payable as to both principal and interest as such place and in such manner, shall contain such redemption provisions, and shall have initially such Paying Agent and such Registrar as is stated in the form of the Note set out in Section 2.7 hereof.

The Note shall bear interest at such rate or rates not exceeding the maximum nonusurious contract rate of interest allowed from time to time by applicable law and shall be payable in lawful money of the United States of America on such dates all as stated in the form on the Note set out in Section 2.7 hereof.

If the specified date for the making of any payment on the Note shall be a day other than a business day, such payment may be made on the next succeeding business day with the same force and effect as if made on the specified date and no interest shall accrue for the period of any such extension.

From and after the maturity date of the Note (deposit of moneys for the payment of the principal and interest on the Note having been made by the Issuer with the Paying Agent), notwithstanding that the Note shall have not been surrendered for cancellation, no further interest shall accrue upon the principal or upon the interest which shall have accrued and shall then be due on such date, and the Note shall cease to be entitled to any lien, benefit or security under this Resolution, and the Holder shall have no rights in respect of the Note except to receive payment of such principal and unpaid interest accrued to the maturity date.

Section 2.3 Application of Note Proceeds.

The proceeds derived from the sale of the Note shall, simultaneously with the delivery of the Note to the Purchaser, be applied by the Issuer first to immediately discharge, together with other available funds, the Refunded Obligations, and then to pay all costs and expenses in connection with the preparation, issuance and sale of the Note (and all such costs and expenses shall be promptly paid by the Issuer to the persons respectively entitled to receive the same).

Section 2.4 Execution of Note.

The Note shall be executed in the name of the Issuer with the signature of the Chair and attested and countersigned with the signature of the Clerk. In case any one or more of the officers who shall have signed the Note shall cease to be such officer of the Issuer before the Note so signed has been actually delivered, the Note may nevertheless be delivered as herein provided and may be issued as if the person who signed the Note had not ceased to hold such office.

Section 2.5 Note Mutilated, Destroyed, Stolen or Lost.

In case the Note shall become mutilated, or be destroyed, stolen or lost, the Issuer may, in its discretion, issue and deliver a new Note of like tenor as the Note so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Note upon surrender and cancellation of such mutilated Note or in lieu of and substitution for the Note destroyed, stolen or lost, and upon the Holder furnishing the Issuer proof of such Holder's ownership thereof and satisfactory indemnity and complying with such other reasonable regulations and conditions as the Issuer may prescribe and paying such expenses as the Issuer may incur. Any Note so surrendered or otherwise substituted shall be cancelled by the Issuer. If the Note shall have matured or be about to mature, instead of issuing a substitute Note, the Issuer may pay the same or cause the Note to be paid, upon being indemnified as aforesaid, and if such Note be lost, stolen or destroyed, without surrender thereof.

Any such duplicate Note issued pursuant to this Section 2.5 shall constitute original, additional contractual obligations on the part of the Issuer whether or not the lost, stolen or destroyed Note be at any time found by anyone, and such duplicate Note shall be entitled to equal and proportionate benefits and rights as to lien on the Pledged Funds to the same extent as any prior Note issued hereunder and shall be entitled to the same benefits and security as the Note so lost, stolen or destroyed.

Section 2.6 Negotiability and Transfer.

The Note issued under this Resolution shall be and have all the qualities and incidents of negotiable instruments under the laws of the State of Florida, subject to the provisions for registration and transfer contained in this Resolution and in the Note. So long as the Note shall remain outstanding, the Issuer shall cause to be maintained and kept, at the office of the Registrar, books for the registration and transfer of the Note.

The Note shall be transferable only upon the books of the Issuer, at the office of the Registrar, under such reasonable regulations as the Issuer may prescribe, by the Holder thereof in person or by such Holder's attorney duly authorized in writing upon surrender thereof together with a written instrument of transfer satisfactory to the Registrar duly executed and guaranteed by the Holder or such Holder's duly authorized attorney. Upon the transfer of the Note, the Issuer shall issue, and cause to be authenticated, in the name of the transferee a new Note. The Issuer, the Registrar and any Paying Agent or fiduciary of the Issuer may deem and treat the Person in whose name the Note shall be registered upon the books of the Issuer as the absolute owner of the Note, whether the Note shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal and interest on the Note and for all other purposes, and all such payments so made to any such Holder or upon such Holder's order shall be valid and effectual to satisfy and discharge the liability upon the Note to the extent of the sum or sums so paid and neither the Issuer nor the Registrar nor any Paying Agent or other fiduciary of the Issuer shall be affected by any notice to the contrary.

Any Note surrendered in any such transfers shall be cancelled by the Registrar. For every such transfer of the Note, the Issuer may make a charge sufficient to reimburse it for any tax, fee, expense or other governmental charge required to be paid with respect to such

transfer. The Issuer shall not be obligated to make any such transfer of the Note during the five (5) days next preceding a payment date on the Note or, in the case of any proposed redemption of the Note, during the five (5) days next preceding the redemption date established for the Note.

Section 2.7 Form of Note.

The Note shall be in substantially the following form with such omissions, insertions and variations as may be necessary and/or desirable and approved by the Chair or the Clerk prior to the issuance thereof (which necessity and/or desirability and approval shall be evidenced conclusively by the Issuer's delivery of the Note to the Purchaser):

\$4,701,000

\$4,701,000

ST. JOHNS COUNTY COMMUNITY REDEVELOPMENT AGENCY
 REDEVELOPMENT REVENUE REFUNDING NOTE
 (FLAGLER ESTATES PROJECT), SERIES 2011

Registered Holder: SUNTRUST BANK

Principal Amount: FOUR MILLION SEVEN HUNDRED ONE THOUSAND DOLLARS

KNOW ALL MEN BY THESE PRESENTS, that St. Johns County Community Redevelopment Agency, a public community redevelopment agency created and existing under and by virtue of the laws of the State of Florida (the "Issuer"), for value received, hereby promises to pay, solely from the sources of payment hereinafter described, to the Registered Holder identified above, or registered assigns as hereinafter provided, the Principal Amount identified above in annual installments on the dates and in the amounts set forth in the following amortization schedule:

<u>Date</u>	<u>Installment</u>
August 1, 2012	\$491,000
August 1, 2013	437,000
August 1, 2014	441,000
August 1, 2015	450,000
August 1, 2016	459,000
August 1, 2017	466,000
August 1, 2018	473,000
August 1, 2019	485,000
August 1, 2020	495,000
August 1, 2021	504,000

and interest (calculated on the basis of a 360-day of twelve 30-day months) on such Principal Amount from the date hereof or from the most recent interest payment date to which interest has been paid, at the rate per annum determined in the manner hereinafter provided, on February 1, and August 1 of each year, commencing February 1, 2012, until such Principal Amount shall

have been paid or provided for, except as the provisions hereinafter set forth with respect to redemption prior to maturity may be or become applicable hereto.

The interest rate on this note shall be payable at the rate of 1.80% per annum, provided, however, the interest rate on this note will be subject to adjustment from the date of issuance of this note as follows:

(a) In the event of a Determination of Taxability (as hereinafter defined), the interest rate on this note shall be immediately increased (effective retroactively to the date of the Determination of Taxability) to the Taxable Rate (as hereinafter defined). In such an event, the Issuer shall pay to the Registered Holder the sum of (i) an amount equal to the difference between the (x) the amount of interest paid on this note during the Taxable Period (as hereinafter defined) and (y) the amount of interest that would have been paid on this note during the Taxable Period had this note borne interest at the Taxable Rate, plus (ii) an amount equal to any interest, penalties on overdue interest and additions to tax (as referred to Subchapter A of Chapter 68 of the Internal Revenue Code of 1986, as amended) owed by the Registered Holder as a result of the Determination of Taxability.

(b) The interest rate on this note is subject to change in the event of a change in applicable tax law, including, without limitation, the corporate tax rate of thirty-five percent (35%). In the event of such change, the Registered Holder may adjust the interest rate to result in the same yield prior to such change upon providing such calculations in writing to the Issuer. The calculations and new interest rate shall be binding on the Issuer absent manifest error.

(c) If any law, regulation, rule, guideline, directive or treaty (including but not limited to promulgations under the Dodd Frank Wall Street Reform and Consumer Protection Act, the Bank for International Settlements, the Basel Committee on Banking Supervision or any successor or similar entities) regardless of the date is enacted, adopted or issued effects a change (including by interpretation or application) that increases the cost to the Registered Holder of holding this note, then the interest rate on this note may be adjusted to cause the yield on this note to equal what the yield on this note would have been in the absence of such change, provided that at such time the Registered Holder is generally assessing such amounts on a non-discriminatory basis against borrowers with debt held by the Registered Holder similar to this note; provided further, such change in interest rate shall not be effective until the Registered Holder delivers to the Issuer a certificate no less than 90 calendar days in advance of the effective date of such interest rate change setting forth in reasonable detail the basis therefor and the manner of calculation thereof which certificate shall be conclusive (absent manifest error) as to the amount set forth therein and such calculation shall also take into account any changes which decrease the cost to the Registered Holder of holding this note. Upon receipt of the above, the Issuer may request the Registered Holder (provided, the Registered Holder is under no obligation to grant such request) to delay all or a portion of the interest payment attributable to the increased interest rate until the first payment date occurring in the fiscal year following the fiscal year of the change described above (the "Transition Date"), then in such case on the Transition Date, the Issuer shall pay to the Registered Holder an amount equal to the difference between (i) the amount of interest actually paid on this note from the effective date of the interest rate change to the Transition Date, and (ii) the amount of interest that would have been paid on this note during such period had this note borne interest and been paid at the increased interest

rate. Notwithstanding the above, no such change in interest rate pursuant to the foregoing provisions shall take place if such increase in cost to the Registered Holder of holding this note is solely a result of a deterioration of the financial condition of the Registered Holder and/or a rating downgrade of the Registered Holder.

As used herein the following terms shall have the following meanings:

(a) "Determination of Taxability" shall mean the circumstance of interest paid or payable on this note becoming includable for federal income tax purposes in the gross income of the Registered Holder as a consequence of any act, omission or event whatsoever and regardless of whether the same was within or beyond the control of the Issuer. A Determination of Taxability will be deemed to have occurred upon (i) the receipt by the Issuer or the Registered Holder of an original or a copy of an Internal Revenue Service Technical Advice Memorandum or Statutory Notice of Deficiency or other official correspondence from the Internal Revenue Service which concludes that any interest payable on this note is includable in the gross income of the Registered Holder, (ii) the issuance of any public or private ruling of the Internal Revenue Service that any interest payable on this note is includable in the gross income of the Registered Holder or (iii) receipt by the Issuer or the Registered Holder of an opinion of Bond Counsel that any interest on this note has become includable in the gross income of the Registered Holder for federal income tax purposes. For all purposes of this definition, a Determination of Taxability will be deemed to occur on the date as of which the interest on this note is deemed includable in the gross income of the Registered Holder. A Determination of Taxability shall not occur in the event such interest is taken into account in determining adjusted current earnings for the purpose of the alternative minimum income tax imposed on corporations.

(b) "Taxable Period" shall mean the period commencing upon the date of the Determination of Taxability and ending on the date this note begins to bear interest at the Taxable Rate;

(c) "Taxable Rate" shall mean, upon a Determination of Taxability, the interest rate per annum that shall provide the Registered Holder with the same after tax yield that the Registered Holder would have otherwise received had the Determination of Taxability not occurred taking into account the increased taxable income of the Registered Holder as a result of such Determination of Taxability.

Notwithstanding the foregoing, the interest rate payable on this note shall not exceed the maximum nonusurious contract rate of interest allowed from time to time by applicable law.

Such Principal Amount and interest on this note are payable in any coin or currency of the United States of America which, on the respective dates of payment thereof, shall be legal tender for the payment of public and private debts at the office of Clerk of the Issuer, as paying agent, or such other paying agent as the Issuer shall hereafter duly appoint (the "Paying Agent"). Payment of each installment of principal and interest shall be made to the person in whose name this note shall be registered on the registration books of the Issuer maintained by Clerk of the Issuer, as registrar, or such other registrar as the Issuer shall hereafter duly appoint (the "Registrar"), at the close of business on the date which shall be the last day (whether or not a

business day) of the calendar month next preceding each payment date and shall be (except for the final payment of principal and interest which shall be paid only upon presentation and surrender of this note at the office of the Paying Agent) paid by a check or draft of the Issuer or the Paying Agent mailed to such Registered Holder at the address appearing on such registration books or, at the option of the Issuer or the Paying Agent, and at the request and expense of such Registered Holder, by bank wire transfer for the account of such Holder. In the event principal and interest payable on this note is not punctually paid or duly provided for by the Issuer on such payment date, payment of each installment of such defaulted principal and interest shall be made to the person in whose name this note shall be registered at the close of business on a special record date for the payment of such defaulted principal and interest as established by notice to such Registered Holder, not less than ten (10) days preceding such special record date.

This note is issued to refund the Issuer's outstanding Redevelopment Revenue and Refunding Note (Flagler Estates Project), Series 2007, which was issued to finance and refinance the cost of paving certain public roads located within the boundaries of the Flagler Estates Community Redevelopment Area and the Flagler Estates Road and Water Control District (the "District"), which roads were constructed and are owned and maintained by the District, under the authority of and in full compliance with the Constitution and laws of the State of Florida, particularly Chapter 163, Part III, Florida Statutes, as amended, and other applicable provisions of law (the "Act"), and Resolution No. 2011-____ duly adopted by the Issuer on December ____, 2011 (the "Resolution"), and the Amended and Restated Interlocal Agreement dated January 22, 2007, between the Issuer and the District, as amended and supplemented, and is subject to all the terms and conditions of the Resolution and said Interlocal Agreement.

This note is issued in connection with community redevelopment, as defined in the Act, and pursuant to the Act, this note shall be conclusively deemed to have been issued for such purpose, and the projects financed and refinanced with the proceeds of this note shall be conclusively deemed to have been planned, located and carried out in accordance with the provisions of the Act.

The principal of, premium, if any, and interest on this note are payable solely from and secured by a lien upon and a pledge of the Tax Increment Revenues (as defined in the Resolution), the County Support Payments (as defined in the Resolution) and, until applied in accordance with the provisions of the Resolution, the proceeds of this note and all moneys, including investments thereof, in the funds established pursuant to the Resolution, all in the manner and to the extent described in the Resolution (collectively, the "Pledged Funds"). It is expressly agreed by the Registered Holder of this note that the full faith and credit of neither the Issuer, St. Johns County, the State of Florida, nor any political subdivision thereof, is pledged to the payment of the principal of or interest on this note and that the Registered Holder shall never have the right to require or compel the exercise of any taxing power of the Issuer, St. Johns County, the State of Florida, or any political subdivision thereof, to the payment of such principal and interest. The Issuer has no taxing power. This note and the obligation evidenced hereby shall not constitute a lien upon any property of the Issuer, except the Pledged Funds, and shall be payable solely from the Pledged Funds in accordance with the terms of the Resolution.

Neither the members of the Issuer nor any person executing this note shall be liable personally hereon or be subject to any personal liability or accountability by reason of the issuance hereof.

This note may be redeemed prior to maturity in whole or in part on any date, at the price of par, with interest to the date of redemption; provided however that the Issuer may be required to pay the Registered Holder a prepayment fee determined in the following manner:

The prepayment fee shall be equal to the present value of the difference between (a) the amount that would have been realized by the Registered Holder on the prepaid amount for the remaining term of this note at the Federal Reserve H.15 Statistical Release rate for fixed-rate payers in interest rate swaps for a term corresponding to the term of this note, interpolated to the nearest month, if necessary, that was in effect three business days prior to the date of issuance of this note and (b) the amount that would be realized by the Registered Holder reinvesting such prepaid funds for the remaining term of this note at the Federal Reserve H.15 Statistical Release rate for fixed-rate payers in interest rate swaps, interpolated to the nearest month, that was in effect three business days prior to the prepayment date; both discounted at the same interest rate utilized in determining the applicable amount in (b) above. Should such present value have no value or a negative value, the Issuer may prepay with no prepayment fee. Should the Federal Reserve no longer release rates for fixed-rate payers in interest rate swaps, the Registered Holder may substitute the Federal Reserve H.15 Statistical Release with another similar index. The Registered Holder shall provide the Issuer with a written statement explaining the calculation of the prepayment fee due, which statement shall, in absence of manifest error, be conclusive and binding.

Notice of redemption, unless waived, is to be given by the Registrar by mailing an redemption notice by first class mail, postage prepaid, at least two (2) business days prior to the date fixed for redemption to the Registered Holder at such Holder's address shown on the registration books maintained by the Registrar or at such other addresses as shall be furnished in writing by the Registered Holder to the Registrar. Notice of redemption having been given as aforesaid, this note or the portion thereof to be redeemed shall, on the redemption date, become due and payable at the redemption price specified, and from and after such date (unless the Issuer shall default in the payment of the redemption price) this note or such portion shall cease to bear interest.

This note is and has all the qualities and incidents of a negotiable instrument under the laws of the State of Florida, but may be transferred only in accordance with the terms of the Resolution only upon the books of the Issuer kept for that purpose at the office of the Registrar by the Registered Holder in person or by such Holder's attorney duly authorized in writing, upon the surrender of this note together with a written instrument of transfer satisfactory to the Registrar duly executed by the Registered Holder or such Holder's attorney duly authorized in writing, and thereupon a new note shall be issued to the transferee in exchange therefor, and upon the payment of the charges, if any, prescribed in the Resolution. The Issuer, the Registrar and any Paying Agent may treat the Registered Holder of this note as the absolute owner hereof for all purposes, whether or not this note shall be overdue, and shall not be affected by any notice to the contrary. The Issuer and the Registrar shall not be obligated to make any transfer of this note during the five (5) days next preceding a payment date, or in the case of any

proposed redemption of this note, during the five (5) days next preceding the redemption date established therefor.

It is hereby certified and recited that all acts, conditions and things required to exist, to happen and to be performed precedent to and in connection with the issuance of this note, exist, have happened and have been performed, in regular and due form and time as required by the Constitution and laws of the State of Florida applicable thereto, and that the issuance of this note does not violate any constitutional or statutory limitations or provisions.

IN WITNESS WHEREOF, the St. Johns County Community Redevelopment Agency has issued this note and has caused the same to be executed by its Chair and attested and countersigned its Clerk, all as of the ____ day of December, 2011.

ST. JOHNS COUNTY COMMUNITY
REDEVELOPMENT AGENCY

By: _____
Its Chair

ATTESTED AND COUNTERSIGNED:

Its Clerk

ARTICLE 3

REDEMPTION AND PREPAYMENT OF NOTE

Section 3.1 Privilege of Redemption.

The Note may be redeemed prior to maturity in whole or in part on any date, at the price of par, with interest to the date of redemption; provided however that the Issuer may be required to pay the Holder of the Note a prepayment fee determined in the manner described in the Note.

Section 3.2 Notice of Redemption.

Unless waived by the Holder of the Note, notice of any redemption made pursuant to this Section 3.2 shall be given by the Registrar on behalf of the Issuer by mailing a copy of a redemption notice by first class mail, postage prepaid, at least two (2) business days prior to the date fixed for redemption to the Noteholder at the address of such holder shown on the registration books maintained by the Registrar or at such other address as shall be furnished in writing by such holder to the Registrar.

Section 3.3 Payment of Redeemed Note.

Notice of redemption having been given substantially as aforesaid, the Note or portion thereof to be redeemed shall, on the redemption date, become due and payable and from and after such date (unless the Issuer shall default in the payment) the Note or portion thereof shall cease to bear interest.

ARTICLE 4

SECURITY, SPECIAL FUNDS AND
APPLICATION THEREOF

Section 4.1 Note not to be Indebtedness of Issuer.

The Note shall not be or constitute a general obligation or indebtedness of the Issuer as a "bond" within the meaning of any constitutional or statutory provision, but shall be special obligations of the Issuer, payable solely from and secured by a lien upon and pledge of the Pledged Funds in accordance with the terms of this Resolution. No Holder shall ever have the right to compel the exercise of the ad valorem taxing power of the Issuer to pay such Note or shall be entitled to payment of the Note from any moneys of the Issuer except the Pledged Funds, in the manner provided herein. The Issuer has no taxing power.

Section 4.2 Security for Note.

The payment of the principal of and interest on the Note shall be secured forthwith by a pledge of and lien upon the Pledged Funds. The Pledged Funds shall be subject to the lien of this pledge immediately upon the issuance and delivery of the Note, without any physical delivery by the Issuer of the Pledged Funds or further act, and the lien of this pledge shall be valid and binding as against all parties having claims of any kind against the Issuer, in tort, contract or otherwise. The Issuer does hereby irrevocably pledge the Pledged Funds to the payment of the principal and interest on the Note in the manner provided in this Resolution.

Section 4.3 Project Fund.

Upon the issuance of Additional Obligations for the purpose of financing a Project, the Issuer covenants and agrees to establish a separate fund with an Authorized Depository to be known as the "St. Johns County Community Redevelopment Agency Project Fund," which shall be used only for the purpose of receiving the proceeds to be derived from the sale and delivery of the Additional Obligations and of payment therefrom of the items of the Cost of the Project. Moneys in the Project Fund, until applied in payment of any item of the Cost of the Project in the manner hereinafter provided, shall be held in trust by the Issuer and shall be subject to a lien and charge in favor of the Noteholder and for the further security of the Noteholder.

There shall be paid into the Project Fund the amounts required to be so paid by the provisions of this Resolution or any resolution supplemental hereto, and there may be paid into the Project Fund, at the option of the Issuer, any moneys received for or in connection with a Project by the Issuer from any other source.

The Issuer shall make disbursements or payments from the Project Fund to pay the Cost of the Project upon the filing with the Clerk of documents and/or certificates signed by the authorized officer of the Issuer or the District stating with respect to each disbursement or payment to be made: (1) the item number of the payment, (2) the name and address of the Person to whom payment is due, (3) the amount to be paid, (4) the purpose, by general classification, for which payment is to be made, and (5) that (A) each obligation, item of cost or expense mentioned therein has been properly incurred, is in payment of a part of the Cost of the Project and is a proper charge against the Project Fund and has not been the basis of any previous disbursement or payment, or (B) each obligation, item of cost or expense mentioned therein has been paid by the Issuer or the District, is a reimbursement of a part of the Cost of the Project, is a proper charge against the Project Fund, has not been theretofore reimbursed to the Issuer or the District or otherwise been the basis of any previous disbursement or payment and the Issuer or the District is entitled to reimbursement thereof. The Clerk shall be entitled to conclusively rely upon all such documents and/or certificates of the Issuer or the District and shall retain the same for seven (7) years from the dates of such documents and/or certificates.

Notwithstanding any of the other provisions of this Section 4.3, to the extent that other moneys are not available therefor, amounts in the Project Fund shall be applied to the payment of principal and interest on Note when due.

The date of completion of a Project shall be determined by the an authorized officer of the Issuer or the District who shall certify such fact in writing to the Governing Body. Promptly after the date of the completion of the Project, and after paying or making provisions for the payment of all unpaid items of the Cost of the Project, the Issuer shall deposit in the following order and priority any balance of moneys remaining in the Project Fund in the Sinking Fund to apply to the next payment due on the Note, or such other fund or account of the Issuer, provided the Issuer has received an opinion of Bond Counsel to the effect that such transfer shall not adversely affect the exclusion of interest on the Note from gross income for federal income tax purposes.

Section 4.4 Sinking Fund.

The Issuer covenants and agrees to establish with an Authorized Depository a separate fund to be known as the "St. Johns County Community Redevelopment Agency Redevelopment Revenue Note Sinking Fund." On or before each date established for payment of any principal of or interest on the Note, the Issuer shall deposit to the credit of the Sinking Fund Tax Increment Revenues and, if Tax Increment Revenues are insufficient, County Support Payments, in an amount sufficient to pay the principal and interest to become due on the Note on such payment date, and on such payment date the Issuer shall withdraw from the Sinking Fund sufficient moneys to pay such principal and interest and deposit such moneys with the Paying Agent for such payment. The amounts remaining on deposit in the Sinking Fund on the day following the respective interest or principal payment may be withdrawn by the Issuer and applied for other lawful purposes. In no event shall any moneys remain on deposit in the Sinking Fund for a period greater than thirteen (13) months.

Section 4.5 Investments.

The Sinking Fund and the Project Fund shall be continuously secured in the manner by which the deposit of public funds are authorized to be secured by the laws of the State. Moneys on deposit in the Sinking Fund and the Project Fund may be invested and reinvested in Authorized Investments maturing not later than the date on which the moneys therein will be needed in the manner herein provided.

Any and all income received by the Issuer from the investment of moneys in the Sinking Fund and the Project Fund shall be retained in such respective fund or account.

All investments shall be valued at cost. Nothing contained in this Resolution shall prevent any Authorized Investments acquired as investments of or security for funds held under this Resolution from being issued or held in book-entry form on the books of the Department of the Treasury of the United States.

The moneys required to be accounted for in any funds established herein may be deposited in a single bank account, and moneys allocated to such funds may be invested in a common investment pool, provided that adequate accounting records are maintained to reflect and control the restricted allocation of the moneys on deposit therein and such investments for the various purposes of such funds as herein provided.

The designation and establishment of any funds in and by this Resolution shall not be construed to require the establishment of any completely independent, self-balancing funds as such term is commonly defined and used in governmental accounting, but rather is intended solely to constitute an earmarking of certain revenues for certain purposes and to establish certain priorities for application of such revenues as herein provided.

ARTICLE 5

OBLIGATIONS AND COVENANTS OF ISSUER

Section 5.1 Issuance of Additional Obligations.

(A) The Issuer covenants and agrees that it will not issue any other obligations payable from or secured by the Pledged Funds or any part thereof unless the conditions hereinafter set forth shall be met, or unless the lien of such obligations is junior and subordinate in all respects to the lien of the Note.

(B) The Issuer shall have the right, with the consent of the County, to finance a Project in accordance with the Act, by the issuance of one or more additional series of obligations to be secured by a parity lien on and ratably payable from the Tax Increment Revenues and any other security pledged to the Note, provided in each instance that:

(1) The Issuer is in compliance with all covenants and undertakings of the Issuer (i) herein contained, in connection with the Note and (ii) made with respect to any other obligations of the Issuer payable from the Tax Increment Revenues or any part thereof, including

its obligations under the Reimbursement Agreement, and has not been in default as to any payments required to be made under this Resolution during at least the next preceding 24 months, or if at such time the Note shall not have been outstanding for 24 months then for the period that the Note shall have been outstanding.

(2) There shall have been obtained and filed with the Issuer, and copied to the Purchaser, a statement of an independent certified public accountant of suitable experience and responsibility: (a) stating that such accountant has examined the books and records of the Issuer relating to the collection and receipt of the Tax Increment Revenues; (b) setting forth the amount of the Tax Increment Revenues received by the Issuer for any twelve (12) consecutive month period within the twenty-four (24) consecutive months immediately preceding the date of the issuance of the additional parity obligations with respect to which such statement is made; and (c) stating that the aggregate amount of the Tax Increment Revenues for such twelve (12) consecutive month period equals or exceeds one hundred twenty-five per centum (125%) of the Debt Service Requirement and for the payment of the principal of and interest on, the Note, all additional parity obligations previously issued then outstanding and the additional parity obligations with respect to which such statement is made.

If desirable, the Tax Increment Revenues for such preceding twelve (12) month period may be adjusted by such accountant to reflect for such period any increases in the Tax Increment Revenues which shall have been established subsequent to the date of commencement of such period and prior to the date of such statement.

The Issuer hereby covenants and agrees that in the event additional series of parity obligations are issued, it will provide that said parity obligations shall mature according to a schedule which most closely approximates level debt service of combined principal and interest payments for such parity obligations and all other obligations payable from the Tax Increment Revenues; it will adjust the required deposits into the Sinking Fund on the same basis as hereinabove prescribed, to reflect the Debt Service Requirement on the additional parity obligations; and it will make such additional parity obligations payable as to principal on August 1 of each year in which principal falls due and payable as to interest on February 1 and August 1 of each year. If in any subsequently issued series of obligations secured by a parity lien on the Tax Increment Revenues it is provided that excess revenues shall be used to redeem obligations in advance of scheduled maturity, or if the Issuer at its option undertakes to redeem outstanding obligations in advance of scheduled maturity, the Issuer covenants that calls of obligations will be applied to each series of obligations on an equal pro rata basis (reflecting the proportion that the amount originally issued of each series bears to the amount originally issued of each of the other series) to the extent that this may be accomplished in accordance with the call provisions of the respective bond series, but the Issuer shall have the right to call any or all outstanding obligations which may be called at par prior to calling any obligations that are callable at a premium.

Section 5.2 Books and Records.

The Issuer will keep books, records and accounts of the receipt of the Pledged Funds in accordance with generally accepted accounting principles, and the Holder or the duly

authorized representatives thereof shall have the right at all reasonable times to inspect all books, records and accounts of the Issuer relating thereto. The Issuer will deliver to the Holder its annual budget within 30 days of its adoption and its comprehensive annual financial report within 45 days of receipt thereof from its auditors but no later than 270 days after the end of each fiscal year of the Issuer.

Section 5.3 No Impairment.

The pledging of the Pledged Funds in the manner provided herein shall not be subject to repeal, modification or impairment by any subsequent ordinance, resolution or other proceedings of the Governing Body. The Issuer is presently entitled to receive tax increment revenues to be deposited in the Trust Account, and has taken all action required by law to entitle it to receive such revenues, and the Issuer will diligently enforce the obligation of any "taxing authority," as defined in Section 163.340(2), Florida Statutes, as amended, to appropriate its proportionate share of the tax increment revenues and will not take, or consent to or adversely permit, any action which will impair or adversely affect the obligation of each such taxing authority to appropriate its proportionate share of such revenues, impair or adversely affect in any manner the deposit of such revenues in the Trust Account, or the pledge of the Tax Increment Revenues hereby. The Issuer shall be unconditionally and irrevocably obligated so long as the Note is outstanding to take all lawful action necessary or required in order to ensure that each such taxing authority shall appropriate its proportionate share of the tax increment revenues as now or later required by law, and to make or cause to be made any deposits of tax increment revenues or other funds required by this Resolution.

Section 5.4 Federal Income Tax Covenants.

(A) The Issuer covenants with the Holder that it shall not use the proceeds of the Note in any manner which would cause the interest on Note to be or become includable in the gross income of the Holder thereof for federal income tax purposes.

(B) The Issuer covenants with the Holders that neither the Issuer nor any Person under its control or direction will make any use of the proceeds of the Note (or amounts deemed to be proceeds under the Code) in any manner which would cause the Note to be an "arbitrage bond" within the meaning of Section 148 of the Code, and neither the Issuer nor any such other Person shall do any act or fail to do any act which would cause the interest on the Note to become includable in the gross income of the Holder thereof for federal income tax purposes.

(C) The Issuer hereby covenants with the Holder that it will comply with all provisions of the Code necessary to maintain the exclusion of interest on the Note from the gross income of the Holder thereof for federal income tax purposes, including, in particular, the payment of any amount required to be rebated to the United States Treasury pursuant to the Code.

Section 5.5. Supplemental Resolutions.

The Issuer, from time to time and at any time, may adopt such Supplemental Resolutions without the consent of the Noteholder (which Supplemental Resolution shall thereafter form a part hereof) for any of the following purposes:

(A) To cure any ambiguity or formal defect or omission or to correct any inconsistent provisions in this Resolution or to clarify any matters or questions arising hereunder.

(B) To grant to or confer upon the Noteholder any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the Noteholder.

(C) To add to the covenants and agreements of the Issuer in this Resolution other covenants and agreements thereafter to be observed by the Issuer or to surrender any right or power herein reserved to or conferred upon the Issuer.

(D) To specify and determine at any time prior to the first delivery of the Note the matters and things referred to in Section 2.2 hereof, and also any other matters and things relative to the Note which are not contrary to or inconsistent with this Resolution as theretofore in effect, or to amend, modify or rescind any such authorization, specification or determination.

(E) To authorize a Project or to change or modify the description of a Project.

(F) To authorize Additional Obligations.

(G) To make any other change that would not materially adversely affect the security for the Note.

Subject to the terms and provisions contained in this Section 5.5 hereof, the Holder of the Note shall have the right, from time to time, anything contained in this Resolution to the contrary notwithstanding, to consent to and approve the adoption of such Supplemental Resolution or Resolutions hereto as shall be deemed necessary or desirable by the Issuer for the purpose of supplementing, modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in this Resolution. Nothing herein contained, however, shall be construed as making necessary the approval by the Noteholder of the adoption of any Supplemental Resolution as authorized in the first paragraph of this Section 5.5.

If at any time the Issuer shall determine that it is necessary or desirable to adopt any Supplemental Resolution pursuant to the second paragraph of this Section 5.5, the Clerk shall cause the Registrar to give notice of the proposed adoption of such Supplemental Resolution and the form of consent to such adoption to be mailed, postage prepaid, to the Noteholder at its address as it appears on the registration books. Such notice shall briefly set forth the nature of the proposed Supplemental Resolution and shall include a copy thereof. Whenever the Issuer shall deliver to the Clerk an Resolution in writing purporting to be executed by the Holder, which Resolution or Resolutions shall refer to the proposed Supplemental Resolution described in such notice and shall specifically consent to and approve the adoption

thereof in substantially the form of the copy thereof referred to in such notice, thereupon, but not otherwise, the Issuer may adopt such Supplemental Resolution in substantially such form.

Upon the adoption of any Supplemental Resolution pursuant to the provisions of this Section 5.5, this Resolution shall be deemed to be modified and amended in accordance therewith, and the respective rights, duties and obligations under this Resolution of the Issuer and the Holder shall thereafter be determined, exercised and enforced in all respects under the provisions of this Resolution as so modified and amended.

ARTICLE 6

DEFAULTS AND REMEDIES

Section 6.1 Events of Default.

The following events shall each constitute an "Event of Default" hereunder:

(A) Default shall be made in the payment of the principal of or interest on the Note when due.

(B) There shall occur the dissolution or liquidation of the Issuer, or the filing by the Issuer of a voluntary petition in bankruptcy, or the commission by the Issuer of any act of bankruptcy, or adjudication of the Issuer as a bankrupt, or assignment by the Issuer for the benefit of its creditors, or appointment of a receiver for the Issuer, or the entry by the Issuer into an agreement of composition with its creditors, or the approval by a court of competent jurisdiction of a petition applicable to the Issuer in any proceeding for its reorganization instituted under the provisions of the Federal Bankruptcy Act, as amended, or under any similar act in any jurisdiction which may now be in effect or hereafter enacted.

(C) The Issuer shall default in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained in the Note or in this Resolution on the part of the Issuer to be performed, and such default shall continue for a period of thirty (30) days after written notice of such default shall have been received from the Holder. Notwithstanding the foregoing, the Issuer shall not be deemed in default hereunder if such default can be cured within a reasonable period of time and if the Issuer in good faith institutes curative action and diligently pursues such action until the default has been corrected.

Section 6.2 Remedies.

The Holder may either at law or in equity, by suit, action, mandamus or other proceedings in any court of competent jurisdiction, protect and enforce any and all rights under the laws of the State, or granted and contained in this Resolution, and may enforce and compel the performance of all duties required by this Resolution or by any applicable statutes to be performed by the Issuer or by any officer thereof.

Section 6.3 Remedies Cumulative.

No remedy herein conferred upon or reserved to the Noteholder is intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative, and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute.

Section 6.4 Waiver of Default.

No delay or omission of the Noteholder to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default, or an acquiescence therein; and every power and remedy given by Section 6.2 of this Resolution to the Noteholder may be exercised from time to time, and as often as may be deemed expedient.

ARTICLE 7

MISCELLANEOUS

Section 7.1 County Approval; Sale of Note.

The Board of County Commissioners of the County (the "Board") is hereby requested to adopt the County Resolution and approve the issuance of the Note by the Issuer, and the Issuer hereby recommends the Note for such approval by the Board. Subject to the approval by the Board and the adoption of the County Resolution, the Note is hereby sold and awarded to the Purchaser at the price of par and maturing, bearing interest at the rates and having such other terms as are stated in the form of the Note set out in Section 2.7 hereof.

Section 7.2 Designation of Note.

For purposes of qualifying the Note for the exception contained in Section 265(b)(3) of the Code to the provisions of Section 265(b) of the Code which deny financial institutions any deduction for interest expense allocable to tax-exempt obligations acquired after August 7, 1986, the Issuer hereby designates the Note for such exception.

Section 7.3 General Authority.

The members of the Governing Body and the Issuer's officers, attorneys and other agents and employees are hereby authorized to do all acts and things required of them by this Resolution or desirable or consistent with the requirements hereof for the full, punctual and complete performance of all of the terms, covenants and agreements contained in the Note and this Resolution, and they are hereby authorized to execute and deliver all documents which shall be required by Bond Counsel, the County or the Purchaser to effectuate the sale of the Note to the Purchaser.

Section 7.4 No Personal Liability.

No representation, statement, covenant, warranty, stipulation, obligation or agreement herein contained, or contained in the Note, or in any certificate or other instrument to be executed on behalf of the Issuer in connection with the issuance of the Note, shall be deemed to be a representation, statement, covenant, warranty, stipulation, obligation or agreement of any member of the Governing Body, officer, employee or agent of the Issuer in his or her individual capacity, and none of the foregoing persons nor any officer of the Issuer executing the Note, or any certificate or other instrument to be executed in connection with the issuance of the Note, shall be liable personally thereon or be subject to any personal liability or accountability by reason of the execution or delivery thereof.

Section 7.5 No Third Party Beneficiaries.

Except such other Persons as may be expressly described herein or in the Note, nothing in this Resolution, or in the Note, expressed or implied, is intended or shall be construed to confer upon any Person other than the Issuer and the Holder any right, remedy or claim, legal or equitable, under and by reason of this Resolution or any provision hereof, or of the Note, all provisions hereof and thereof being intended to be and being for the sole and exclusive benefit of the Issuer and the Persons who shall from time to time be the Holder.

Section 7.6 Severability of Invalid Provisions.

If any one or more of the covenants, agreements or provisions of this Resolution shall be held contrary to any express provision of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separable from the remaining covenants, agreements and provisions of this Resolution and shall in no way affect the validity of any of the other covenants, agreements or provisions hereof or of the Note issued hereunder.

Section 7.7 Waiver of Jury Trial.

To the extent permitted by applicable law, each of the Issuer and the Holder, knowingly, voluntarily and intentionally waives any right each may have to a trial by jury in respect of any litigation based on, or arising out of, under or in connection with this Resolution, the Note or any agreement contemplated to be executed in connection with this Resolution, or any course of conduct, course of dealing, statements (whether verbal or written) or actions of any party with respect hereto.

Section 7.8 Repeal of Inconsistent Resolutions.

All resolutions or parts thereof in conflict herewith are hereby superseded and repealed to the extent of such conflict.

Section 7.9 Table of Contents and Headings not Part Hereof.

The Table of Contents preceding the body of this Resolution and the headings preceding the several articles and sections hereof shall be solely for convenience of reference and shall not constitute a part of this Resolution or affect its meaning, construction or effect.

Section 7.10 Effective Date.

This Resolution shall take effect immediately upon its adoption.

PASSED, APPROVED AND ADOPTED this sixth day of December, 2011.

ST. JOHNS COUNTY COMMUNITY
REDEVELOPMENT AGENCY

ATTEST:

Its Chair

Its Clerk

EXHIBIT A
INTERLOCAL AGREEMENT ADDENDUM

INTERLOCAL AGREEMENT ADDENDUM

This Interlocal Agreement Addendum (this "Addendum") is entered into on December 8, 2011, by and between ST. JOHNS COUNTY COMMUNITY REDEVELOPMENT AGENCY, a Florida public community redevelopment agency (the "Agency"), and FLAGLER ESTATES ROAD AND WATER CONTROL DISTRICT, a Florida independent special district (the "District"), supplementing that certain Amended and Restated Interlocal Agreement dated January 22, 2007, by and between the Agency and the District (the "2007 Interlocal Agreement"), which amended and restated in its entirety that certain Interlocal Agreement dated December 16, 2004, by and between the Agency and the District (the "2004 Interlocal Agreement" and, together with the 2007 Interlocal Agreement and this Addendum, the "Interlocal Agreement").

WITNESSETH:

WHEREAS, the Board of County Commissioners of St. Johns County, Florida (the "County"), by the adoption of its Resolution No. 2002-185 established the boundaries of the Flagler Estates Community Redevelopment Area and by the adoption of its Resolution No. 2002-208 incorporated the boundary areas of the Flagler Estates Community Redevelopment Area into the Agency and approved the community redevelopment plan for the Flagler Estates Community Redevelopment Area; and

WHEREAS, pursuant to Chapter 98-528, Laws of Florida, as amended, and Chapter 298, Florida Statutes, as amended, the District is authorized to, among other things, construct, own and maintain public streets, roadways and roads within the boundaries of the District; and

WHEREAS, pursuant to Resolution No. 2004-8 adopted December 2, 2004, the District determined to undertake a project consisting of the paving of certain public roads within the District and the Flagler Estates Community Redevelopment Area (the "2004 Project"), and requested the assistance of the Agency in financing the 2004 Project; and

WHEREAS, the Agency issued its \$1,000,000 Redevelopment Revenue Note (Flagler Estates Project), Series 2004 (the "Series 2004 Note"), pursuant to Resolution No. 2004-3 of the Agency adopted December 15, 2004 (the "2004 Note Resolution"), to finance the cost of the 2004 Project and the costs of issuance relating to the Series 2004 Note; the County approved the issuance of the Series 2004 Note by the Agency pursuant to Resolution No. 2004-376 of the County adopted December 15, 2004; and the District and the Agency entered into 2004 Interlocal Agreement; and

WHEREAS, pursuant to Resolution No. 2006-12 adopted October 5, 2006, the District determined to undertake another project consisting of the paving of certain public roads within the District and the Flagler Estates Community Redevelopment Area (the "2007 Project"), and requested that the Agency finance the 2007 Project and refund the Series 2004 Note in connection therewith and provide the District with a grant of the proceeds of said financing for the construction of the 2007 Project; and

WHEREAS, the Agency issued its \$6,000,000 Redevelopment Revenue and Refunding Note (Flagler Estates Project), Series 2007 (the "Series 2007 Note"), pursuant to Resolution No. 2007-2 of the Agency adopted January 9, 2007 (the "2007 Note Resolution"), to finance the cost of the 2007 Project, refund the Series 2004 Note and pay the costs of issuance relating to the Series 2007 Note; and the County approved the issuance of the Series 2007 Note by the Agency pursuant to Resolution No. 2007-12 of the County adopted January 9, 2007; and

WHEREAS, the Agency proposes to issue its Redevelopment Revenue Refunding Note (Flagler Estates Project), Series 2011 (the "Series 2011 Note"), authorized to be issued pursuant to Resolution No. 2011-___ of the Agency adopted December 6, 2011 (the "2011 Note Resolution"), to refund the Series 2007 Note and pay the costs of issuance relating to the Series 2011 Note; the County has approved the issuance of the Series 2011 Note by the Agency pursuant to Resolution No. 2011-___ of the County adopted December 6, 2011; and SunTrust Bank proposes to purchase the Series 2011 Note; and

WHEREAS, pursuant to the 2011 Note Resolution, the Agency will pay debt service on the Series 2011 Note from the Pledged Funds (as defined in the 2011 Note Resolution); and

WHEREAS, the parties hereto desire to enter into this Addendum in order to provide for the refunding of the Series 2007 Note and the issuance of the Series 2011 Note; and Section 163.01, Florida Statutes, as amended, authorizes the Agency and the District to enter into this Addendum;

NOW, THEREFORE, in consideration of the mutual promises set forth herein, the parties agree as follows:

SECTION 1. Incorporation of Recitals. The above set forth recitals are hereby incorporated into the terms of this Agreement.

SECTION 2. Additional District and Agency Contributions.

(A) The District will continue to be responsible for the ownership, maintenance and operation of the roadways refinanced with the proceeds of the Series 2011 Note as public roads without any recourse to or assistance from the Agency.

(B) The District will not knowingly take any action or omit to take any action that would cause the interest on the Series 2011 Note to be or become includable in the gross income of the holder thereof for federal income tax purposes. Prior to the final maturity date of the Series 2011 Note, the District does not reasonably expect to sell or otherwise dispose of any portion of the facilities financed or refinanced by the Series 2011 Note, except for items disposed of in the ordinary course of business due to normal wear, obsolescence or depreciation

(C) The Agency will issue the Series 2011 Note and apply the proceeds thereof in accordance with the 2011 Note Resolution for the purpose of refinancing the costs of the 2007 Project and the 2004 Project by refunding the Series 2007 Note and paying the costs of issuance relating to the Series 2011 Note. Pursuant to the 2011 Note Resolution, the Agency will secure the Series 2011 Note with the Pledged Funds in the manner and to the extent set forth therein.

SECTION 3. Ownership of Roads. Nothing in the Interlocal Agreement shall be construed as transferring ownership of any road, right-of-way or easement to the Agency, the County or any other person. Nor shall it be construed as the Agency or the County accepting the roads, rights-of-way or easements of the District or those owned by any other person or entity into the County maintained system and neither the Agency nor the County will be responsible for any maintenance, repair or liability associated with the subject roads.

SECTION 4. Modification. No modification or amendment of the terms of the Interlocal Agreement shall be valid unless made in writing and executed by the parties hereto.

SECTION 5. Severability. If any provision of the Interlocal Agreement shall be held or deemed to be or shall, in fact, be illegal, inoperative or unenforceable in any context, the same shall not affect any other provision therein or render any other provision (or such provision in any other context) invalid, inoperative or unenforceable to any extent whatever.

SECTION 6. Applicable Provisions of Law. The Interlocal Agreement shall be governed by and construed in accordance with the laws of the State of Florida.

SECTION 7. Rules of Interpretation. Unless expressly indicated otherwise, references to sections or articles are to be construed as references to sections or articles of this instrument as originally executed. Use of the words "herein," "hereby," "hereunder," "hereof," "hereinbefore," "hereinafter" and other equivalent words refer to this Addendum and not solely to the particular portion in which any such word is used.

SECTION 8. Captions. The captions and headings in this Addendum are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Addendum.

SECTION 9. Members of Agency and District Exempt from Personal Liability. No recourse under or upon any obligation, covenant or agreement of the Interlocal Agreement or the Series 2011 Note or for any claim based thereon or otherwise in respect thereof, shall be had against any member of the Agency or the District, as such, past, present or future, either directly or through the Agency, the District or the County, it being expressly understood that (a) no personal liability whatsoever shall attach to, or is or shall be incurred by, the members of the Agency or the District, as such, under or by reason of the obligations, covenants or agreements contained in the Interlocal Agreement or implied therefrom, and (b) any and all such personal liability, either at common law or in equity or by constitution or statute, of, and any and all such rights and claims against, every such member of the Agency or the District, as such, are waived and released as a condition of, and as a consideration for, the execution of this Addendum on the part of the Agency and the District and the issuance of the Series 2011 Note on the part of the Agency.

SECTION 10. Obligations Limited. The obligation to pay to the Series 2011 Note shall not be deemed to constitute a debt of the Agency or the District or a pledge of the faith and credit of the Agency or the District, but the Series 2011 Note shall be payable by the Agency solely from the Pledged Funds as provided in the 2011 Note Resolution.

SECTION 11. Filing of Agreement. It is agreed that this Addendum shall be filed with the Clerk of the Circuit Court of St. Johns County, in accordance with Section 163.01(11), Florida Statutes, as amended, and that this Addendum shall not become effective until so filed.

IN WITNESS WHEREOF, the parties have caused this Addendum to be executed and their signatures to be affixed hereto.

ST. JOHNS COUNTY COMMUNITY
REDEVELOPMENT AGENCY

By: _____
Its Chair

ATTEST:

Its Clerk

FLAGLER ESTATES ROAD AND WATER
CONTROL DISTRICT

By: _____
Its President

ATTEST:

Its Secretary

EXHIBIT B

INTERLOCAL REIMBURSEMENT AGREEMENT

INTERLOCAL REIMBURSEMENT AGREEMENT

This Interlocal Reimbursement Agreement (this "Agreement") is entered into on December __, 2011, by and between ST. JOHNS COUNTY, a political subdivision of the State of Florida (the "County"), and the ST. JOHNS COUNTY COMMUNITY REDEVELOPMENT AGENCY, a Florida public community redevelopment agency (the "Agency").

WITNESSETH:

WHEREAS, pursuant to resolutions of the County, including but not limited to, Resolution No. 2002-185 duly adopted by the County on September 17, 2002, the County determined that one or more slums or blighted areas existed within the County, that the rehabilitation, conservation and redevelopment of the blighted and slum areas was necessary in the interest of the public welfare and that there is a need for a community redevelopment agency to function within the County and carry out the purposes of Chapter 163, Part III, Florida Statutes, as amended (the "Redevelopment Act"); and pursuant to Resolution No. 2002-208 duly adopted by the County on October 8, 2002, the County established the Issuer and all rights, powers, duties, privileges and immunities vested in a community redevelopment agency by the Redevelopment Act were vested in, and shall be exercised by, the member of the Agency; and

WHEREAS, the County by the adoption of its Resolution No. 2002-185, established the boundaries of the Flagler Estates Community Redevelopment Area (the "Redevelopment Area") and, by the adoption of its Resolution No. 2002-108, incorporated the boundary areas of the Redevelopment Area into the Agency and approved the community redevelopment plan for the Redevelopment Area; and

WHEREAS, the County by enacting Ordinance No. 2002-64, which amended Ordinance No. 2001-70 (the "Trust Fund Ordinance"), among other things, created the St. Johns County Community Redevelopment Agency Trust Fund (the "Trust Fund") and created a separate account therein for the Redevelopment Area (the "Flagler Estates Account"), all for the purpose of carrying out redevelopment in the designated redevelopment areas pursuant to the Redevelopment Act; and

WHEREAS, the County enacted the Trust Fund Ordinance and a community redevelopment plan to, among other things, receive and manage tax increment revenues derived from the redevelopment areas; and

WHEREAS, the Agency has heretofore issued and has presently outstanding and unpaid its Redevelopment Revenue and Refunding Note (Flagler Estates Project), Series 2007 (the "Refunded Obligations"); and

WHEREAS, the Agency and the County deem it necessary, desirable and in the best interests of the Agency and the County that the Refunded Obligations be refunded in order to achieve debt service savings; and

WHEREAS, pursuant to Resolution No. 2011-__ adopted by the Agency on December __, 2011 (the "Agency Resolution"), the Agency authorized the issuance of the Agency's

Redevelopment Revenue Refunding Note (Flagler Estates Project), Series 2011 (the "Note"), to refund the Refunded Obligations and requested the County approve the Agency's issuance of the Note and provide a back up covenant to budget and appropriate legally available non-ad valorem revenues of the County to provide for the payment of debt service on the Note in the event the tax increment revenues of the Agency described in the Agency Resolution are insufficient for such payment; and

WHEREAS, pursuant to Resolution No. 2011- ___ adopted by the County on December ___, 2011 (the "County Resolution"), the County determined to approve the issuance of the Note by the Agency and provide such covenant to budget and appropriate, upon the condition that the Agency and the County execute and deliver this Agreement; and

WHEREAS, pursuant to the Agency Resolution, the Agency will pay debt service on the Note from the Tax Increment Revenues (as defined in the Agency Resolution), the County Support Payments (as defined herein and in the Agency Resolution) and, until applied in accordance with the provisions of the Agency Resolution, the proceeds of the Note and all moneys, including investments thereof, in the funds established under the Agency Resolution, all in the manner and to the extent described in the Agency Resolution (the "Pledged Funds"); and

WHEREAS, the Agency will pay to the County Tax Increment Revenues (which Tax Increment Revenues will be derived from the revenues received by the Agency and deposited into the Flagler Estates Account of the Trust Fund pursuant to Redevelopment Act) sufficient to reimburse the County for any portion of the debt service on the Note contributed by the County pursuant to the County Resolution (the "County Support Payments") in the manner hereinafter provided; and

WHEREAS, the parties hereto desire to memorialize the terms under which the Agency will make such payments to the County;

NOW, THEREFORE, in consideration of the mutual promises set forth herein, the parties agree as follows:

1. Incorporation of Recitals. The above set forth recitals are hereby incorporated into the terms of this Agreement.

2. Obligation to Repay County. The Agency shall reimburse the County for all County Support Payments contributed by the County for the benefit of the Agency pursuant to the County Resolution from available Tax Increment Revenues after payment of debt service on the Note in the manner provided herein.

3. Financing.

A. The Agency proposes to issue the Note in accordance with the Agency Resolution for the purpose of, among other things, refunding the Refunded Obligations. Pursuant to the Agency Resolution, the Agency will secure the Note with the Pledged Funds, to the extent set forth therein.

B. The County will adopt the County Resolution for the purpose of approving the Agency's issuance of the Note and agreeing to contribute the County Support Payments. In consideration of the adoption of the County Resolution, the Agency will pay Tax Increment Revenues to the County as described herein.

C. Commencing with the issuance of the Note under the Agency Resolution, the Agency shall deposit or cause to be deposited all Tax Increment Revenues received by the Agency after the date of the issuance of the Note in excess of the amounts needed by the Agency to pay debt service on the Note with the County in amounts sufficient to pay all amounts necessary to reimburse the County for all County Support Payments contributed by it to pay debt service on the Note, together with interest on amounts paid by the County at the rate equal to the true interest cost of the Note from the date paid by the County until and including the date reimbursed by the Agency (the "Agency Reimbursement Obligations").

The obligation to transfer the Tax Increment Revenues to the County to pay the Agency Reimbursement Obligations shall survive the date on which the Note is no longer outstanding under the Agency Resolution.

Any amounts received by the Agency in excess of the amount necessary to pay debt service on the Note and the Agency Reimbursement Obligations as set forth above may be retained by the Agency and used for any lawful purpose of the Agency.

D. In order to secure its indebtedness to the County for the Agency Reimbursement Obligations, the Agency hereby pledges to the County the Tax Increment Revenues which pledge shall be subordinate to the pledge thereon in favor of the Note but otherwise prior and superior to all other pledges thereof; provided, however, that the tax increment revenues which derive from redevelopment areas other than the Flagler Estates Community Redevelopment Area are not pledged in any manner to secure the Note or the Agency Reimbursement Obligations.

E. The Agency is presently entitled to receive tax increment revenues to be deposited in the redevelopment trust fund, and has taken all action required by law to entitle it to receive such revenues, and the Agency will diligently enforce the obligation of any "taxing authority" (as defined in Section 163.340(2), Florida Statutes) to appropriate its proportionate share of the tax increment revenues and will not take, or consent to or permit, any action which will impair or adversely affect the obligation of each such taxing authority to appropriate its proportionate share of such revenues, impair or adversely affect in any manner the deposit of such revenues in the redevelopment trust fund, or the pledge of such revenues hereby. The Agency and the County shall be unconditionally and irrevocably obligated so long as the Note is outstanding, and until the payment in full by the Agency of its indebtedness to the County for the Agency Reimbursement Obligations, to take all lawful action necessary or required in order to ensure that each such taxing authority shall appropriate its proportionate share of the tax increment revenues as now or later required by law, and to make or cause to be made any deposits of tax increment revenues or other funds required by this Agreement and the Agency Resolution.

F. Until all of the Agency Reimbursement Obligations are paid in full, the Agency will not issue any debt obligations payable from or secured by the Tax Increment Revenues unless consented to in writing by the County.

5. Modification. No modification or amendment of the terms hereof shall be valid unless made in writing and executed by the parties hereto.

6. Severability. If any provision of this Agreement shall be held or deemed to be or shall, in fact, be illegal, inoperative or unenforceable in any context, the same shall not affect any other provision herein or render any other provision (or such provision in any other context) invalid, inoperative or unenforceable to any extent whatsoever.

7. Applicable Provisions of Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida.

8. Rules of Interpretation. Unless expressly indicated otherwise, references to sections or articles are to be construed as references to sections or articles of this instrument as originally executed. Use of the words "herein," "hereby," "hereunder," "hereof," "hereinbefore," "hereinafter" and other equivalent words refer to this Agreement and not solely to the particular portion in which any such word is used.

9. Captions. The captions and headings in this Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Agreement.

10. Board of County Commissioners of the County and Members of the Agency Exempt from Personal Liability. No recourse under or upon any obligation, covenant or agreement of this Agreement or the Note or for any claim based thereon or otherwise in respect thereof, shall be had against any member of the Board of County Commissioners of the County or any member of the Agency, as such, past, present or future, either directly or through the County or the Agency, it being expressly understood that (a) no personal liability whatsoever shall attach to, or is or shall be incurred by, the members of the Board of County Commissioners of the County or the members of the Agency, as such, under or by reason of the obligations, covenants or agreements contained in this Agreement or implied therefrom, and (b) any and all such personal liability, either at common law or in equity or by constitution or statute, of, and any and all such rights and claims against, every such member of the Board of County Commissioner of the County and the Agency, as such, are waived and released as a condition of, and as a consideration for, the execution of this Agreement and the issuance of the Note on the part of the Agency.

11. Obligations Limited. By execution of this Agreement, the Agency hereby consents to all the provisions of the County Resolution. The obligation to pay to the County the Agency Reimbursement Obligations shall not be deemed to constitute a debt of the Agency or a pledge of the faith and credit of the Agency, but such Agency Reimbursement Obligations shall be payable solely from the Tax Increment Revenues to be received by the Agency and deposited into the Flagler Estates Account pursuant to the Redevelopment Act after payment by the

Agency of the debt service on the Note payable from the Tax Increment Revenues. The Agency has no taxing power.

12. Filing of Agreement. It is agreed that this Agreement shall be filed with the Clerk of the Circuit Court of St. Johns County, in accordance with Section 163.01(11), Florida Statutes, as amended, and that this Agreement shall not become effective until so filed.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed and their signatures to be affixed hereto.

(OFFICIAL SEAL)

ST. JOHNS COUNTY, FLORIDA

By: _____
Chair of its Board of County
Commissioners

ATTEST:

Clerk of its Board of County
Commissioners

ST. JOHNS COUNTY COMMUNITY
REDEVELOPMENT AGENCY

By: _____
Chair

ATTEST:

Clerk

EXHIBIT C
DISCLOSURE STATEMENT

DISCLOSURE STATEMENT

SunTrust Bank (the "Purchaser"), the purchaser of \$ _____ principal amount of St. Johns County Community Redevelopment Agency (the "Issuer") Redevelopment Revenue Refunding Note (Flagler Estates Project), Series 2011 (the "Note"), pursuant to Section 218.385, Florida Statutes, as amended, hereby states as follows:

1. The estimated direct expenses to be incurred by us are as follows:

Bank Counsel Fee	\$3,500
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2. To the best of our knowledge information and belief, there are no "finders" as defined in Section 218.386, Florida Statutes, as amended, in connection with the issuance of the Note.

3. The amount of the total underwriting spread or bond discount expected to be realized is \$-0-. There will be a management fee in the amount of \$-0-.

4. No fee, bonus or other compensation has been or will be paid by us in connection with the Note to any person not regularly employed or retained by us in connection with the sale or issuance of the Note. The Purchaser has engaged Greenberg Traurig, P.A., to serve as bank counsel for the financing.

5. The address of the Purchaser is: 76 South Laura Street, Suite 20, Jacksonville, Florida 32202.

6. The Purchaser intends to hold the Note in its own portfolio and not with a current view for the sale thereof.

7. Truth-in-Bonding Statement. The Issuer is proposing to issue the Note for the purpose of refunding certain outstanding indebtedness of the Issuer which refinanced the paving of certain roads in the Flagler Estates Community Redevelopment Area. The Note is expected to be repaid over a period of approximately 9.66 years. The total interest paid over the life of the Note will be approximately \$442,918.62. Authorizing the Note and the related loan will result in an estimated \$533,202.05 (i.e. the estimated average annual debt service on the Note) of the Issuer's sources provided therefor in the Note not being available to finance other services of the Issuer each year for approximately 9.66 years.

IN WITNESS WHEREOF, the undersigned has executed this statement on behalf of the Purchaser as of the sixth day of December, 2011.

SUNTRUST BANK

By: _____
Title: _____

St. Johns County
Proposal Summary

Redevelopment Refunding Note (Plagler Estates Project), Series 2011

	BB&T	SunTrust	J.P. Morgan Chase	BBVA Compass
1 Proposal Requirements	David Pierce 200 W. Forsyth Street Suite 200 Jacksonville, FL 32202 904-361-5253 David.Pierce@bbandt.com	Lisa C. Hayes Senior Vice President 76 South Laura Street Suite 20 Jacksonville, FL 32202 904-632-2599 Lisa.Hayes@SunTrust.com	Leif Chase Senior Vice President 420 S. Orange Ave. Suite 250 Orlando FL 32801 407-236-5164 leif.g.chase@chase.com	Jennifer Plokin Senior Vice President 10060 Skinner Lake Drive Jacksonville, FL 32246 904-564-8847 jennifer.plokin@bbvacompass.com
2 Fees and Expenses	Final Maturity 8/1/2021	8/1/2021	8/1/2021	8/1/2021
	Tax Exempt 2.30%	Standard Make Whole: 1.77% Ability to prepay at par at any time: 1.92%	Option 1: 1.84% Option 2: 1.92% Option 3: 1.88%	2.18%
	Calculation No Calculation provided	No Calculation provided	No Calculation provided	No Calculation provided
	Rate to be set Rate locked for a closing within 45 days	Rate Lock optional for 30 days at an addition cost of 3bps and 45 days at 5bps	Above rate based on market conditions as of proposal date. Actual Interest rate set upon entering into rate lock agreement.	Rate can be locked for up to 60 days upon formal award of loan based on market rates on the date of the lock.
	Day Count 30/360	30/360	30/360	30/360
	Prepayment Penalty Prepayable in whole on a scheduled payment date with a 1% penalty	Contingent on rate chosen (see above)	Option 1: Non-callable Option 2: Callable on 8/1/2016 with no penalty Option 3: Callable on 8/1/2018 with no penalty Prepayable at anytime with breakage fee	No call for the first 3 years. Make whole provision thereafter.
	Expenses \$3,800	\$5,500	\$5,500	Upfront Fee: \$5,000 Legal Council: \$4,500
	Amount \$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000
3 Other Conditions	See Proposal	See Proposal	See Proposal	See Proposal