Memorandum

MIAMI-DADE COUNTY

Date: July 24, 2007

Agenda Item No. 12(A)(4)

To: Honorable Chairman Bruno A. Barreiro
and Members, Board of County Commissioners

From: George M. Burgess
County Manager

Subject: Resolution approving the form of the City/County Joint Participation Agreement and the US HUD Amended Pledge Agreement for Parrot Jungle

Recommendation

It is recommended that the Board of County Commissioners (BCC) approve the attached resolution that: 1) approves, in substantial form, the City/County Joint Participation Agreement (Attachment 1) and the US Department of Housing and Urban Development (US HUD) Amended Pledge Agreement (Attachment 2) required for the City of Miami to assume 80 percent of the US HUD Section 108 Loan; 2) approves amendments to the Development Agreement among the City, the County and Parrot Jungle and Gardens (PJG); and 3) modifies the $4.7 million loan to PJG approved by the BCC in July 2006.

Scope

PJG, now known as Jungle Island as of mid-June 2007, relocated from Pinecrest to Watson Island, in the City of Miami. While the project is located in Commission District 3, the impact of this tourist attraction is countywide. For purposes of this item, Jungle Island will be referred to as PJG.

Track Record/Monitor

The construction and relocation of PJG was complete in 2003. As of December 2006, PJG has created 444 jobs (321 full-time and 123 part-time), with the overwhelming number of the permanent positions going to low to moderate income persons as defined by US HUD guidelines

Background

In the fall of 1997, Miami-Dade County was approached by the owner of PJG for the purpose of seeking financial assistance through the US HUD Section 108 Loan Program. The assistance was being requested to facilitate the relocation of Parrot Jungle from its long-time home in South Dade to a new location on Watson Island, in the City of Miami. PJG had approached the City of Miami for Section 108 loan assistance and was told that, due to the City's then financial crisis, the City was unable to provide such assistance.

In 1998, the Board of County Commissioners approved a loan application to US HUD for a Section 108 loan in the amount of $25 million for the relocation and expansion of PJG. As a condition precedent to the submission of the Section 108 loan guarantee application, the County required the City to enter into a Joint Participation Agreement (JPA) requiring the City to assume 80 percent of the $25 million US HUD Section 108 loan, subject to certain conditions.

The initial JPA between the County and the City, which was executed on September 9, 1998, established that upon certain pre-conditions the City would assume 80 percent of debt associated with the $25 million US HUD Section 108 loan. Due to one of conditions in the initial JPA, the earliest that the City could have assumed 80 percent of the loan was four years after US HUD's approval of the County's Section 108 loan application (which would have been year 2003) due to there being an oversight board monitoring the City's finances.

In the meantime, the County's application for the Section 108 loan was submitted to US HUD on October 6, 1998, and the notification of its approval was received on April 26, 1999. Because the County was the applicant, it became the sole obligor to US HUD. As collateral for the loan, the County executed the original Pledge Agreement with US HUD, which pledged our current and future Community Development Block Grant (CDBG) allocation. Subsequently, a development agreement among the County, Parrot Jungle, and the City was executed on April 20, 2000 and the $25 million US HUD Section 108 loan was closed with an initial disbursement of funds on January 9, 2001.

On November 24, 2003, the City and County transmitted a letter requesting US HUD to proceed with the loan guarantee substitution. A conference call involving County, City, and US HUD staff was convened on January 30, 2004 to discuss the structure, process, procedures, required documentation, and timetable for completing the requested loan guarantee substitution. As a result of that conference call, US HUD agreed to assume the lead responsibility to draft an Amended Pledge Agreement (to pledge both the County and the City's current and future CDBG allocations) and the County assumed the lead responsibility to develop a revised and expanded JPA to dictate additional conditions. The revised JPA prepared by the County was drafted in April, 2004; however, the US HUD drafted Amended Pledge Agreement was not received until December 23, 2004 along with final review comments on the revised JPA. The documents were prepared in final draft form and delivered to the City on January 21, 2005. The City staff expressed some concerns with the loan guarantee substitution and County staff met with officials from the City on January 18, 2005 who took the position that until the delinquent status of PJG was cured, the City had no contractual obligation to proceed with the substitution. In this regard, a series of meetings have taken place involving the County, City, and PJG for the purpose of developing recommendations for an interim loan restructure and a cash flow strategy for PJG.

During this entire time, the County, as the obligor, was current in all its debt payments on the US HUD Section 108 loan. In July 2006, the BCC adopted Resolution R-916-06 (see Attachment 3) which authorized a new loan to PJG (loan #2) in the amount of approximately $4.702 million, representing all funds advanced by the County to US HUD on PJG's behalf from August 1, 2004 through February 1, 2006 plus an administrative fee (see table below).

Due Date	Amount Due to USHUD			PJ Payment Due
	Principal	Interest	Total	Total
August 1, 2004	350,000.00	946,276.75	1,296,276.75	1,327,276.75
February 1, 2005		933,764.25	933,764.25	964,326.75
August 1, 2005	500,000.00	933,764.25	1,433,764.25	1,464,326.75
February 1, 2006		915,914.25	915,914.25	945,851.75
Subtotal	**850,000.00**	**3,729,719.50**	**4,579,719.50**	**4,701,782.00**

Note: PJG Payments Due to the County include Administrative Costs

Further, the Resolution R-916-06 adopted by the BCC deferred all payments by PJG on the $25 million Section 108 loan (subject to City approval) and payments on the new $4.702 million County loan (loan #2) until 2012. This new loan resolved the non-payment by PJG. During the deferral period, both the City and the County will be paying the debt service on the $25 million US HUD Section 108 loan at 80 percent and 20 percent, respectively.

Subsequently, the City remitted to the County 80 percent of the loan payment for the August 2006 and February 2007 payments to US HUD. This is as a result of a Resolution adopted by the City of Miami Commission that authorized the City Manager to make only those two payments. The City did not execute the Amended Pledge Agreement or the revised JPA prior to making these payments.

Current Recommendations on the Loans

Subsequent to the approval of Resolution R-916-06, County and City staff continued discussions to: 1) finalize the Amended Pledge Agreement and revised JPA; 2) restructure PJG's repayment schedules on the Section 108 loan and the County's $4.702 million loan (loan #2); and 3) finalize PJG's repayment schedule on the new County/City loan of $17.277 million loan (loan #3), as detailed further below.

County and City staffs have reviewed PJG's projected net cash flow after payment of operating expenses. Based on that analysis, the following actions are recommended:

- Adjust the $4.702 million County loan (loan #2) repayment commencement date of 2012, approved by the BCC in July 2006, to 2014 which will allow more time for PJG to strengthen its cash flow. This will avoid any future monetary non-payment on the $25 million US HUD Section 108 loan.
- Defer payments from PJG on the $25 million US HUD Section 108 loan from August 2006 to July 2011. In other words, beginning with the August 1, 2006 payment and all the way through the payment due to US HUD on August 1, 2011, the County and City will be paying US HUD their respective share of the Section 108 debt payment. The total amount of the deferred payments will total approximately $17.277 million (see table below). The $17.277 million County/City loan (loan #3) will be repaid monthly over ten years at a five percent annual interest rate beginning in January 2020, after the $25 million US HUD Section 108 loan is paid off. The loan will continue to be secured by a leasehold mortgage on the property and be personally guaranteed by Mr. Bern Levine, the majority owner of PJG.
- Waive the one-quarter percent administrative fee on the $25 million US HUD Section 108 loan during the deferral period.

The County and City share of the $17.277 million advance to US HUD is as follows:

Payment Date	Total Payment	80 Percent (City)	20 Percent (County)
August 1, 2006	$1,665,914	$1,332,731	$333,183
February 1, 2007	889,177	711,341	177,835
August 1, 2007	1,889,177	1,511,341	377,835
February 1, 2008	853,077	682,461	170,615
August 1, 2008	2,103,077	1,682,461	420,615
February 1, 2009	807,964	646,371	161,593
August 1, 2009	2,307,964	1,846,371	461,593
February 1, 2010	753,979	603,183	150,796
August 1, 2010	2,698,979	2,159,183	539,796
February 1, 2011	681,547	545,238	136,309
August 1, 2011	2,626,547	2,101,238	525,309
TOTAL	**$17,277,403**	**$13,821,922**	**$3,455,481**

In addition to the repayments associated with the debt of the $25 million US HUD Section 108 loan for the relocation of PJ, two additional obligations by PJG to the County are in non-payment status. The following obligations and their recommended payment terms are as follows:

- First, in 2003 the County extended two loans totaling $2.5 million to address PJG's claim that the way the County drew down the $25 million US HUD Section 108 loan funds increased the cost of the loan. One loan was forgivable in the amount of $1.5 million, and the remaining $1 million loan was to be repaid by PJG over ten years. It is recommended, that PJG be allowed to make a one-time balloon payment to the County in 2013 rather than make monthly payments through 2013.

- Secondly, in the Development Agreement it was required of PJG to make annual payments to the Aviary at Metro Zoo from 2006 through 2020 totaling $2 million. It is recommended that PJG be allowed to make a one-time balloon payment to the County in 2020 rather than make annual payments through 2020.
- PJG has the option to repay both obligations prior to the due date.

The commencement schedule of all PJG obligations is detailed below.

Parrot Jungle and Gardens Obligations ($'s in 1,000's)

Year	$25 million US HUD Section 108 loan	$4.702 million County loan (loan #2)	$17.277 million County/City loan (loan #3)	$1 million County obligation	$2 million Aviary obligation
2012	2,697				
2013	3,162			1,000	
2014	2,863	804			
2015	2,712	804			
2016	2,561	804			
2017	2,408	804			
2018	2,254	804			
2019	2,099	804			
2020		804	2,199		2,000
2021			2,199		
2022			2,199		
2023			2,199		
2024			2,199		
2025			2,199		
2026			2,199		
2027			2,199		
2028			2,199		
2029			2,199		
TOTAL	**$20,756**	**$5,628**	**$21,990**	**$1,000**	**$2,000**

Notes:
1 - The loans contain principal and interest amounts in the annual payments
2 - Of the $21.99 million for loan #3, the City will receive 80 percent payment, and the County will receive 20 percent.

PJG principals have already indicated that they should generate sufficient income by 2010 to support a new first lender loan and repay the current first lender, the balance remaining on the $25 million Section 108 loan, and the $4.702 million County loan (loan #2) in full. If PJG pays the entire $25 million US HUD Section 108 loan and the County's $4.7 million loan (loan #2) prior to 2011, the County will consider waiving the $2 million obligation to the Aviary.

Current Recommendations on the Agreements

Both the revised JPA and the Amended Pledge Agreement are attached in substantial form as minor revisions may be required by US HUD after BCC approval.

The JPA, which is between the City and County, is the instrument by which the City assumes 80 percent in all of the benefits and obligations of the US HUD $25 million Section 108 loan. In other words, this document will serve to commit the City to making 80 percent of all payments in the event that PJG is not able to make the debt payment. The County will be responsible for 20 percent.

The Amended Pledge Agreement, which is among the City, County, and US HUD, will identify the City as the obligor for 80 percent of the US HUD Section 108 loan. With this document, City will substitute the County for 80 percent of the debt, and both the City and County pledge current and future CDBG funding in the event

of a non-payment. If a non-payment on the US HUD Section 108 loan were to occur, the City and County's CDBG allocation will be reduced by their share of the non-payment (80 and 20 percent, respectively). The original Pledge Agreement was only between the County and US HUD, and identified the County as obligor for 100 percent of the US HUD Section 108 loan.

In addition, other major points of the two agreements are as follows:

1. The revised JPA can be executed prior to the Amended Pledge Agreement. If the JPA is executed prior to the Pledge Agreement, the City and the County both agree to pay their pro rata share of US HUD debt service, 80 and 20 percent, respectively. In case of a breach by the City, the County's remedy is to proceed with legal action against the City until the execution of the Amended Pledge Agreement. After the execution of the Amended Pledge Agreement, the County's sole remedy for a breach by the City will be the Pledge Agreement.
2. The City of Miami will have the option to purchase the County's 20 percent share after August 1, 2010. At such time, the US HUD Section 108 loan can be repaid without penalty.
3. In case of default by PJG, which leads to a foreclosure sale of the property, both the City and the County again have the option of purchasing each party's pro rata share of the collateral.
4. The City will remit to the County their 80 percent share of the debt service payment on the US HUD Section 108 loan, and the County will in return submit one payment to US HUD for the entire amount due.

The Development Agreement is among the County, City, and PJG and sets the terms and conditions for the construction and relocation of PJG. In addition, it also 1) dictates the number of jobs that must be created, 2) obligates PJG to make a payment to the Aviary, 3) sets forth the conditions by which Miami-Dade County applied for the US HUD Section 108 Loan, and 4) appropriated the proceeds of the HUD Guaranteed Loan to PJG. The only amendment to the Development Agreement, if this item is approved, is the recommendation that PJG be allowed to make a one-time balloon payment to the County in 2020 rather than make annual payments through 2020, as mentioned in the previous section.

Fiscal Impact/Funding Source

The County has already advanced $4.58 million to US HUD to cover 100 percent of all the payments due from August 1, 2004 through February 1, 2006. In addition, from August 1, 2006 through August 1, 2011, the County will advance an additional $3.455 million from the countywide general fund as part of our 20 percent share of the debt payment to US HUD. The total advanced by the County will be approximately $8.035 million.

PJG will begin to repay the County's loan (loan #2) worth $4.702 million in 2014, which is a two year extension. For the remaining $3.455 million, PJG will begin to repay monthly over ten years at a five percent annual interest rate beginning in January 2020. The fiscal impact of waiving the administrative fee and deferring the Aviary payment will be minimal. The administrative fee will be reinstituted when the $25 million US HUD Section 108 loan payments resume in 2012, and the lump sum Aviary payment ($2 million) will be due no later than 2020.

Attachments

Cynthia W. Curry
Senior Advisor to the County Manager

MEMORANDUM

(Revised)

TO: Honorable Chairman Bruno A. Barreiro and Members, Board of County Commissioners

DATE: July 24, 2007

FROM: R.A. Cuevas, Jr. Acting County Attorney

SUBJECT: Agenda Item No. 12(A)(4)

Please note any items checked.

_____ "4-Day Rule" ("3-Day Rule" for committees) applicable if raised

_____ 6 weeks required between first reading and public hearing

_____ 4 weeks notification to municipal officials required prior to public hearing

_____ Decreases revenues or increases expenditures without balancing budget

_____ Budget required

_____ Statement of fiscal impact required

_____ Bid waiver requiring County Manager's written recommendation

_____ Ordinance creating a new board requires detailed County Manager's report for public hearing

_____ Housekeeping item (no policy decision required)

_____ No committee review

Approved _____ Mayor
Veto _____
Override _____

Agenda Item No. 12(A)(4)
07-24-07

RESOLUTION NO. _____

RESOLUTION APPROVING THE FORM OF THE CITY/COUNTY JOINT PARTICIPATION AGREEMENT AND THE US HUD AMENDED PLEDGE AGREEMENT REQUIRED FOR THE CITY OF MIAMI TO ASSUME 80 PERCENT OF THE PARROT JUNGLE US HUD SECTION 108 LOAN; APPROVE AMENDMENTS TO THE DEVELOPMENT AGREEMENT AMONG THE CITY, THE COUNTY AND PARROT JUNGLE AND GARDENS; AND MODIFY THE $4.7 MILLION LOAN, AND AUTHORIZE THE COUNTY MAYOR OR HIS DESIGNEE TO EXECUTE ANY REQUIRED DOCUMENTS, AGREEMENTS, AND AMENDMENTS THAT MAY BE NECESSARY TO IMPLEMENT THE RECOMMENDED MODIFICATIONS

WHEREAS, this Board desires to accomplish the purposes outlined in the accompanying memorandum, a copy of which is incorporated herein by reference,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that this Board: 1) approves the form of the City/County Joint Participation Agreement and the US HUD Amended Pledge Agreement required for the City of Miami to assume 80 percent of the Parrot Jungle US HUD Section 108 Loan; 2) approves amendments to the Development Agreement among the City, the County and Parrot Jungle and Gardens; and 3) modifies the $4.7 million loan, and authorizes the County Mayor or his designee to execute any required documents, agreements, and amendments that may be necessary to implement the recommended modifications subject to the review of the County Attorney.

The foregoing resolution was offered by Commissioner , who moved its adoption. The motion was seconded by Commissioner and upon being put to a vote, the vote was as follows:

Bruno A. Barreiro, Chairman
Barbara J. Jordan, Vice-Chairwoman

Jose "Pepe" Diaz	Audrey M. Edmonson
Carlos A. Gimenez	Sally A. Heyman
Joe A. Martinez	Dennis C. Moss
Dorrin D. Rolle	Natacha Seijas
Katy Sorenson	Rebeca Sosa
Sen. Javier D. Souto	

The Chairperson thereupon declared the resolution duly passed and adopted this 24th day of July, 2007. This resolution shall become effective ten (10) days after the date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

MIAMI-DADE COUNTY, FLORIDA
BY ITS BOARD OF COUNTY
COMMISSIONERS

HARVEY RUVIN, CLERK

By:_____
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency.

Shannon D. Summerset

PARTICIPATION AGREEMENT

(Draft of 6/28/07)

THIS PARTICIPATION AGREEMENT (the "Agreement") is made as of this _____day of _____, 2007, by and between **MIAMI-DADE COUNTY (the " County"), and CITY OF MIAMI (the "City").**

RECITALS

1. The County has made a loan to Parrot Jungle and Gardens of Watson Island, Inc., a Florida corporation (the "Borrower"), in the original principal amount of Twenty-five Million and No/100 Dollars ($25,000,000.00) (the "Loan"). The Loan is evidenced by a promissory note dated as of _____, 2000, in the face amount of $25,000,000.00 (the "Note").

2. The purpose of the Loan was to finance the development of a botanical garden attraction located at Watson Island (the "Property").

3. The County funded the Loan to Borrower by virtue of a $25,000,000.00 loan guaranteed by the United States Department of Housing and Urban Development ("USHUD") which was advanced to the County pursuant to the Section 108 Loan Guarantee Program on June 14, 2000 (the "Section 108 Loan").

4. As security for the Section 108 Loan, the County pledged its present and future Community Development Block Grant ("CDBG") allocations as a guarantee of repayment of the principal and interest on the Section 108 Loan.

5. The County and the City entered into a Joint Participation Agreement ("JPA") dated September 9, 1998, wherein, the City agreed to assume eighty percent (80%) of the outstanding principal balance and future interest on the Section 108 Loan upon satisfaction of certain conditions, all of which have been satisfied or waived by the parties hereto.

6. In accordance with the intent of the JPA, and subject to the terms and conditions set forth herein, the City agrees to assume from the County, and County agrees to assign and transfer to the City, an undivided eighty percent (80%) interest in all of the benefits and obligations of the County, as lender of the Loan and under the Loan Documents.

NOW, THEREFORE, in consideration of Ten Dollars ($10.00) and other good and valuable consideration, the mutual receipt and legal sufficiency of which are hereby acknowledged, the parties hereto do hereby agree as follows:

ARTICLE I
DEFINITIONS

Section 1.1 Definitions As used herein, the following terms have the respective meaning ascribed thereto below, which meanings shall be applicable equally to the singular and plural forms of the terms defined:

"Agreement" shall mean this Agreement, together with all exhibits and schedules hereto, as the same may be modified; amended or restated from time to time.

"Assumption and Pledge Agreement" shall mean an Assumption of Loan Guarantee Assistance Liability and Pledge Agreement under Section 108 of the Housing and Community Development Act of 1974, as amended, 42 U.S.C. §5308, in the form attached hereto as **Attachment "2"**, to be entered into by the County, USHUD, and the City.

"Authority" shall mean any governmental or quasi-governmental authority, including, without limitation, any federal, state, county, municipal or other governmental or quasi-governmental agency, board, branch, bureau, commission, court department or other instrumentality or political subdivision, whether domestic or foreign.

"Business Day" shall mean any day other than a Saturday, Sunday or a day on which banking institutions in the State of Florida are authorized or obligated by law or executive order to be closed.

"City's Pro Rata Share" shall mean an amount equal to 80% of the outstanding principal balance on the Section 108 Loan, as of the date Effective Date, plus accrued but unpaid interest as of such date and future interest until the Section 108 Loan is paid in full.

"Collateral" shall mean all of the property pledged, mortgaged, hypothecated or assigned to, or deposited with Lenders from time to time, pursuant to, or as security for, the Loan or any of the indebtedness evidenced by the Loan Documents. .

"Contract for Loan Guarantee Assistance" means the Contract for Loan Guarantee Assistance dated as of June 14, 2000, between the County and USIIUD with respect to the Section 108 Loan, as amended by the Assumption and Pledge Agreement,

"Commitment Fee" shall mean the commitment fee paid by Borrower to the County in connection with the making of the Loan by the County.

"Confirmation of Lenders' Shares" shall mean the form attached hereto as **Exhibit "A"** and as referenced in Section 2.3 hereof.

"County's Pro Rata Share" shall mean an amount equal to 20% of the outstanding principal balance on the Section 108 Loan as of the Effective Date plus accrued but unpaid interest as of such date and future interest until the Section 108 Loan is paid in full.

"Deferred Amount" shall mean an amount equal to all payments due by Borrower under the Note commencing on _____, 2006 through and including the payment due on _____, 2012.

"Effective Date" shall mean the date as of which this Agreement and the Assumption and Pledge Agreement shall have been approved and executed by City and County.

"Event of Default" shall mean any default under any of the Loan Documents which is not cured within the applicable grace period, if any.

"Guarantors" shall mean Bern and Mary Levine.

"Herein", "hereof', "hereto", hereunder and other words of tike import shall refer to any and every section and provision of this Agreement.

"Lenders" shall mean County and City.

"Loan" shall have the meaning assigned to it in the Recitals.

"Loan Documents" shall mean the documents and instruments executed and delivered by Borrower and/or Guarantors in favor of the County in connection with the Loan, which are identified in **Attachment "1"** hereto, as they may be amended with the consent of the Lenders from time to time.

"Note" shall have the meaning assigned to it in the Recitals, as the same may be modified, amended, restated or renewed from time to time.

"Note Modification Agreement" shall mean the agreement to be entered into by Borrower and Lenders to provide for the payment of the Deferred Amount on the maturity date, or, at Borrower's request, over a period of 20 years commencing on the maturity date , in the form of **Attachment "5"** hereto.

"Person" shall include, without limitation, any manner of association, authority, business trust, company, corporation, estate, joint venture, natural person, partnership, trust or other entity.

"Pro Rata Share" shall mean the respective undivided participation interest in the Loan of the County and the City set forth on **Exhibit "A.".**

Section 1.2 Capitalized Terms. Capitalized terms used herein and not defined herein shall have the meanings given such terms in the Loan Agreement.

ARTICLE II
TERMS OF CITY'S PARTICIPATION IN SECTION 108 LOAN

Section 2.1 RESERVED

Section 2.2 Concurrent Obligations. Concurrently with the execution of this Agreement and the Assumption and Pledge Agreement by the City and the County:

2.2.1 Borrower shall have satisfied or cured, or the County shall have waived, all Events of Default under the Loan Documents, including specifically, but without limitation,

Borrower's obligation to make the contribution to the Aviary, as provided in the Development Agreement.

2.2.2 The County shall have executed and delivered to the City an estoppel certificate, substantially in the form of **Attachment 3**, certifying, among other things, that the Loan and the Section 108 Loan are current, that no event of default exists or remains uncured, and that there is no occurrence or event or circumstance which, with notice or lapse of time would become a default under any one of the Loan Documents or the Section 108 Loan.

2.2.3 The County shall have executed and delivered to the City an estoppel certificate, substantially in the form of **Attachment 4**, certifying, among other things, the outstanding amounts and terms of payment of all outstanding loans from the County to Borrower (the "County Outstanding Loans") and further certifying that all such loans are current, that no event of default exists or remains uncured with respect thereto, and that there is no occurrence or event or circumstance which, with notice or lapse of time would become a default under any such County Outstanding Loans

2.2.4 The County shall have delivered to the City copies of all documents, including County Commission resolutions and supporting documents, relating to the County Outstanding Loans.

2.2.5 Borrower shall deliver to the County and the City a life insurance policy in the amount of $[redacted], for the term of the Loan, insuring the life of Bern Levine, in favor of the City and the County in proportion to the Lenders' respective Pro Rata Shares.

2.2.6 The Guarantors shall execute Guarantee in favor of the City and the County, securing the parties' respective Pro Rata Shares.

2.2.7 The County shall certify to the City the amount of money received by the County as of the date of this Agreement representing the County's administrative fee relating to the Loan. The County further agrees that all payments by the City of the City's Pro Rata shall exclude 80% of the administrative fee.

2.2.8 The County shall have delivered to the City copies of all Loan Documents, Related Loan Documents (as defined in Section 3.1) and all other documents or instruments relating to the County Outstanding Loans, certified by the County Manager to represent complete, true and correct copies of all such documents.

2.2.9 The Borrower, the County and the City will have executed the Note Modification Agreement

The City shall have the right to cause any or all of the above mentioned documents to be recorded in the public records of Miami-Dade County, Florida. Execution of this Agreement by the City shall constitute evidence of compliance with the foregoing Concurrent Obligations, unless otherwise specifically stated herein or in a separate document.

Section 2.3. Purchase of Participation The City shall evidence its participation in the Section 108 Loan, by executing the Assumption and Pledge Agreement, pursuant to which the City will pledge to USHUD its future years' CDBG allocations, as security for the repayment of the City's Pro Rata Share , as provided in the Contract for Loan Guarantee County and City hereby agree to use their best efforts to cause USHUD to execute the Assumption and Pledge Agreement, Concurrently with the execution of the Assumption and Pledge Agreement by all parties, USHUD shall provide to the City and the County the Confirmation of Lenders' Shares. Upon USHUD's execution of the Assumption and Pledge Agreement, both City and County's liability for repayment of the Section 108 Loan shall be limited to the sources provided for in the Contract for Loan Guarantee Assistance. It is understood and agreed that upon full execution of the Assumption and Pledge Agreement the County shall have no recourse against the City for the City's failure to pay its Pro Rata Share, it being understood and agreed that the City's liability for non payment of it's Pro Rata Share under this Agreement and the Assumption and Pledge Agreement is limited to the sources provided for in the Contract for Loan Guarantee Assistance, as if the City had been a party to such contract as of the date such Contract was first executed by the County and USHUD.

ARTICLE III
DUTIES AND REPRESENTATIONS OF COUNTY

Section 3.1 Representation and Possession of Loan Documents The County represents and warrants to the City, with full knowledge that the City is relying on such warranties and representations in executing this Agreement, that it has delivered to the City all of the Loan Documents, and all other documents or instruments delivered to or obtained by the County pursuant to or in connection with the Loan, the Section 108 Loan, or the transactions contemplated thereby, including, without limitation, resolutions, correspondence, schedules, credit information, appraisals and such other instruments and documents pertaining to the transactions contemplated hereby (the "Related Loan Documents"), which Loan Documents and Related Loan Documents are listed in Attachment 1 hereto, and that (1) The Loan Documents are all of the documents evidencing or securing the Loan, (2) to the best of the County's knowledge, after due investigation, the Related Loan Documents are all of the documents delivered to, or obtained by, the County relating to the Loan, the Section 108 Loan and the transactions contemplated herein, (3) Borrower and/or Guarantor's obligations under the Loan Documents are current and in good standing, or performance of such obligations has been properly waived or forgiven by the County and (4) there is no occurrence or event or circumstance which, with notice or lapse of time, would become a default under any one of the Loan Documents, or would result in, or permit the exercise of remedies or the imposition or accrual of any default interest, penalties fees or charges as a result of such default. The County further represents and warrants to the City that it shall hold in its possession, for the benefit of both Lenders in accordance with the terms of this Agreement, the originals (or original counterparts) of each of the Loan Documents and Related Loan Documents.. The County shall also keep in its files, for the benefit of both Lenders, all of the foregoing documents and such other documents as the County may deem advisable. The City shall have the right to examine and photocopy all documents described herein or relating to the transactions contemplated hereby contained in County's files during normal business hours at the office of County, or at such other place as County may designate from time to time, upon City's delivery of reasonable prior notice to County.

Section 3.2 Furnishing of Information to City Immediately upon receipt of notice thereof, the County shall furnish to the City notice of the following: (i) any change in the perfection or priority of any lien securing the Loan, (ii) the occurrence of any Event of Default, (iii) any written request by Borrower or any other obligor on the Loan to modify the terms of the Loan or substitute or release any Collateral or any obligor on the Loan, and (iv) any loss, damage, destruction, condemnation or other governmental taking of all or any material portion of the Collateral.

Section 3.3 Payments to City The County will comply with the Contract for Loan Guarantee Assistance between County and USHUD, as amended by the Assumption and Pledge Agreement, as long as any balance remains outstanding on the Section 108 Loan. Thereafter, whenever the County collects or receives immediately available funds representing payments of principal, interest, late charges, commitment fees, extension fees and other fees, recoverable expenses or any other amounts payable to or for the benefit of one or both Lenders pursuant to any of the Loan Documents or otherwise in connection with the Loan, including, without limitation, as a result of the enforcement of any mortgage lien on or security interest in any Collateral (collectively, "Payments"), but excluding proceeds of insurance or condemnation awards to be held pending restoration, as provided in the Loan Documents, the County shall receive, hold and disburse the same as follows: (i) shall retain for the account and the benefit of both Lenders expenses reimbursed by Borrower pursuant to the terms of the Loan Documents and reimbursable to one or both Lenders pursuant hereto and disburse to the City the eighty percent (80%) of such payment to the extent the City made payments toward the payment of the expense; and (ii) disburse to the City eighty percent (80%) of any Payments and retain for its own account the remaining portion thereof. County agrees to disburse all sums due to the City hereunder by wire transfer not later than one (1) Business Day after the funds have been collected by the County's financial institution , except as otherwise provided by this Agreement. The County and the City shall each continue to receive their respective Pro Rata Share of all Payments made by Borrower in connection with the Loan, except as otherwise provided by this Agreement, until the Loan has been paid in full.

Section 3.4 Collateral The County shall hold in its name, for the benefit of itself and the City, the Collateral and such other collateral pledged, mortgaged, hypothecated or assigned to, or deposited with Lenders from time to time pursuant to or as security for the Loan or any of the indebtedness evidenced by the Loan Documents.

Section 3.5 Loan Administration

A. The interest of the County and the City in the Loan shall be of equal priority. Except as otherwise provided in the Contract for Loan Guarantee Assistance with respect to the rights of USHUD, as long as any balance remains outstanding on the Section 108 Loan, the County shall have the rights and duties with respect to the collection and administration of the Loan and the security therefore described in this Section 3.5. City agrees that the County shall administer the Loan, make payments to USHUD, if any, as required under the Section 108 Loan, and enforce the Loan Documents and collect and administer the Collateral, with the same degree of care, skill, caution and prudence the County ordinarily exercises in its administration of loans which it holds entirely for its own account (the "County Standard of Care"). Subject to the other provisions of this Agreement and consistent with the foregoing standard, the County shall administer the Collateral so as to preserve its value in the manner in which the County administers collateral under other loans. Notwithstanding the foregoing, the County agrees that, at the City's request, upon the occurrence of an Event of

Default, or if the City feels itself insecure with respect to the Collateral or the Loan, it will, or will authorize the City to, diligently and in good faith pursue such actions and remedies as may be reasonably required to enforce the Loan Documents and/or collect or administer the Collateral in accordance with the provisions of Section 6.1 hereof. Further, the County agrees that it shall not have the power to grant releases, satisfactions, consents, joinders, assignments and reassignments with respect to the Collateral without the consent of City, which the City agrees to grant to the extent required by the terms of the Loan Documents. The County will maintain accurate books and records with respect to the Loan and the costs and expenses related thereto in the same manner as the County customarily maintains books and records for similar loans in which it acts exclusively for its own account, and shall make such books and records available for inspection by a designated representative of the City at such reasonable times as the City may request. In no event shall the County , without the written consent, and the approval of the governing body of the City: (i) change the principal amount of the Loan; (ii) postpone the due date of any scheduled payment of principal or interest or waive any such payment or any other claim against Borrower; (iii) reduce the interest rate under the Note from the rate specified therein; (iv) release any Guarantor from his obligations under his guarantee of the Loan; (v) release, substitute or exchange the Collateral or any part thereof from any Loan Document; or (vi) pledge, assign, transfer or extend any of the Loan Documents.

B. The County agrees that, upon its receipt of any written notice from Borrower claiming or asserting that County has breached its obligations to Borrower pursuant to any of the Loan Documents or that County is in default of the observance or performance of any of its obligations under any of the Loan Documents, it will promptly give the City notice thereof. The County agrees to consult with the City regarding any alleged breach of the Loan Documents by the County and to incorporate the City's comments or suggestions in any response or action to be taken by County as a result thereof.

Section 3.6 Consultation with City The County shall seek and obtain the City's approval with respect to any actions or approvals which, by the terms of this Agreement or the Loan Documents, the County is permitted or required to take or to grant. Subject to the provisions of Section 7.1_ hereof, City's failure to grant or deny a requested approval within ___ days after the County's request shall be deemed to be approval of such action by the City, except as may be otherwise provided in the Contract for Loan Guarantee Assistance with respect to the rights of USHUD.

Section 3.7 No Partnership Neither the execution of this Agreement, nor the sharing in the Loan or in any of the proceeds of the Collateral, nor any agreement to share in profits or losses arising as a result of this transaction is intended to be, nor shall it be construed to be, the formation of a partnership or joint venture between or among the parties hereto, and no party shall be liable to any other Person for the liability of any other party hereto arising in connection with the Loan or any transaction connected therewith.

ARTICLE IV
REPRESENTATIONS AND WARRANTIES

Section 4.1 Representations and Warranties of City The City, as a material inducement to County to enter into this Agreement and to consummate all of the transactions contemplated hereby, represents and warrants to County as follows:

A. City is a municipal corporation of the State of Florida and has the legal power and authority to enter into and perform its obligations under this Agreement and to consummate the transactions contemplated hereby.

B. The execution, delivery and performance of this Agreement, and the consummation of the transactions contemplated hereby, have been duly authorized by all necessary action on the part of City, do not and will not contravene its articles of incorporation or association or bylaws or any agreement, law, governmental rule, regulation or order binding on City (including, without limitation, legal lending limits applicable to it), and do not require the consent or approval of, the giving of notice to, the registration with, or the taking of any other action with respect to, any Authority.

C. This Agreement constitutes the legal, valid and binding obligation of City, and is enforceable in accordance with its terms.

D. Neither City nor any Person that City has authorized to act on its behalf has directly or indirectly offered any interest or participation in this Agreement to any other Person.

E. City has made and will continue to make such independent evaluation of such financial information and other data relating to Borrower, Guarantors and the Collateral as it deems necessary and prudent..

Section 4.2 Representations and Warranties of County The County, as a material inducement to the City to enter into this Agreement and to consummate all of the transactions contemplated hereby, represents and warrants to City, in addition to the matters set forth in Article III hereof and elsewhere in this Agreement, as follows:

A. County is a political subdivision of the State of Florida and has the legal power and authority to enter into and perform its obligations under this Agreement and to consummate the transactions contemplated hereby.

B. The execution, delivery and performance of this Agreement, and the consummation of the transactions contemplated hereby, have been duly authorized by all necessary action on the part of County, do not and will not contravene its charter, code, or any agreement, law, governmental rule, regulation or order binding on Lender (including, without limitation, legal lending limits applicable to it), and do not require the consent or approval of, the giving of notice to, the registration with, or the taking of any other action with respect to, any Authority.

C. This Agreement constitutes the legal, valid and binding obligation of County, and is enforceable in accordance with its terms.

D. Neither County nor any Person that County has authorized to act on its behalf has directly or indirectly offered any interest or participation in this Agreement to any other Person.

D. The representations and warranties of County under this Agreement, specifically, Section 3.1 hereof, are true and correct.

Section 4.3 Survival of Representations. The representations contained herein shall survive the performance of this Agreement and execution of the Assignment and Pledge Agreement.

ARTICLE V
COVENANTS OF LENDERS

Section 5.1 Other Payments. If Borrower fails to pay taxes, assessments, insurance premiums or any other charges or sums required by the Loan Documents to be paid, as the same become due and payable and County deems it necessary to, and in fact does, pay any such amounts, the City will reimburse to the County the City's Pro Rata Share of same promptly upon demand of County. Any such amounts, to the extent provided in the Loan Documents, shall be secured by the Loan Documents and the Collateral. Additionally, City agrees to pay to County, to the extent County is not reimbursed by Borrower, its Pro-Rata Share of any reasonable out-of-pocket expenses and liabilities hereafter incurred by County in connection with the administration of the Loan provided, however, that nothing contained herein shall diminish the County's obligation to use County Standard of Care in the enforcement of the Loan Documents and the administration and collection of the Collateral.

Section 5.2 Enforcement of County Outstanding Loans. The County covenants that, without the prior written consent of the City, it will not enforce Borrower's obligation to make any monetary payments to the County under the County Outstanding Loans or the Development Agreement until the Loan has been paid in full.

Section 5.3 Declaration of Invalidation. City agrees that, to the extent any amounts received in repayment of the Loan from Borrower or otherwise, whether by payment, realization of Collateral or otherwise, are, through no fault of the County, subsequently invalidated , declared to be fraudulent or preferential, set aside or required by any Authority to be repaid to a trustee, receiver or any other Person under any applicable law, order or judgment, including the Bankruptcy Code or any similar state law or any other cause of action, and the County repays such amount to the Borrower, a trustee, receiver, or other Person , then the City shall repay to the County, within ____ (Business Days after request by County, its Pro Rata Share of any such amount (with interest to the extent required), so that County and City will be affected by any such invalidation, declaration, set aside or repayment in accordance with its Pro Rata Share thereof.

Section 5.4 Excess Payments to City or County Should either City or County receive or retain any payment in excess of its Pro Rata Share of all or any portion of the Loan in any form or in any manner whatsoever, the receiving party shall forthwith pay over such excess payment to the other party as to result in a proportional participation by both Lenders in such amount;

Section 5.5 Indemnification

A. County hereby agrees to indemnify and hold harmless the City (including its officers, directors, attorneys, agents and employees) from all liabilities, obligations, damages, penalties, claims, costs, charges and expenses including, without limitation, attorneys' fees and disbursements at the trial and appellate levels (collectively, "Losses") which may be incurred by the City or which may be imposed upon the City by Borrower or any third party, arising out of or resulting from, by

reason of, or in connection with, any act or failure to act on the part of the County in accordance with the terms of the Loan Documents or this Agreement, or any breach of representations contained herein.

B. City hereby agrees to indemnify and hold harmless the County (including its officers, directors, attorneys, agents and employees) from all Losses which may be incurred by the County or which may be imposed upon the County by Borrower or any third party, arising out of or resulting from, by reason of, or in connection with any act or failure to act on the part of the City in accordance with the terms of the Loan Documents or this Agreement, or any breach of representations contained herein. Notwithstanding the foregoing, upon USHUD's execution of the Assignment and Pledge Agreement, the County shall have no recourse against the City for the City's failure to pay its Pro Rata Share, it being understood and agreed that the City's liability for non payment of it's Pro Rata Share under this Agreement and the Assumption and Pledge Agreement is limited to the sources provided for in the Contract for Loan Guarantee Assistance, as if the City had been a party to such contract as of the date such Contract was first executed by the County and USHUD.

ARTICLE VI
DEFAULT

Section 6.1 Default by Borrower Upon County or City acquiring knowledge of any Event of Default under any of the Loan Documents or any event which with the passage of time or giving of notice or both would constitute an Event of Default, or of any matter which in its judgment, materially affects the respective interests of the parties hereunder, then the party having such knowledge shall with reasonable promptness notify the other party in writing of such Event of Default or matter. In the event of any Event of Default, the County shall within five (5) Business Days thereafter notify the City of such Event of Default and of County's intended action. The County shall act (or forebear from acting) as a result of such Event of Default as it shall be directed by the City, which may request the County, in writing, to do everything necessary to protect the lenders' interest in the Loan, including to institute and pursue legal action against the Borrower and/or against the guarantors and/or commence foreclosure (or seek a relief from bankruptcy stay if such then exists followed by the commencement and pursuit of foreclosure) (collectively, the "Default Remedies"). The County shall commence and thereafter diligently pursue the Default Remedy or Default Remedies specified by the City within ten (10) days of the date of the City's written notice. If the County elects not to pursue the Default Remedies, as requested by the City, it must immediately notify the City whereupon the City shall have the right to pursue the Default Remedies and, at the City's request, the County shall take all action reasonably necessary to assist the City in the pursuit of such remedies, consistent with the County Standard of Care, including, but not limited to, assigning to the City all of the County's rights to enforce the Loan Documents and /or the Collateral.

Section 6.2 Default by County or City In the event that County does not commence the requested Default Remedy or Default Remedies within the aforementioned ten (10) day period and thereafter diligently pursue same, or fails to notify the City of its election not to pursue the Default Remedies, or fails to assist the City as contemplated in Section 6.1 above, then the County shall be deemed in default. In such event, the City may, in addition to all other remedies available to it by law or in equity, seek injunctive relief against the County and the County hereby waives its right

to assert that the City has an adequate remedy at law. In the event the City undertakes to enforce the Default Remedies, and thereafter fails to diligently pursue same, then the City shall be in default and the County may, in addition to all other remedies available to it by law or in equity, seek injunctive relief against the City and the City hereby waives its right to assent that the County has an adequate remedy at law

Section 6.3 Foreclosure Subject to the rights of the USHUD pursuant to the Contract for Loan Guarantee Assistance, the County shall hold the Loan Documents (together with any and all other documents executed and delivered in connection therewith) and title to any of the Collateral acquired by County after an Event of Default in its name as agent for both City and County (to the extent of County's and City's Pro Rata Shares thereof). Accordingly, in the event of a foreclosure and foreclosure sale of any Collateral, or any judicial sale of any of the collateral, the County shall bid at such sale for the benefit of both Lenders and if such bid is successful, County shall, to the extent permitted by law, cause all title instruments relating to such Collateral to be issued in the name of each Lender in accordance with each Lenders' Pro Rata Share. If a successful bid is entered by a third party, and is acceptable to the City, then, to the extent that the proceeds of the foreclosure sale are, pursuant to law, the property of the holder of the Loan Documents, such proceeds shall be received by Lender and shall thereupon be divided among Lenders in proportion to their respective Pro Rata Shares.

Section 6.4 Default Administration. Subject to the rights of the USHUD pursuant to the Contract for Loan Guarantee Assistance, upon the determination by County of a course of action taken after an Event of Default in accordance with Section 6.1 hereof, and after consultation with City, the County shall have the right to maintain, manage and operate the Collateral and sell all or any part thereof in a manner consistent with such course of action or as County determines to be prudent, respectively, and may employ an independent management company, sales agent or others to maintain, manage, operate and sell the Collateral, all of which activity shall be part of County's right to service and administer the Loan. If County determines, in its discretion, that a management agreement is necessary, such management agreement will be negotiated in good faith by County, subject to City's approval. . In the event of the appointment of a receiver for any of the Collateral during the pendency of a foreclosure proceeding or otherwise, Lenders shall share in the profits and expenses of the receivership in proportion to their respective Pro Rata Shares. Notwithstanding the foregoing, any sale of the Collateral by County shall require the approval of the City. In such case County shall promptly notify City of each written offer to purchase the Collateral received by County, (the "Offer") advising City as to whether or not County wishes to accept the Offer. The City Manager shall notify County, in writing, within five (5) business days after City's receipt of the Offer, whether or not it wants to accept the Offer, which decision shall be subject to City Commission approval. If one party wishes to accept the Offer, but the City Manager of the other party does not, the parties shall immediately consult. If, after such consultation, the parties still do not agree, then the party not wanting to accept the Offer (the "Purchasing Party") shall submit to its board of commissioners the Offer and the board shall then be obligated to either accept the offer to sell, or shall purchase from the other party (the "Selling Party") the Selling Party's Pro Rata Share of the Collateral at a price equal to the amount which the Selling Party would have received from a sale pursuant to the Offer (including, without limitation, the payment of any expenses to be reimbursed to the Selling Party under the terms of this Agreement). The purchase and sale of the Selling Party's Pro Rata Share of the Collateral pursuant to this paragraph shall be without recourse, warranties or

representations, except as to the ownership of the Pro Rata Share being sold and shall occur as promptly as possible, but no later than fifteen (15) business days after the action is approved by the party's governing board. The parties shall cooperate with each other and execute such documents as are reasonably necessary to accomplish such sale as promptly as possible.

Section 6.5 Enforcement Costs. To the extent Borrower does not reimburse Lenders, each party shall contribute its Pro Rata Share of the costs and expenses of enforcing the Default Remedies.

Section 6.6 Application of Default Sums All amounts received by Lenders or with respect to the Loan Documents following any Event of Default whether paid by Borrower, realized from the Collateral or otherwise, shall be applied by Lenders as follows: (i) first, to the payment of any and all reasonable costs and expenses, including, without limitation, all amounts outstanding on the Section 108 Loan, reasonable trial and appellate attorneys' fees, costs and disbursements, incurred by either Lender in connection with or incidental to its collection of any amount due and payable to either Lender under the Loan Documents, the preparation for sale of the Collateral or any portion thereof and the sale, transfer and delivery of the Collateral or any portion thereof, (ii) second, to the satisfaction of all amounts, including principal, interest, fees and other amounts, due and payable to Lenders pursuant to the Loan Documents (iii) third, to the payment of any other amounts required by applicable law; and (iv) last, to the extent of the surplus, if any, of such proceeds, to Borrower (or such other entity as may be entitled thereto).

Section 6.7 Losses. All losses incurred by Lenders as a result of any failure on the part of Borrower to repay the Loan and any other sums due pursuant to the Loan Documents shall be borne by Lenders in accordance with their respective Pro Rata Shares.

ARTICLE VII
MISCELLANEOUS

Section 7.1 Approval by Governing Board of Parties Whenever this document requires a party to take action which is in the opinion of the party's counsel subject to the approval of the party's governing body, then performance by such party shall be automatically extended by a period of time equal to the number of days normally required for an item to be presented to, and considered by, such governing body, but in no event a period greater than ____ days from the date notice requesting approval is submitted.

Section 7.2 Notice Except as otherwise indicated herein, any notice, request, demand or other communication permitted or required to be given hereunder (collectively, a "Notice") shall be in writing, shall be signed by the party giving it, and shall be deemed to have been properly delivered if delivered by hand (with receipt acknowledged) to the party to whose attention it is directed or if mailed by United States registered or certified mail, return receipt requested or if sent by express courier service (with receipt acknowledged) addressed to the following addresses:

If to County:

MIAMI-DADE COUNTY
111 N.W. 1st Street
29Th Floor
Miami, Florida 33128
Attention: County Manager

With Copies to:

MIAMI-DADE COUNTY
111 N.W. 1st Street
Suite 2810
Miami, Florida 33128
Attention: County Attorney

If to City:

CITY OF MIAMI
444 SW 2nd Avenue
Miami, Florida 33130
Attention: City Manager

With Copies to:

City of Miami
Office of the City Attorney
444 SW 2nd Avenue, 9th Floor
Miami, Florida 33130

or to such other address as the party to be served with Notice may furnish in accordance with the terms of this Section to the party seeking or desiring to serve Notice as a place for the service of Notice. Notices shall be deemed effective (a) when delivered if delivered by hand, (b) two (2) Business Days after mailing, and (c) the next Business Day after delivery to any express courier service.

Section 7.3 Entire Agreement This Agreement, together with its Exhibits and Attachments, contains the entire agreement of the parties and supersedes all other representations, warranties, agreements and understandings, oral or otherwise, between the parties with respect to the matters contained herein.

Section 7.4 Waiver of Jury. The parties hereto hereby severally, voluntarily, knowingly and intentionally waive any and all rights to trial by jury in any legal action or proceeding arising under or in connection with this Agreement, regardless of whether such action or proceeding concerns any contractual or tortious or other claim. The parties hereto acknowledge that this waiver of jury trial is a material inducement to the parties hereto in entering into this Agreement, that the parties hereto would not have entered into this Agreement without this jury trial waiver, and that each

of them has been represented by an attorney or has had an opportunity to consult with an attorney regarding this Agreement and understands the legal effect of this jury trial waiver.

Section 7.5 Survival, etc. Notwithstanding the applicable statute of limitations, any other law or any investigation made at any time by or on behalf of any party hereto, all representations, warranties, covenants and other agreements (collectively, "Obligations") made by any party herein shall survive the execution and delivery of this Agreement, and shall remain and continue in full force and effect until both Lenders shall have fully performed and discharged all of their respective Obligations hereunder, without regard to any modification, extension, renewal, amendment or waiver of any provision of any Note or any of the other Loan Documents.

Section 7.6 Governing Law and Venue This Agreement shall be deemed negotiated and entered into in Miami-Dade County, Florida, and shall be governed by and construed in accordance with the laws of the State of Florida as an agreement entered into and to be performed wholly within the State of Florida. The parties agree that venue for any lawsuit in connection with this Agreement shall be in Miami-Dade County, Florida, unless an action to which any party hereto is made a defendant or third party defendant is filed in a different jurisdiction by a plaintiff not a party hereto.

Section 7.7 Benefit This Agreement shall inure to the benefit of and be binding upon each party hereto and their permitted successors and assigns, subject to the provisions of Section 5.5 hereof. All respective Obligations of Lenders shall inure to the benefit of the other and its permitted successors and assigns, subject to the provisions of Section 5.5 hereof. Nothing in this Agreement or in any transaction contemplated hereby, either expressed or implied, is intended to confer upon any Person other than the parties hereto any rights, remedies, obligations, or liabilities under or by reason of this Agreement.

Section 7.8 Counterparts This Agreement may be executed in one or more counterparts, each of which may be executed by one or more of the parties hereto, but all of which, when taken together, shall constitute but one agreement.

Section 7.9 No Waiver by Action Any waiver or consent respecting any Obligation or other provision of this Agreement shall be effective only in the specific instance and for the specific purpose for which given and shall not be deemed, regardless of the frequency given, to be a further or continuing waiver or consent. The failure or delay of a party at any time or times to require performance of, or to exercise its rights with respect to, any Obligation or other provision of this Agreement, including any investigation by or on behalf of any party, in no manner shall affect such party's right at a later time to enforce any such provision. All remedies, rights, powers and privileges of the Lenders hereunder are cumulative and are in addition to and shall not limit any other remedy, right, power or privilege of the Lenders hereunder or under applicable law.

Section 7.10 Modification Each and every modification and amendment of this Agreement shall be in writing and signed by all of the parties hereto, and each and every waiver of, or consent to any departure from, any Obligation or other provision of this Agreement, shall be in writing and signed by the party hereto against which such waiver or consent is sought to be enforced. The County Manager, on behalf of the County, and the City Manager, on behalf of the City, shall have the right to amend this Agreement unless in the

opinion of counsel for the party seeking to amend the Agreement, approval by the governing body is required.

Section 7.11 Captions The sections, captions and other headings contained in this Agreement are for convenient reference purposes only and shall not affect the meaning or interpretation, or define, describe, extend or limit the scope or intent, of this Agreement or any provision hereof.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

COUNTY:
MIAMI-DADE COUNTY

By:_____

CITY:
CITY OF MIAMI

Attest:

By: _____
Priscilla A. Thompson, City Clerk

By: _____
Pedro H. Hernandez, City Manager

Approved as to Form and Correctness:

_____
Jorge L. Fernandez, City Attorney

Approved as to Insurance Requirements:

_____

ON USHUD'S LETTERHEAD]

EXHIBIT "A"
CONFIRMATION OF PARTICIPANT'S SHARES

MIAMI-DADE COUNTY
111 N.W. 1st Street
Miami, Florida 33128

CITY OF MIAMI
444 SW 2ND Ave
Miami, Fl. 33130

THIS IS TO CERTIFY THAT, pursuant to the PARTICIPATION AGREEMENT (the "Agreement") dated as of _____, 2006 executed by MIAMI-DADE COUNTY (the "County") and CITY OF MIAMI (the "City") relating to a $25,000,000.00 loan from Lender, the County and the City are liable to the USHUD in accordance with each party's pro rata share, as follows: T

SCHEDULE"A" LENDERS' PRO RATA SHARES

	Principal Amount	Pro Rata Amount of Loan
LENDER:		
MIAMI-DADE COUNTY:	$5,000,000.00	20%
PARTICIPANT:		
CITY OF MIAMI:	$20,000,000.00	80%
TOTAL OUTSTANDING:	$25,000,000.00	100%

Dated:_____

ATTACHMENT "1"
LOAN DOCUMENTS

ATTACHMENT "2"
Assumption of Loan Guarantee Assistance Liability and Pledge Agreement

ATTACHMENT "3"
Estoppel Certificate Regarding the parrot Jungle Loan and the Section 108 Loan

ATTACHMENT "4"
Estoppel Certificate Regarding the Other Loans

ATTACHMENT "5"
Note Modification Agreement

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

ASSUMPTION OF LOAN GUARANTEE ASSISTANCE LIABILITY AND PLEDGE AGREEMENT UNDER SECTION 108 OF THE HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974, AS AMENDED, 42 U.S.C. 95308

Date of Agreement: _____

This Assumption of Loan Guarantee Assistance Liability and Pledge Agreement ("Agreement") is entered into by Miami-Dade County, Florida, as Borrower (the "Borrower"), the City of Miami, Florida, as assumptor (the "Assumptor"), and the Secretary of Housing and Urban Development ("Secretary"), as guarantor for the Guarantee made pursuant to section 108 ("Section 108") of title I of the Housing and Community Development Act of 1974, as amended (the "Act") and 24 CFR Part 570, Subpart M, of the promissory note issued on June 14, 2000, and numbered B-98-UC-12-0006, in the original Aggregate Principal Amount of $25,000,000, and any amended note or note that may be issued in substitution for such note and having the same note number (the "Note"). Such Aggregate Principal Amount was paid or credited to the account of the Borrower as of June 14, 2000 (the "Public Offering Date"), and all amounts so paid or credited are collectively referred to herein as the "Guaranteed Loan Funds." The Note includes the Fiscal Agency Agreement and the Trust Agreement as defined in the Note. Terms used in this Agreement with initial capital letters and not otherwise defined in the text hereof shall have the respective meanings given thereto in the Note. The Fiscal Agency Agreement and the Trust Agreement are sometimes collectively referred to herein as the "Fiscal Agency/Trust Agreements," and the Fiscal Agent and the Trustee respectively are sometimes collectively referred to as the "Fiscal Agent/Trustee."

RECITALS

A. The Note. On the Public Offering Date, trust certificates backed by the Note and similar notes issued by other Section 108 borrowers, denominated "Section 108 Government Guaranteed Participation Certificates Series HUD 2000-A" (the "Certificates"), were purchased for a purchase price of the full aggregate principal amounts thereof at interest rates determined by the Secretary and the initial purchasers, which purchasers were underwriters selected by the Secretary (the "Underwriters"). The Note is payable to the Trustee as Registered Holder on behalf of the Beneficial Owners of the Certificates. The interest rate at which the trust certificate of a specified maturity was sold to the Underwriters was the interest rate inserted on the Public Offering Date in Schedule P&I of the Note for the Principal Amount of corresponding maturity. After the Public Offering Date, the Borrower has agreed and the Assumptor hereby acknowledges that the Trustee pursuant to the Trust Agreement will maintain the books and records of all payments on the Note and all Principal Amounts and interest rates on such Principal Amounts. The Note and the Secretary's Note Guarantee as held by the Trustee and the Secretary's Certificate Guarantees are not amended and are not affected by this Agreement.

B. The Contract. Effective as of the Public Offering Date, the Borrower and the Secretary entered into a Contract for Loan Guarantee Assistance (the "Contract") with respect to the temporary deposit and the use of the Guaranteed Loan Funds for eligible activities, the terms of the Secretary's Guarantee, the security for the Secretary's Guarantee, the establishment of a Loan Guarantee Repayment Account and any other matter covered by the Contract.

C. The Participation Agreement. Contemporaneously herewith, the Borrower and the Assumptor have entered into a Participation Agreement with respect to the "Loan" as defined therein, which is the same loan described in paragraph 15(b) of the Contract. Such loan was made with Guaranteed Loan Funds to the "Obligor," is evidenced by the "Obligor Loan Agreement" and the "Obligor Note," and is secured by the "Collateral", each as also described in paragraph 15 of the Contract. Such loan shall be referred to herein as the "Obligor Loan." Pursuant to the Participation Agreement, the Assumptor purchased eighty percent (80%) of the Borrower's interest in the Obligor Loan and the Collateral therefore, and the Borrower retained a twenty percent (20%) interest in the Obligor Loan and the Collateral therefore.

AGREEMENT

The Assumptor hereby agrees to assume eighty percent (80%) (the "Assumptor's Pro Rata Share") of the Borrower's liability under the Contract for repayment of the principal and interest of the Note, the Borrower agrees to remain liable to repay twenty percent (20%) (the "Borrower's Pro Rata Share") of the principal and interest on the Note, and the parties hereby agree to the more specific understandings, undertakings, and amendments to the Contract set forth below. The paragraph numbers in this Agreement correspond to the paragraph numbers in the Contract. This Agreement amends and supersedes the corresponding provisions of the Contract, except as otherwise provided in this Agreement.

1. Receipt, Deposit and Use of Guaranteed Loan Funds.

The Borrower has received and disbursed the entire proceeds of the Note to the Obligor for the Obligor Loan and has submitted all reports to HUD as required under paragraph 1 of the Contract. No funds remain in the Guaranteed Loan Funds or the Guaranteed Loan Funds Investment Accounts, and these Accounts have been closed.

2. **Payments Due on Note.** Using any available funds in the Loan Repayment Account under paragraph 6 of this Agreement, the Borrower shall continue to pay to the Fiscal Agent/Trustee, as collection agent for the Note, all amounts due pursuant to the terms of the Note. In accordance with the Note and the Fiscal Agency/Trust Agreements, payment shall be made by 3:00 P.M. (Near York City time) on the seventh Business Day (the "Note Payment Date") preceding the relevant Interest Due Date or Principal Due Date (each as defined in the Note). If any Note Payment Date falls on a day that is not a Business Day, then the required payment shall be made on the next Business Day. Payments to the Fiscal Agent/Trustee may be made by check or wire transfer. In the event of a shortage in

funds available in the Loan Repayment Account when payment is due to the Fiscal Agent/Trustee under the Contract, the Borrower and the Assumptor hereby agree to pay the Borrower's Pro Rata Share and Assumptor's Pro Rata Share, respectively, of the shortage needed to make the payment. In such event, the Borrower will promptly notify the Assumptor of the Assumptor's Pro Rata Share of the payment due, and the Assumptor hereby agrees promptly to pay such amount to the Borrower by wire transfer to the Loan Repayment Account maintained by the Borrower under paragraph 6 of the Contract and this Agreement.

3. Selection of New Fiscal Agent or Trustee. The Secretary shall select a new Fiscal Agent or Trustee if the Fiscal Agent or Trustee resigns or is removed by the Secretary. The Borrower and the Assumptor hereby consent in advance to any such selection and to any changes in the Fiscal Agency/Trust Agreements agreed to by any Fiscal Agent or Trustee and the Secretary, subject to paragraph 4(d) of this Agreement.

4. Payments Due Fiscal Agent or Trustee; Documents to the Secretary.

(a) The Borrower agrees to pay the Borrower's Pro Rata Share and the Assumptor agrees to pay the Assumptor's Pro Rata Share of the cost of reimbursement and/or compensation of the Trustee pursuant to the Trust Agreement, including Sections 3.11 and 7.01 thereof, to the extent the Borrower is notified of any such costs after the date of this Agreement. If the Borrower is so notified, the Borrower agrees to promptly notify the Assumptor of the Assumptor's Pro Rata Share.

(b) The Assumptor shall submit to the Secretary, concurrently with execution and delivery of this Agreement, an opinion acceptable to the Secretary from the Assumptor's counsel to the effect that: (i) the governing body of the Assumptor has authorized by resolution or ordinance, in accordance with applicable State and local law, the execution of this Agreement; (ii) this Agreement is a valid, binding, and enforceable obligation of the Borrower; (iii) the pledge of funds pursuant to 24 CFR §570.705(b)(2) and paragraph 5(a) of this Agreement is valid and binding; and (iv) there is no outstanding litigation that will affect the validity of this Agreement.

(c) The undertakings in paragraphs 3 and 4 of this Agreement are expressly subject to the requirement that the Fiscal Agency/Trust Agreements shall in no event require payment of fees or charges, reimbursement of expenses, or any indemnification by the Borrower or the Assumptor from any source other than funds pledged pursuant to paragraphs 5 or 15 of this Agreement.

5. Security. The Borrower and the Assumptor hereby pledge as security for repayment of their respective pro rata share of the Note and such other charges as may be authorized in the Contract or this Agreement, in their respective pro rata shares hereunder, the following:

(a) All allocations or grants which have been made or for which the Borrower or the Assumptor, as applicable, may become eligible under Section 106 of the Act.

(b) Program income, as defined at 24 CFR 570.500(a)(or any successor regulation), directly generated from the use of the Guaranteed Loan Funds.

(c) Other security as described in paragraph 15, _et seq.,_of the Contract or this Agreement.

(d) All proceeds (including insurance and condemnation proceeds) from any of the foregoing.

(e) All funds or investments in the accounts established pursuant to paragraphs 1 and 6 of this Agreement.

6. Loan Repayment Account.

(a) All amounts pledged pursuant to paragraphs 5(b), 5(c), and 5(d) of this Agreement, and all amounts required to be paid by the Borrower and the Assumptor under Section 2 hereof, shall be deposited immediately upon receipt in a separate identifiable custodial account maintained by the Borrower (the "Loan Repayment Account") with a financial institution whose deposits or accounts are Federally insured. The Loan Repayment Account has been established and designated the form document entitled "Letter Agreement for Section 108 Loan Guarantee Program Custodial Account" (Attachment 1 to the Contract), and such account shall be continuously maintained for deposit of all such pledged funds. Borrower shall make withdrawals from said account only for the purpose of paying interest and principal due on the Note (including the purchase of Government Obligations for defeasance in accordance with paragraph 10 hereof), for payment of any other obligation of the Borrower and the Assumptor under this Agreement or the Fiscal Agency/Trust Agreements, in their respective pro rata shares hereunder, or for the temporary investment of funds pursuant to this paragraph, until final payment and discharge of the indebtedness evidenced by the Note, unless otherwise expressly authorized by the Secretary in writing. Such temporary investment of funds shall be required within three Business Days after the balance of deposited funds exceeds the amount of the Federal deposit insurance on the Loan Repayment Account. At that time, any balance of funds in the Loan Repayment Account exceeding such insurance coverage shall be fully (100%) and continuously invested in Government obligations, as defined in paragraph 10 hereof.

All temporary investments, whether or not required as above, shall be limited to Government Obligations having maturities that are consistent with cash requirements for payment of principal and interest as required under the Note. In no event shall the maturities of such investments exceed one year. All such investments shall be held in trust for the benefit of the Secretary by the above financial institution in an account (the "Loan Repayment Investment Account") that has been established and designated pursuant the form document entitled "Letter Agreement for Section 108 Loan Guarantee Program Custodial Investment Account" (Attachment 2 to the Contract), which account shall be maintained for all Government Obligations purchased with funds from the Loan Repayment Account. All proceeds and income derived from such investments shall be returned to the Loan Repayment Account.

As of the date of this Agreement, the Borrower and the Assumptor shall be deemed to share ownership of the Loan Repayment Account and the Loan Repayment Investment Account, in accordance with their respective pro rata shares hereunder, although the

Borrower shall continue to maintain such accounts in accordance with this Agreement and with Borrower's obligations to Assumptor under the Participation Agreement..

(b) Borrower shall by the fifteenth day of each month, provide the Secretary and the Assumptor with a written statement showing the balance of funds in the Loan Repayment Account and the deposits and withdrawals of all funds in such account during the preceding calendar month and a statement identifying the obligations and their assignments in the Loan Repayment Investment Account.

(c) Upon the Secretary giving notice that the Borrower or the Assumptor, or bath of them if applicable, is in Default under this Agreement or the Note, all right, title, and interest of the Borrower or the Assumptor, or both of them, as applicable, in and to the Loan Repayment and Loan Repayment Investment Accounts shall immediately vest in the Secretary for use in making payment on the Note, purchase of Government obligations in accordance with paragraph 10, or payment of any other obligation of the Borrower under this Agreement or the Fiscal Agency/Trust Agreements.

7. Use of CDBG Funds for Repayment. Any funds available to the Borrower or the Assumptor under Section 106 of the Act (including program income derived therefrom) are authorized to be used by the Borrower or the Assumptor, in accordance with their respective pro rata shares under this Agreement, for payments due on the Note, Optional Redemption (as defined in the Note), payment of any other obligation of the Borrower under this Agreement or the Fiscal Agency/Trust Agreements, or the purchase of Government obligations in accordance with paragraph 10. Unless otherwise specifically provided herein or unless otherwise expressly authorized by the Secretary in writing, the Borrower shall substantially disburse funds available in the Loan Repayment or the Loan Repayment Investment Accounts before funds from grants under Section 106 of the Act are withdrawn from the U.S. Treasury for such purposes by either the Borrower or the Assumptor.

8.Secretary's Right to Restrict Use of CDBG Funds to Repayment. Upon a determination by the Secretary that payments required by paragraph 2 and/or paragraph 4 of this Agreement are unlikely to be made as required in accordance with their respective pro rata shares hereunder by either the Borrower or the Assumptor, or both, the Secretary may give the Borrower and/or the Assumptor, as applicable, notice that the availability to the Borrower and/or the Assumptor, as specified in such notice, of funds pledged under paragraph 5(a) of this Agreement for purposes other than satisfaction of the pledge is being restricted. This restriction shall be in an amount estimated by the Secretary to be sufficient to ensure that the payments referred to in paragraph 2 and/or paragraph 4 hereof are made when due by the Borrower and/or the Assumptor, as applicable. With respect to the Borrower and/or the Assumptor as applicable, this restriction may be given effect by conditioning the restricted amounts to prohibit disbursement for purposes other than satisfaction of the pledge at the time such restricted funds are approved as grants, by limiting the restricted party's ability to draw down or expend the restricted funds for other purposes, and by disapproving payment requests submitted with respect to such grants far purposes other than satisfaction of the pledge.

9.Secretary's Right to Use Pledged Funds for Repayment. The Secretary may use funds pledged under paragraph 5(a) of this Agreement or funds restricted under grants pursuant to paragraph 8 of this Agreement to make any payment required of the Borrower or the Assumptor under paragraph 2 and/or paragraph 4, if such payment has not been timely made by the Borrower or the Assumptor, as applicable.

10Defeasance. For purposes of this Agreement, the Note shall be deemed to have been paid (defeased) to the extent that there shall have been deposited with the Trustee either moneys or Government Obligations (defined below), which in the sole determination of the Secretary, mature and bear interest at times and in amounts sufficient, together with any other moneys on deposit with the Trustee for such purpose, to pay when due the principal and interest to become due on the Note. The Aggregate Principal Amount of the Note or any unpaid Principal Amount may be so defeased, in whole or in part, as of any Interest Due Date, or any other Business Day acceptable to HUD, the Borrower, and the Assumptor. In accordance with the Note and the Trust Agreement, the Borrower shall give timely notice and written. instructions to the Secretary and the Trustee concerning any principal amounts proposed to be defeased, including any Optional Redemptions proposed, which instructions shall be approved by the Secretary. If the unpaid Aggregate Principal Amount of the Note guaranteed pursuant to this Contract shall be defeased and deemed to have been paid in full, then the Borrower and the Assumptor shall be released from all agreements, covenants, and further obligations under the Note.

"Government Obligation" means a direct obligation of, or any obligation for which the full and timely payment of principal and interest is guaranteed by, the United States of America, including but not limited to, United States Treasury Certificates of Indebtedness, Notes and Bonds - State and Local Government Series or certificates of ownership of the principal of or interest on direct obligations of, or obligations unconditionally guaranteed by, the United States of America, which obligations are held in trust by a **commercial bank which** is a member of the Federal Reserve System and has capital and surplus (exclusive of undivided profits) in excess of $100,000,000.

11. Defaults.

(a) A Default under the Note and this Agreement shall occur upon the Borrower's failure to:

(i) pay when due an installment of principal or interest on the Note; or (ii) punctually and properly perform, observe, and comply with any covenant, agreement, or condition of the Borrower contained in: (A) this Agreement, (B) any security agreement, deed of trust, mortgage, assignment, Guarantee, or other Agreement securing payment of indebtedness evidenced by the Note, or (C) any future amendments, modifications, restatements, renewals, or extensions of any such documents.

(b) The Borrower and the Assumptor each waive notice of Default and opportunity for hearing with respect to a Default under paragraph 11(a).

(c) In addition to Defaults under paragraph 11(a), the Secretary may declare the Note in Default if the Secretary makes a final decision in accordance with the provisions of section 111 of the Act and 24 CFR §570.913 (or any successor provisions), including

requirements for reasonable notice and opportunity for hearing, that either the Borrower or the Assumptor, or both have failed to comply substantially with title I of the Act. Notwithstanding any other provision, following the giving of such reasonable notice to either such party, or both, the Secretary may withhold the making of commitments to guarantee or the guarantee of any or all obligations not yet guaranteed in accordance with outstanding commitments on behalf of the Borrower or the Assumptor, or both, as applicable. In addition, in the event that notice of Default has been given to the Borrower under this paragraph 11(c), the Secretary may, in the Secretary's sole discretion pending the Secretary's final decision, direct the Borrower's financial institution to: refuse to honor any instruments drawn upon, **or withdrawals** from, the Loan Repayment Account initiated by the Borrower, and/or refuse to release obligations and assignments by the Borrower from the Loan Repayment Investment Account.

(d) A Default by the Borrower under paragraph 11(a) shall be deemed a default by the Assumptor only if Assumptor has failed to pay when due any amount owing under paragraph 2 or 4 of this Agreement or to punctually and properly perform, observe, and comply with any covenant, agreement, or condition applicable to the Assumptor in this Agreement. In such event, the Secretary shall be entitled to exercise remedial actions in accordance with the respective pro rata shares of liability of Borrower and Assumptor hereunder against funds respectively pledged by the Borrower and the Assumptor under this Agreement.

(e) A Default limited to the Assumptor or to the Borrower under this Agreement shall entitle the Secretary to exercise remedial actions only against funds pledged by the Assumptor or the Borrower, as applicable, under this Agreement.

12.Remedial Actions. Upon a Default or declaration of Default under this Agreement, the Secretary may, in the Secretary's sole discretion, take any or all of the following remedial actions:

(a) With any funds or security pledged under this Agreement, the Secretary may (i) continue to make payments due on the Note, (ii) make an acceleration payment with respect to the principal amount of the Note subject to Optional Redemption as provided in Section B of the Note, (iii) purchase Government Obligations in accordance with paragraph 10 of this Agreement, (iv) pay any interest due for late payment as provided in the Note, this Agreement, or the Fiscal Agency/Trust Agreements, (v) pay any other obligation of the Borrower and/or the Assumptor, as applicable, under this Agreement or the Fiscal Agency/Trust Agreements, and/or (vi) pay any reasonable expenses incurred by the Secretary or the Fiscal Agent/Trustee as result of the Default.

(b) The Secretary may withhold the guarantee of any or all obligations not yet guaranteed or grants not yet disbursed under outstanding guarantee commitments or grant approvals for the Borrower and/or the Assumptor, under Section 108 and/or Section 106 of the Act.

(c) The Secretary may direct the Borrower's financial institution to: refuse to honor any instruments drawn upon, or withdrawals from, the Guaranteed Loan Funds Account or

the Loan Repayment Account by the Borrower, and/or refuse to release obligations and assignments by the Borrower from the Guaranteed Loan Funds Investment Account or the Loan Repayment Investment Account; and/or direct the Borrower and/or the Borrower's financial institution to transfer remaining balances from the Guaranteed Loan Funds Account to the Loan Repayment Account.

(d) With respect to amounts subject to Optional Redemption, the Secretary may accelerate the Note.

(e) The Secretary may exercise any other appropriate remedies or sanctions available by law or regulation applicable to the assistance provided under this Agreement, or may institute any other action available under law to recover Guaranteed Loan Funds or to reimburse the Secretary for any **payment under the** Secretary's Guarantee or any reasonable expenses incurred by the Secretary as a result of the Default.

(f) All notices and submissions provided for hereunder shall be in writing (including by telex, telecopier or any other form of telecommunication) and mailed or sent or delivered, as to each party hereto, at its address set forth below or at such other address as shall be designated by such party in a written notice to the other party hereto. All such notices and other communications shall be effective when received as follows: (i) if sent by hand delivery, upon delivery; (ii) if sent by mail, upon the earlier of the date of receipt or five Business Days after deposit in the mail, postage prepaid; (iii) if sent by telex, upon receipt by the sender of an answer back; and (iv) if sent by telecopier, upon receipt.

The Secretary:

U.S. Dept. of Housing and Urban Development
Attention: Paul Webster Director Financial Management Division
451 7th Street, SW, Room 7180
Washington, D.C. 20410

Borrower:

Miami-Dade County
111 NW 1st Street, 29th Floor
Miami, Florida 33128
Attention: County Manager

With Copies to:

Miami-Dade County
Office of Community and Economic Development
Attention: Director
140 W. Flagler
Miami, Florida 33130

Assumptor:

City of Miami

With Copies to:

13. Limited Liability. Notwithstanding any other provision of this Agreement, the Fiscal Agency/Trust Agreements or the Note, any recovery against the Borrower or Assumptor for any liability for amounts due pursuant to this Agreement under the Note, the Fiscal Agency/Trust Agreements and this Agreement shall be limited to the sources of security pledged in paragraphs C., 5, or any Special conditions of this Agreement. Neither the general credit nor the taxing power of the Borrower, the Assumptor or of the State in which the Borrower and the Assumptor are located, is pledged for any payment due under the Note, the Agreement, or the Fiscal Agency/Trust Agreements.

14. Incorporated Grant Agreement. The Agreement and the Note are hereby incorporated in and made a part of the Grant Agreement authorized by the Secretary on December 31, 1998, under the Funding Approval for grant number B-98-UC-12-0006 to the Borrower. In carrying out activities with the Guaranteed Loan Funds hereunder, the Borrower and the Assumptor agrees to comply with the Act and 24 CPR Part 570, as provided in Subpart M thereof.

15. Special *Conditions and Modifications:*

***(a)* RESERVED**

(b) Guaranteed Loan Funds were used by the Borrower to make a loan to Parrot Jungle & Gardens, Inc. (the "Obligor"), which loan was evidenced by a promissory note (the "Obligor Note") and a loan agreement (the "Obligor Loan Agreement"), which Obligor Note and Obligor Loan Agreement were in a form acceptable to the Secretary. The amounts of principal and/or interest payable under the Obligor Note during the twelve month period beginning July 1 of each year and ending on June 30 of the next succeeding year are equal to or greater than the amounts of principal and/or interest payable under the Notes for the corresponding period.

(i) In order to secure the payment and performance of the secured obligations of the Obligor to the Borrower, the Borrower obtained the following collateral (collectively, the "Collateral"):

(A) A lien on the Obligor's leasehold interest in the property described in Attachment 3 hereof (the "Property"), established through an appropriate and properly recorded leasehold mortgage (the "Obligor Leasehold Mortgage"). Obligor's leasehold interests that are the subject of that leasehold mortgage are those interests identified in a Lease Agreement entered into between the Obligor and the City of Miami, Florida. The Obligor Leasehold Mortgage contained such provisions as the Secretary deemed necessary.

(B) Any and all rights, titles, and interests of the Obligor in and to any leases covering the Property. Such rights, titles, and interests of the Obligor are the subject

of a collateral assignment of leases and rents (the "Collateral Assignment of Leases and Rents"). The Collateral Assignment of Leases and Rents is in a form, acceptable to the Secretary.

(C) Any and all rights, titles, and interests of the Obligor in and to any licenses, permits, and other agreements covering the Property. Such rights, titles, and interests are the subject of a collateral assignment of interest in licenses, permits, and other agreements (the "Collateral Assignment of Interest in Licenses, **Permits,** and Agreements"). The Collateral Assignment of Interest in Licenses, Permits, and Agreements is in a form acceptable to the Secretary.

(ii) The Borrower selected a financial institution acceptable to the Secretary (the "Custodian") to act as custodian for the documents specified in (iii) below (hereinafter referred to as the "Security Documents"). The Borrower and the Custodian entered into a written agreement containing such provisions as the Secretary deemed necessary. A fully executed copy of such agreement, with original signatures, was forwarded to the Secretary contemporaneously with the delivery of documents pursuant to (iii) below.

(iii) Not later than five business days after the initial disbursement of the Guaranteed Loan Funds to the Obligor, the Borrower delivered to the Custodian the following:

(A) The original Obligor Note, endorsed in blank and without recourse.

(B) The original Obligor Loan Agreement and an assignment thereof to the Secretary, which assignment was in a form acceptable to the Secretary.

(C) The original recorded Obligor Leasehold Mortgage signed by the Obligor and an assignment thereof to the Secretary, in a recordable form but unrecorded, which assignment was in a form acceptable to the Secretary.

(D) The original recorded Collateral Assignment of Leases and Rents and an assignment thereof to the Secretary, in a recordable form but unrecorded, which assignment was in a form acceptable to the Secretary.

(E) The original Collateral Assignment of Interest in Licenses, Permits, and Agreements and an assignment thereof to the Secretary, which assignment was in a form acceptable to the Secretary.

(F) An opinion of the Borrower's counsel, addressed to the Secretary and on its letterhead, that (as of the date of such opinion):

(1) the Obligor is a corporation duly organized, validly existing, and in good standing under the laws of the State of Florida;

(2) the Obligor Note has been duly executed and delivered by a party authorized by the Obligor to take such action and is a valid and binding obligation of the Obligor, enforceable in accordance with its terms, except as limited by bankruptcy and similar laws affecting creditors generally; and

(3) the security instruments specified in (B) through (E) above are valid and legally binding obligations, enforceable in accordance with their respective terms.

(G) A mortgagee title policy, issued by a company and in a form acceptable to the Secretary, naming the Borrower as the insured party. The policy either included in the definition of the "insured" each successor in ownership of the indebtedness secured by the Obligor Leasehold Mortgage or was accompanied by an endorsement of the policy to the Secretary.

(H) A certified survey with a legal description conforming to the title policy and the Obligor Leasehold Mortgage.

(I) An appraisal of the Obligor's Leasehold interest in the Property specifying an estimate of fair market value of not less than $31,250,000. The appraisal was completed by an appraiser who was certified by the state and has a professional designation (such as "SRA" or "MAI"), and the appraisal conformed to the standards of the Financial Institutions Reform, Recovery and Enforcement Act of 1989 ("FIRREA") when issued.

(iv) Concurrently with the execution of this Agreement, Borrower and Assumptor executed a Participation Agreement pursuant to which Assumptor assumed eighty percent (80%) of Borrower's interest in the Obligor Loan and the Collateral therefore.

(c) Paragraph 12 is amended by adding at the end thereof the following language:

"(f) The Secretary may complete the endorsement of the Obligor Note and record the assignments referred to in paragraph 15(b)(iii) and thereby effectuate the transfer of the documents referenced and underlying indebtedness from the Borrower to the Secretary or the Secretary's assignee.

The Assumptor hereby grants irrevocable consent to any such action by the Secretary.

"(g) The Secretary may exercise or enforce any and all other rights or remedies (including any and all rights and remedies available to a secured party under the Uniform Commercial Code) available by law or agreement (including any of the Security Documents, as defined in paragraph 15(b)) against the Collateral, against the Borrower, against the Obligor, or against any other person or property. The Assumptor hereby grants irrevocable consent to any such action by the Secretary."

(d) The Borrower agrees that it shall promptly notify the Secretary and the Assumptor in writing upon the occurrence of any event which constitutes a default (an "Event of Default") under (and as defined in) any of the Security Documents, as defined in paragraph 15(b). Notification of an Event of Default shall be delivered to the Secretary, at 451 Seventh Street, SW, Washington, DC 20410, Attention: Director, Financial Management Division, Office of the Assistant Secretary for Community Planning and Development. Upon the occurrence of an Event of Default, the Secretary may (without prior notice or hearing, which Borrower hereby expressly waives), in addition to (and not in lieu of) exercising any and all remedies that may be available under the Security Documents, declare the Notes in Default and exercise any and all remedies available under paragraph 12, subject to the provisions of paragraph 11 (e). This paragraph 15(d) shall not affect the right of the Secretary to declare the Notes in Default pursuant to paragraph 11 and to exercise in connection therewith any and all remedies available under paragraph 12.

(e) As of the effective date of this Agreement, the Secretary shall treat the Borrower's

Pro Rata Share and the Assumptor's Pro Rata Share, respectively, of the outstanding principal balance due on the Note as the amounts, respectively, of the Borrower's and the Assumptor's unpaid obligations under the Note for purposes of 24 CFR 570.705(a)(2)(i).

[Rest of this page intentionally left blank]

IN WITNESS WHEREOF, the undersigned, as authorized officials on behalf of the Borrower, the Assumptor or the Secretary, have executed this Agreement, which shall be effective and shall be dated as of the date of execution by the Secretary, after execution on behalf of the Borrower and the Assumptor.

MIAMI-DADE COUNTY FLORIDA
BORROWER

_____

BY:
(Name)
(Title)
(Signature)
(Date)

CITY OF MIAMI FLORIDA
ASSUMPTOR

_____

BY:
(Name)
(Title)
(Signature)
(Date)

SECRETARY OF HOUSING AND URBAN DEVELOPMENT

_____

BY:
(Name)
(Title)
(Signature)
(Date)

ATTACHMENT 3

Description of Real Property

The Borrower has inserted the legal description of the Property as defined in paragraph 15(b)(i)(A) in Attachment 3 to the Contract. That legal description has not changed.

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Attachment 3

Memorandum

MIAMI-DADE COUNTY

Date: July 18, 2006

Amended
Agenda Item No. 14(A)(28)

To: Honorable Chairman Joe A. Martinez
and Members, Board of County Commissioners

From: George M. Burgess
County Manager

Subject: Resolution authorizing a new loan to Parrot Jungle and Gardens

R-916-06

On July 18, 2006, The Board adopted the accompanying resolution with the following amendments: 1) the loan documents for the new loan must stipulate that any sale of Parrot Jungle and Gardens of Watson is subject to the approval of the County, 2) the loan documents must also include language stipulating that if the financial position of Parrot Jungle improves, the County will recover the loan at a faster rate, and 3) the Personal Guaranty of Dr. Bern Levine may only be released upon the approval of the Board of County Commissioners.

RECOMMENDATION

It is recommended that the Board adopt the attached resolution that authorizes a new loan to Parrot Jungle and Gardens of Watson Island, Inc. (PJG) in the amount of $4,701,782 to cover the County's advanced payments to U.S. Housing and Urban Development (US HUD) through February 2006 for loan repayments (including administrative co[illegible] ticipated revenue from Parrot Jungle has not been received by the County; authorize[illegible] defer payments on the $25 million US HUD Section 108 loan until January 2012, fo[illegible] and City will make payments on the US HUD Section 108 loan until January 2012, subject to City of Miami approval as required by the Development Agreement among the County, City, and PJG; authorizes the County Manager to negotiate an assumption by the City of Miami at a minimum level of 80 percent of the US HUD Section 108 loan; and authorizes the County Manager to execute any required documents, agreements, and amendments that may be necessary to implement the recommended modifications subject to the review of the County Attorney.

Attachment 3
Page 1 of 11

BACKGROUND

In the fall of 1997, Miami-Dade County was approached by the owner of Parrot Jungle for the purpose of seeking financial assistance through the US HUD Section 108 Loan Program. The assistance was being requested to facilitate the relocation of the PJG attraction from its long-time home in South Dade to a new location on Watson Island in the City of Miami. The City of Miami was approached by the owners of PJG for Section 108 loan assistance, and due to the City's then financial crisis, the City was unable to provide such assistance. In approaching Miami-Dade County for Section 108 loan assistance, PJG received support for assistance. City of Miami officials appeared before the County Commission on June 16, 1998 during a public hearing to consider the final approval of an application to US HUD for a Section 108 loan in the amount of $25 million to be used to assist PJG.

The County Commission considered and initially approved a loan application in the amount of $21 million, with subsequent modifications that increased the loan application amount to $25 million after public hearings were held on February 3, 1998 and on June 16, 1998. As a condition precedent to the submission of the Section 108 loan guarantee application to US HUD, the County required the City of

Miami to enter into a Joint Participation Agreement (JPA) requiring the City to substitute itself as the guarantor for 80 percent of the $25 million Section 108 loan guarantee subject to certain conditions (see attachment). The required JPA between the County and the City was executed September 9, 1998 and the County's application to US HUD was submitted nearly a month later on October 6, 1998. US HUD notified the County of the approval of the loan application on April 26, 1999. Subsequently, a development agreement among the County, Parrot Jungle, and the City of Miami was executed on April 20, 2000 and the Section 108 loan to Parrot Jungle was closed with an initial disbursement of funds on January 9, 2001.

Miami-Dade County obtained a $25 million loan through the US HUD Section 108 Loan Program to make a loan to PJG for the relocation and expansion of the attraction. In addition to its collateral for the loan to PJG the County has, as required by US HUD, pledged its current and future Community Development Block Grant (CDBG) funds as the ultimate source of repayment for this obligation. The source of revenue to the County for the required payments to US HUD is the loan payments from PJG to the County. In addition, the Board directed that no CDBG funds be used for any future advances of funds by the County that may be required in the event of further shortfalls in the receipt of payments from Parrot Jungle to the County for the Section 108 loan.

The new construction and relocation of this attraction to Watson Island in the City of Miami has been completed. As of November 2005 Parrot Jungle has created 305 jobs (217 full-time and 88 part-time), with the overwhelming number of the permanent positions going to low-to-moderate-income persons as defined by US HUD Guidelines. Of the full-time jobs, 60 percent, or 270, have been confirmed by OCED staff site visits as being held by low-to-moderate-income persons.

STATUS OF PARROT JUNGLE AND GARDENS SECTION 108 LOAN

At the present time, Miami-Dade County is the obligor to US HUD on the $25 million loan; however, as a condition of the County applying for the loan, the JPA entered into by the County and the City of Miami required the City to substitute itself as a guarantor for 80 percent, or $20 million. The instruments required to implement the loan guarantee substitution are a US HUD Amended Pledge Agreement and an Inter-creditor Agreement.

Those instruments could not be implemented until certain pre-conditions in the JPA were satisfied, and the City and County were ready to request US HUD to implement the loan guarantee substitution. The joint City and County request to proceed with the loan guarantee substitution was transmitted to US HUD in a letter dated November 24, 2003. A conference call involving County, City, and US HUD staff was convened on January 30, 2004 to discuss the structure, process, procedures, required documentation and timetable for completing the requested loan guarantee substitution.

As a result of that conference call, US HUD agreed to assume the lead responsibility to draft an Amended Pledge Agreement and the County assumed the lead responsibility to develop an Inter-creditor Agreement. While the Inter-creditor Agreement prepared by the County was drafted in April, 2004, the US HUD drafted participation agreement was delayed and it was not received until December 23, 2004 along with final review comments on the inter-creditor agreement. The documents have been prepared in final draft form and were delivered to the City on January 21, 2005. The City staff has expressed some concerns with the loan guarantee substitution and staff met with officials from the City on January 18, 2005 who took the position that until the delinquent status of PJG is cured, the City has no contractual obligation to proceed with the substitution. In this regard, a series of meetings have taken place involving the County, City of Miami and PJG for the purpose of developing recommendations for an interim loan restructure and a cash flow strategy for PJG.

In exploring other possible options for funding this debt service obligation, the County has been fully assessing its options pursuant to the JPA with the City of Miami. Efforts involving US HUD, the County, and the City of Miami have been underway throughout the past year to implement the terms of that loan guarantee substitution and meetings in June 2005 have included Parrot Jungle in an effort to develop a comprehensive, short-term and long-range solution for the next five years. As a result of these meetings, PJG has prepared a comparison of actual financial results from the 1st quarter of 2004 with the actual results from the 1st quarter of 2005. These results have been reviewed by the City and County and used to evaluate the reasonableness of PJG's financial projections for 2005-2009 that are being used to determine PJG's loan repayment ability as part of a comprehensive loan restructure and workout strategy.

In addition to these ongoing meetings of all parties, the County has been aggressively pursuing the implementation of the City's 80 percent loan guarantee substitution and the recovery of the funding that the City of Miami is obligated to provide toward the PJG debt service pursuant to the JPA. A provision of the agreement provides that "until such time as the Guarantee Replacement occurs, in the event of a monetary default by PJG under the terms of the Section 108 loan, the City's financial obligation in reducing the amount of said default shall be to pay to the County a proportionate amount of the amount owed by PJG, based upon the amount of the lease payments paid to the City by PJG...exclusive of the City's payments to the State of Florida..." The City has acknowledged that in accordance with this provision and the estimated payment by PJG of approximately $1.7 million in cumulative lease payments to the City through September 2005 that approximately $1.5 million may be due to the County from the City's CDBG funds. However, the guarantee replacement should have actually occurred by no later than January 21, 2005.

During the course of this series of ongoing meetings and efforts relative to implementing the terms of the JPA, and the negotiation of a loan repayment/work-out agreement including the County, City and PJG, the City of Miami indicated its desire to seek a modification to the terms of the loan substitution as required by the JPA. The City indicated that it would like to modify the terms of the loan guarantee substitution so that its share of the loan guarantee will be reduced from the 80 percent. The City and County have extensively discussed the City's contention, that the manner in which the $25 million loan was drawn down in a single sales of 108 serial notes in June 2000 resulted in increased costs for the loan transaction that have not been fully mitigated by actions that have been taken by the County. Based on the City's contention of increased total loan costs, the City requested that the payment of any future shortfalls in PJG's payments that are used to fund the debt service payments due to US HUD be advanced by the City and County on a basis other than the 80/20 percent basis. However, the issue of increased total loan costs was addressed in 2003 when the County provided a $1.5 million "forgivable" loan to PJG to mitigate the increased loan transaction costs, which did not increase the City's obligation in the $25 million loan. Nevertheless, on September 30, 2005 the City proposed a reduced assumption of 70 percent of the $25 million loan to PJG. The County preliminary agreed to the reduction.

Subsequent to the aforementioned agreement, the City Manager sent a letter dated March 10, 2006 stating that the City had reconsidered its position regarding the 70/30 percent loan guarantee substitution transaction and would not be going forward on that basis.

NEW LOAN AGREEMENT

As the result of the City's request to not move forward with the 70/30 percent assumption, it is recommended that the Board authorize the proposed new loan to Parrot Jungle to facilitate the County's

effort to have the City perform its original obligation to substitute itself as the guarantor for 80 percent of the $25 million US HUD 108 loan.

The recommended business terms and parameters for the new loan note and/or agreement are as follows:

Item	Recommended Parrot Jungle New Loan Terms
Amount	The note will be in the amount of $4,701,782.
Interest Rate	5 Percent - Interest on the new loan will start to accrue six months prior to January 15, 2012 when the first payment is due.
Collateral	The note will be guaranteed by Dr. Bern Levine. Language will be included in the guarantee to permit the County to consider releasing the personal guarantee based on a positive change in Parrot Jungle's financial conditions in the future. Should the Park generate a net income of at least $1.5 million after payment of all operating expenses and after Senior debt payments to the first lender, Miami Dade County will consider releasing the personal guarantee provided that PJ agrees to begin repayment of the new loan prior to January 2012.
Repayment Schedule	Semi-annual payments will be due on January 15 and July 15 starting in 2012 in 14 payments of equal installments over seven (7) years. The repayment will be completed with a final payment on July 15, 2018. The note can be prepaid at any time with no prepayment penalties.
Late Payment Penalty and Default Provision	Borrower shall pay Lender a late fee of 5 percent of the payment amount due for any payment that is not received by the fifteenth (15th) day after the payment due date. Subject to applicable notice, grace or cure periods, if any, failure to pay any principal and/or interest, or other obligation due under the note, filing or suggestion of bankruptcy, or violation of any loan term and/or condition as may be set forth in the loan agreement will accelerate and the loan shall be due and payable immediately.

As the Board has been previously advised the last payment that was due to US HUD in the amount of $915,914.25 was made as required by February 1, 2006 by the County. Including this most recent payment, the County has now advanced 4 payments to US HUD totaling $4,579,719.50 as delineated in the following table.

Due Date	Amount Due to USHUD			PJ Payment Due
	Principal	Interest	Total	Total
August 1, 2004	350,000.00	946,276.75	1,296,276.75	1,327,276.75
February 1, 2005		933,764.25	933,764.25	964,326.75
August 1, 2005	500,000.00	933,764.25	1,433,764.25	1,464,326.75
February 1, 2006		915,914.25	915,914.25	945,851.75
Subtotal	**850,000.00**	**3,729,719.50**	**4,579,719.50**	**4,701,782.00**

Note: PJ Payments Due to the County include Administrative Costs

Please note that the total amount of payments due from Parrot Jungle to the County is $4,701,782, including the interest rate spread to cover the administration of the loan.

Upon the approval by the Board of the new loan, and execution of the amended Pledge Agreement and Inter-creditor Agreement by the County, City and US HUD, the City will be responsible for 80 percent of the outstanding principal balance of the US HUD Section 108 loan. Approval is also sought for Parrot Jungle's request to defer payments on the $25 million Section 108 loan until January 2012 subject to City of Miami approval as required by the Development Agreement among the County, City, and PJG. Responsibility for the deferred payments would be as detailed in the table below:

Payment Date	Total Payment	80 Percent (City)	20 Percent (County)
08/01/2006	$1,665,914	$1,332,731.20	$333,182.80
02/01/2007	889,177	711,341.40	177,835.35
08/01/2007	1,889,177	1,511,341.40	377,835.35
02/01/2008	853,077	682,461.40	170,615.35
08/01/2008	2,103,077	1,682,461.40	420,615.35
02/01/2009	807,964	646,371.40	161,592.85
08/01/2009	2,307,964	1,846,371.40	461,592.85
02/01/2010	753,979	603,183.40	150,795.85
08/01/2010	2,698,979	2,159,183.40	539,795.85
02/01/2011	681,547	545,237.96	136,309.49
08/01/2011	2,626,547	2,101,237.96	525,309.49
TOTAL	**$17,277,403**	**$13,821,922.32**	**$3,455,480.58**

The first payment from PJG to the County for the Section 108 loan, if the deferral is approved by the City of Miami, will be due on January 2012, and at that point PJG will also start repaying the $4,701,782 owed to the County. PJG, the City, and the County must develop a plan by 2012 to address the repayment of the $17,277,403 advanced by both the City and the County during the deferral period. As he above table illustrates, the City of Miami will be responsible for a minimum of 80 percent of the deferred payments.

The Board is advised that this recommended course of action is intended to re-position the existing financial and debt structure to provide an opportunity for PJG's operations to further stabilize, to resolve the current non-payment to the County on the 108 loan, and to implement the City's loan guarantee substitution on the 108 loan. In addition, by ultimately providing a long-term structure to defer Parrot Jungle's payments on the 108 loan, the recommended course of action will enhance Parrot Jungle's ability to maintain its payments on a senior bank loan of $13.7 million in current status thereby avoiding a possible foreclosure that would be detrimental to the subordinated position held by the 108 loan debt.

Attachment

Cynthia W. Curry
Senior Advisor to the County Manager

JOINT PARTICIPATION AGREEMENT
BETWEEN
MIAMI-DADE COUNTY AND CITY OF MIAMI
FOR THE
PARROT JUNGLE AND GARDENS OF WATSON ISLAND, INC.
SECTION 108 LOAN GUARANTEE APPLICATION

THIS JOINT PARTICIPATION AGREEMENT ("Agreement") made this 9TH day of SEPT., 1998, by and between Miami-Dade County ("County"), a political subdivision of the State of Florida, acting by and through the County Manager, with the approval of the Board of County Commissioners, and the City of Miami ("City"), a municipal corporation of the State of Florida, acting by and through the City Manager, with the approval of the City Commission.

RECITAL

WHEREAS, the Miami-Dade County Board of County Commissioners has indicated its intent to authorize the County Manager to apply for a Section 108 Loan Guarantee ("Loan") from the U. S. Department of Housing and Urban Development ("HUD"), for Parrot Jungle and Gardens of Watson Island, Inc. ("Parrot Jungle") in the amount of Twenty-five Million Dollars; and

WHEREAS, such intent is subject to several conditions which directly impact the City of Miami;

NOW THEREFORE, in consideration of the foregoing, the County and the City do hereby covenant and agree to the submission of the County's Loan application, subject to the following terms and conditions:

1. The County Loan shall be provided to Parrot Jungle in accordance with the terms and conditions of that certain Section 108 application for the County Loan and such other documents and instruments evidencing and securing the County Loan (collectively the "Loan Documents"). The City shall substitute itself as a guarantor for eighty per cent of the County Loan ("Guarantee Replacement"), provided the following conditions precedent ("Conditions Precedent") have been fully satisfied:

   a. At such time as the Guarantee Replacement is to occur, the State of Florida Financial Oversight Board overseeing the City is dissolved or four (4) years has elapsed from the date of approval by HUD of the County Loan application, whichever first occurs;

   b. The City has a total CDBG Section 108 Loan capacity to substitute itself as a guarantor;

c. The County Loan is current and no event of default is in existence under the County Loan at such time as the Guarantee Replacement occurs; and

d. The Loan Documents have been properly assigned, endorsed, and transferred without recourse to the City and delivered to the City by the County, subject to the County's continuing interest therein as a guarantor of twenty per cent (20%) of the County Loan.

Pursuant to the mutual understanding of the parties hereto, the Loan Documents shall clearly set forth the Conditions Precedent and shall specify that in the event all of said Conditions Precedent are not fully satisfied, the City shall not be obligated to proceed with the Guarantee Replacement.

2. Until such time as the Guarantee Replacement occurs, in the event of a monetary default ("Default") by Parrot Jungle under the terms of the County Loan, the City's financial obligation in reducing the amount of said Default shall be to pay to the County a proportionate amount of the amount owed by Parrot Jungle ("Default Payment"), based upon the amount of the lease payments paid to the City by Parrot Jungle ("Lease Payments") as set forth in that certain Lease and Development Agreement between the City of Miami, Florida and Parrot Jungle and Gardens Inc. dated September 2, 1997 ("Lease Agreement"), exclusive of the City's payments to the State of Florida Internal Improvement Trust Fund[1], and the amount the County shall receive from Parrot Jungle for the Miami-Dade Zoo Aviary, ("City Payment"). The City Payment shall be made from the City's Community Development Block Grant funds and only in the event the debt service reserve account established for the County Loan has been depleted.

3. Notwithstanding the provisions set forth in Paragraph 2 hereof, the County Loan shall be expressly subject and subordinate to all conditions and covenants of the Lease Agreement and to the rights of the City in connection with Parrot Jungle's development of the project known as "Parrot Jungle & Gardens of Watson Island."

4. This Agreement constitutes the entire agreement and understanding between the parties with respect to the subject matter hereof, all prior negotiations between the parties being merged into this Agreement, and there are no promises, agreements, conditions, undertakings, warranties or representations, oral or written, express or implied, between or among them other than as set forth herein.

5. No change or modification of this Agreement shall be valid unless in writing and signed by the duly authorized officials of the parties hereto. No waiver of any of the provisions of this Agreement shall be valid unless in writing and signed by the party against whom it is sought to be enforced.

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[1] Pursuant to that certain Partial Modification of Restrictions to Deed No. 19447 dated August 18, 1997, the City is obligated to pay to the State of Florida Internal Improvement Trust Fund a portion of the Lease Payments.

7. The State of Florida has appointed an Emergency Financial Oversight Board (the "Oversight Board") which is empowered to review and approve all pending City contracts. As a result, contracts shall not be binding on the City until such time as they have been approved by the Oversight Board. Execution of this Agreement by the City Manager shall constitute evidence of its approval by the Oversight Board.

IN WITNESS WHEREOF, this Agreement has been executed by the duly authorized officials of Miami-Dade County and the City of Miami, Florida.

ATTEST:

Walter J. Foeman
City Clerk

APPROVED AS TO FORM AND CORRECTNESS:

City Attorney

LKK/W243

MIAMI-DADE COUNTY, a political subdivision of the State of Florida

By: _____
Merrett R. Stierheim
County Manager

CITY OF MIAMI, a municipal corporation of the State of Florida

By: _____
Donald H. Warshaw
City Manager

MEMORANDUM

(Revised)

TO: Honorable Chairman Joe A. Martinez and Members, Board of County Commissioners

DATE: July 18, 2006

FROM: Murray A. Greenberg, County Attorney

SUBJECT: Amended Agenda Item No. 14(A)(28)

Please note any items checked.

- ✓ **"4-Day Rule" ("3-Day Rule" for committees) applicable if raised**
- _____ **6 weeks required between first reading and public hearing**
- _____ **4 weeks notification to municipal officials required prior to public hearing**
- _____ **Decreases revenues or increases expenditures without balancing budget**
- _____ **Budget required**
- _____ **Statement of fiscal impact required**
- _____ **Bid waiver requiring County Manager's written recommendation**
- _____ **Ordinance creating a new board requires detailed County Manager's report for public hearing**
- _____ **Housekeeping item (no policy decision required)**
- _____ **No committee review**

9
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Approved _____ Mayor
Veto _____
Override _____

Amended
Agenda Item No. 14(A)(28)
07-18-06

RESOLUTION NO. R-916-06

RESOLUTION AUTHORIZING A NEW LOAN TO PARROT JUNGLE AND GARDENS IN THE AMOUNT OF $4,701,782; APPROVING PARROT JUNGLE AND GARDENS' REQUEST TO DEFER PAYMENTS ON THE $25 MILLION SECTION 108 LOAN UNTIL 2012 SUBJECT TO CITY OF MIAMI APPROVAL; AUTHORIZING THE COUNTY MANAGER TO NEGOTIATE AN ASSUMPTION BY THE CITY OF MIAMI AT A MINIMUM LEVEL OF 80 PERCENT OF THE US HUD SECTION 108 LOAN; AND AUTHORIZING THE COUNTY MANAGER TO EXECUTE ANY REQUIRED DOCUMENTS, AGREEMENTS, AND AMENDMENTS THAT MAY BE NECESSARY TO IMPLEMENT THE RECOMMENDED MODIFICATIONS SUBJECT TO THE REVIEW OF THE COUNTY ATTORNEY

WHEREAS, this Board desires to accomplish the purposes outlined in the accompanying memorandum, a copy of which is incorporated herein by reference,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that this Board authorizes a new loan to Parrot Jungle and Gardens of Watson Island, Inc. in the amount of $4,701,782; approves Parrot Jungle's request to defer payments on the $25 million County loan until 2012 subject to City of Miami approval; authorizes the County Manager to negotiate an assumption by the City of Miami at a minimum level of 80 percent of the US HUD Section 108 loan; authorizes the County Manager to seek reimbursement from the City of Miami for payments made by Miami-Dade County to US HUD on the US HUD Section 108 loan, pursuant to the terms of the Joint Participation Agreement with the City of Miami, and authorizes the County Manager to execute any required documents, agreements, and amendments that may be necessary to implement the recommended modifications subject to the review of the County Attorney.

The foregoing resolution was offered by Commissioner who moved its adoption. The motion was seconded by Commissioner and upon being put to a vote, the vote was as follows:

Joe A. Martinez, Chairman
Dennis C. Moss, Vice-Chairman

Bruno A. Barreiro	Jose "Pepe" Diaz
Audrey M. Edmonson	Carlos A. Gimenez
Sally A. Heyman	Barbara J. Jordan
Dorrin D. Rolle	Natacha Seijas
Katy Sorenson	Rebeca Sosa
Sen. Javier D. Souto	

The Chairperson thereupon declared the resolution duly passed and adopted this 18th day of July, 2006. This resolution shall become effective ten (10) days after the date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

MIAMI-DADE COUNTY, FLORIDA
BY ITS BOARD OF COUNTY COMMISSIONERS

HARVEY RUVIN, CLERK

Approved by County Attorney as to form and legal sufficiency.

Shannon D. Summerset

By:_____
Deputy Clerk