

EQUAL BUSINESS OPPORTUNITY PROGRAM BACKGROUND

A. CMPA and the City of Pensacola, Florida (the “City”), were parties to two agreements dated March 27, 2006 – the Master Development Agreement (Community Maritime Park Project) and the Master Lease (Community Maritime Park) – which set forth CMPA’s and the City’s respective duties and responsibilities pertaining to the development of real property for a project known and referred to as the Community Maritime Park or the Project.

B. With the City’s approval, CMPA conducted a two-stage competitive procurement (RFQ No. 2007- 02 and RFP No. 2007-03) to select a developer to act as CMPA’s primary agent in implementing CMPA’s vision of the Project, which culminated on August 22, 2008, with the trustees of CMPA voting to negotiate a Development Agreement with Maritime Park Development Partners (the “Developer”). The execution of that Development Agreement occurred on August 14, 2009.

C. Additionally, the Developer agreed to launch and sustain the Contractor’s Academy Equal Business Opportunity Program to fulfill the CMPA’s covenant with the Community and deliver on the commitment established by Community Maritime Park Associates to ensure the inclusion of minority and women owned businesses in the CMPA development. A binding legal document was executed simultaneously with the Development Agreement executed between CMPA and Developer.

D. The Contractor’s Academy/Equal Business Opportunity Program (“EBO Program”) goals were specific and aimed at attracting groups of minorities and women business enterprises: unskilled individuals seeking to learn a trade; skilled construction workers seeking to become subcontractors; and existing contractors and business owners seeking to expand their businesses. The EBO Program concentrated on finding potential MWBE contractors, vendors, consultants, sub-contractors and other MWBE businesses primarily in Escambia,, Santa Rosa and Okaloosa Counties in Florida secondarily in the wider Pensacola Region which includes Mobile County and Baldwin County, in Alabama .

E. The Developer also agreed to establish a Contractor’s Advisory Council (“CAC”) consist of relevant community and professional organizations to act in an advisory and supervisory role for the implementation of the provisions of the Contractor’s Academy/Equal Business Opportunity Program outlined in this Agreement. This role was assumed by the CMPA’s EBO Subcommittee in February 2011.

E. Developer was to provide funding in order establish, administer and implement the Contractor's Academy/Equal Business Opportunity Program and the Sub-Committee of Contract Compliance. Funding shall be in the amount of \$250,000 over the course of construction of the Project in cash and in-kind services. Additionally, Developer was to provide 25% of the Maritime Park's operating profits as measured by return on Private Improvement Project Costs in excess of 12% up to \$500,000 per year to assist in the ongoing operation of the Contractor's Academy/Equal Business Opportunity Program for the period of time that Developer owns the Private Improvements.

F. The Developer also agreed to cooperate and assist the CMPA and other community organizations to leverage the impact of the Community Maritime Park with other public and private urban development and investment programs that impact cultural tourism, the performing arts, education, technology, workforce development, business incubation, contractor training, affordable housing and other public/private initiatives to be developed within the Belmont/DeVilliers St. Historical Business District, the Westside Neighborhood and surrounding area.

G. The Developer also agreed to implement a hiring program that utilizes a "good faith effort" to provide local residents of Escambia County with the first opportunity for construction and permanent jobs with the goal of obtaining minority participation in percentages equal to or in excess of those specified in the CMPA Covenant with the Community.

H. The Developer also agreed to implement a hiring program that utilizes a "good faith effort" to provide local businesses with offices in Pensacola/Escambia County with the first opportunity for construction contracts and commercial tenant opportunities with the goal of obtaining minority participation in percentages equal to or in excess of those specified in the CMPA Covenant with the Community.

I. In December of 2010, the Developer abandoned and otherwise ceased to perform its responsibility, obligations and duty to develop, implement, manage, administer and operate pursuant to the terms and conditions of the EBO Agreement and on January 14, 2011, the Developer had its contract rescinded as the Master Developer of the Community Maritime Park.

J. In February of 2011, the CMPA desired to see that the duties of the Developer agreed to under the EBO Agreement were assumed without interruption and hired Diversity Program Advisors, Inc. as the EBO Program Manager to fulfill the Developer's obligations under the EBO Agreement. DPA and CMPA desired to amend the EBO Agreement in certain respects in order to more effectively implement, manage,

administer and operate programs and policies under new amended terms and conditions of the EBO Agreement.

CMPA Equal Business Opportunity Program Goals.

The EBO Program was known as the "Contractor's Academy/Equal Business Opportunity Program." This program is described in the original EBO Agreement and amended and assumed Agreement between the CMTA and DPA. The EBO Agreements outlined the terms, conditions and obligations between the DPA and the Community Maritime Park Associates, Inc.

The EBO Agreement set "aspirational goals" related to the inclusion of minority and female business enterprises in the development, construction, management and operation of the Community Maritime Park Project.

The stated equal business opportunity "aspirational goals" for the Community Maritime Park Project included the "best efforts" inclusion of Minority/Female Business Enterprises in the procurement and awarding of contracts and/or eligible projects (as defined below) that are executed in connection with the development, construction, management and/or operation of the Community Maritime Park Project in the following minimum percentages:

1. 33.5% to African American Business Enterprises (AABE)
2. 2.3% to Asian Business Enterprises (ABE)
3. 2.9% to Latino business enterprises (HBE)
4. 0.6% to Native American Business Enterprises (NABE)
5. There were no percentage goals for Women-owned business enterprises (WBE)