

RESOLUTION 18-104

A RESOLUTION OF THE CITY OF PANAMA CITY BEACH, FLORIDA, APPROVING THE AGREEMENT WITH THE ST. JOE COMPANY RELATED TO THE PURCHASE OF APPROXIMATELY 40 ACRES OF VACANT LAND FOR THE WASTEWATER TREATMENT FACILITY SITE WEST OF THE COMMERCE PARK, AT THE PRICE PER ACRE MORE SPECIFICALLY SET FORTH IN THE BODY OF THE AGREEMENT.

BE IT RESOLVED that the appropriate officers of the City are authorized to accept and deliver on behalf of the City that certain Agreement between the City and The St. Joe Company, a Florida corporation, and the St. Joe Timberland Company of Delaware, LLC, a Delaware limited liability company, relating to the purchase of approximately 40 acres of vacant land located west of the Beach Commerce Park for a Wastewater Treatment Facility, in the basic amount of \$23,696.43 per developable acre, and \$3,000 per wetland acre, in substantially the form attached and presented to the Council today, with such changes, insertions or omissions as may be approved by the City Manager and whose execution shall be conclusive evidence of such approval.

THIS RESOLUTION shall be effective immediately upon passage.

PASSED in regular session this 14th day of June, 2018.

CITY OF PANAMA CITY BEACH

By: 

Mike Thomas, Mayor

ATTEST:


Jo Smith, City Clerk

REAL ESTATE PURCHASE AGREEMENT

THIS REAL ESTATE PURCHASE AGREEMENT (this "Agreement") is made and entered into as of the date on which the final signature of the parties is affixed hereto (the "Effective Date") by and between **THE ST. JOE COMPANY**, a Florida corporation, and **ST. JOE TIMBERLAND COMPANY OF DELAWARE, L.L.C.**, a Delaware limited liability company (collectively, "Seller"), and the **CITY OF PANAMA CITY BEACH**, a municipal corporation ("Buyer").

WITNESSETH:

In consideration of the mutual undertakings of the parties set forth in this Agreement and of other valuable considerations, the receipt and sufficiency of which the parties hereby acknowledge, the parties hereby agree as follows:

Section 1.0 General Outline of Transaction. Seller is the owner in fee simple of two parcels of land encompassing approximately 532+/- acres of land located in Panama City Beach, Bay County, Florida, within which the City wishes to acquire approximately 30+/- acres of contiguous uplands and converted wetlands, together with other adjacent wetlands ("Property"), together with an eighty (80) foot wide, non-exclusive permanent easement to Buyer across Seller's adjacent property on an existing timber road for purposes of ingress and egress and utilities to serve the Property ("Easement") as generally depicted on **Exhibit "A"** attached hereto and by this reference incorporated herein. The exact legal description and acreage of the Property and the legal description of the Easement are to be determined by the "Survey" as hereinafter defined.

Section 2.0 Purchase Price and Property to be Conveyed. Under the terms of this Agreement, Seller hereby agrees to sell, assign and convey the Property to Buyer and Buyer agrees to pay for and purchase the Property from Seller. In consideration of the conveyance of the Property from Seller to Buyer, Buyer shall pay to Seller at "Closing", as hereinafter defined, an amount equal to (i) Twenty Three Thousand Six Hundred Ninety Six and 43/100 Dollars (\$23,696.43) for each developable acre conveyed to include uplands in addition to converted wetlands and (ii) Three Thousand and No/100 Dollars (\$3,000.00) for each wetland acre conveyed, as determined by the Survey (collectively, the "Purchase Price").

2.1 **Deposit.** Upon Buyer's execution hereof, Buyer shall deliver to Watersound Title Agency, LLC at the address specified in Section 12.0 ("Escrow Agent"), the sum of Ten Thousand and No/100 Dollars (\$10,000.00) as an earnest money deposit ("Deposit"). At Closing, as hereinafter defined, the Deposit shall be applied against the Purchase Price and paid by Escrow Agent to Seller. The Purchase Price shall be paid by Buyer at Closing in cash, plus or minus net adjustments as provided herein.

2.2 **Escrow.** The Deposit shall be delivered to Escrow Agent, and Escrow Agent shall hold and deliver same in accordance with the terms of this Agreement. Escrow Agent shall at all times be authorized to deliver the Deposit in accordance with the terms of this Agreement or with written instructions executed by both Seller and Buyer. In the event that Escrow Agent shall receive a written claim of default by either Buyer or Seller against the other, then Escrow Agent shall not release the Deposit from escrow unless and until Escrow Agent shall have received joint written instructions from Seller and Buyer as to the proper delivery of the Deposit or Escrow Agent has received direction from a court of competent jurisdiction as to the proper party entitled to receipt of the Deposit. Escrow Agent shall be authorized to file an action in interpleader to determine the proper party entitled to the Deposit, and the defaulting party, as determined by such proceeding, shall indemnify (without waiving its sovereign immunity and subject to the limitations on liability for Buyer under §768.28, Florida Statutes) and hold harmless Escrow Agent from all costs and expenses including legal fees associated with such proceeding. Escrow Agent may act in

reliance upon any writing or instrument or signature which it in good faith believes to be genuine and may assume that any person purporting to give any writing, notice, advice, or instruction in connection with the provisions hereof has been duly authorized to do so. Escrow Agent shall not be liable in any manner for the sufficiency or correctness as to form, manner or execution or validity of any instrument deposited in this escrow nor as to the identity, authority or right of any persons executing the same; and its duties hereunder shall be limited to the safekeeping of the Deposit, and for the disposition of same in accordance with this Agreement. Escrow Agent hereby executes this Agreement for the sole and exclusive purpose of evidencing its agreement to the provisions of Sections 2.1 and 2.2 hereof, and to acknowledge receipt of the Deposit.

2.3 Conveyance of Easement. Seller also agrees to convey to Buyer an eighty (80) foot wide, non-exclusive permanent easement across Seller's adjacent property on an existing timber road for purposes of ingress and egress and utilities to serve the Property, in substantially the form attached hereto as **Exhibit "B"**. Buyer shall construct, maintain and repair any and all improvements necessary to serve the Property for ingress and egress and utilities within the Easement at Buyer's sole cost and expense. Seller agrees to expand portions of the Easement to land contiguous to the Easement for stormwater purposes, if those needs cannot be satisfied within the boundaries of the 80 foot wide Easement.

Section 3.0 Inspection. Buyer and its agents, at their own risk and expense, at any time prior to the expiration of a period ending thirty (30) days after the Effective Date (the "Feasibility Period"), shall have the right and privilege to enter upon any portion of the Property to inspect, examine, survey and otherwise perform or conduct such tests, inspections, studies or other evaluations as Buyer may deem necessary in conjunction with Buyer's acquisition of the Property. Notwithstanding the foregoing, Buyer may not conduct any tests or procedures for environmental contamination without Seller's prior written consent. Following Buyer's inspection of the Property, Buyer shall restore the Property to its original condition and shall indemnify (without waiving its sovereign immunity and subject to the limitations on liability for Buyer under §768.28, Florida Statutes) and hold Seller harmless from and against any and all claims, costs, expenses and damages to persons and/or property incurred by, through, or out of the exercise of such privilege. Buyer's indemnity set forth herein shall survive the Closing of this Agreement or the termination of this Agreement. Buyer shall have the right, which may be exercised by delivering written notice to Seller at any time during the Feasibility Period, to terminate this Agreement for any reason which Buyer, in its sole discretion, deems appropriate. Upon delivery of written notice of termination to Seller, this Agreement will be null and void and the parties hereto will have no further rights or obligations hereunder except as set forth in this Section 3.0 and Buyer will deliver to Seller a copy of all studies, reports, audits, surveys, investigations and other information concerning the Property prepared by or at the direction of Buyer. Upon such termination, the Deposit shall be returned to Buyer by Escrow Agent.

Section 4.0 Condition of the Land: Disclaimer of Representations. Buyer hereby expressly acknowledges and agrees that except as and to the extent expressly provided to the contrary in this Agreement, (a) Seller hereby specifically disclaims any warranty, guaranty, or representation, oral or written, express or implied, past, present, or future, of, as to, or concerning (i) the nature and condition of the Property, including but not limited to, the water, soil, and geology, and the suitability thereof, for any and all activities and uses which Buyer may elect to conduct thereon, (ii) except for any warranties contained in the Deed, the nature and extent of any right-of-way, lease, possession, lien, encumbrance, license, reservation, condition or otherwise, and (iii) the compliance of the Property or the operation thereof with any laws, rules, ordinances, or regulations of any governmental entity or other body; (b) Seller makes and has made no warranty, express or implied, with regard to the accuracy of any information furnished to Buyer, and Seller shall not be bound by any statement of any broker, employee, agent or other representative or affiliate of Seller, and that no representations have been made by Seller, its agents, employees or affiliates in order to induce Buyer to enter into this transaction other than as expressly stated herein; (c) Seller does not represent or warrant that any government approval has been given for development on the Property, and Buyer shall be solely responsible for making application, obtaining and paying for the cost of all

permits, licenses, authorizations and approvals from the appropriate governmental or quasi-governmental entities having jurisdiction over the Property, that are necessary or desirable for Buyer to develop the Property for any and all activities and uses which Buyer may elect to conduct thereon, including without limitation, any drainage or stormwater retention facilities; (d) Buyer is relying solely upon its own investigations and inspections made during the Feasibility Period to make a complete and thorough examination of all portions of the Property and, on the basis of its inspection, (i) Buyer will be thoroughly familiar with all portions of the Property including without limitation, whether or not hazardous or toxic materials are or have heretofore been located on or under or generated from any portion of the Property, zoning, land use, development restrictions and requirements, utility availability and hook-up costs, and all other matters relevant to Buyer, and (ii) Buyer will determine that the condition of all portions of the Property is satisfactory to Buyer; (e) Buyer shall purchase and accept every portion of the Property in its "as is" condition with all faults, without requiring any action, expense or other thing or matter on the part of the Seller to be paid or performed and, upon acceptance of the Deed (as hereinafter defined) at Closing, Buyer shall be conclusively deemed to have accepted the Property in its "as is" condition; (f) Buyer shall purchase and accept the Property subject to any oil, gas and mineral interests which may exist on the Property; (g) Buyer shall hold Seller harmless from all damages and consequences arising from any adverse conditions (including without limitation, the existence of any hazardous or toxic substances) on the Property which are created after the Closing Date; and (h) except as otherwise specified in the Deed, Seller makes NO WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED, OR ARISING BY OPERATION OF LAW, CONCERNING ANY PORTION OF THE PROPERTY, INCLUDING BUT NOT LIMITED TO, ANY WARRANTY OF CONDITION, HABITABILITY, MERCHANTABILITY, OR FITNESS FOR ANY PARTICULAR PURPOSE OR RELATING TO THE ABSENCE OF LATENT OR OTHER DEFECTS. The provisions of this Section shall survive Closing and delivery of the Deed.

Section 5.0 Survey and Title.

5.1 Survey. Following Seller's provision of the wetlands delineation, Buyer shall obtain, at its sole cost and expense, within twenty (20) days after the Effective Date, a boundary survey of the Property prepared by a licensed Florida land surveyor selected by Seller among the two Surveyors under contract with the City (the "Survey"). The Survey shall be certified to Buyer, Seller and Title Insurer, as defined in Section 5.2 of this Agreement, and shall be prepared in accordance with the Minimum Technical Standards as set forth by the Florida State Board of Land Surveyors pursuant to Chapter 472 of the Florida Statutes and Chapter 61G17 of the Florida Administrative Code. The Survey shall identify the totals for developable acres and wetland acres.

5.2 Owner's Title. Seller shall obtain and deliver to Buyer within fifteen (15) days after receipt of the Survey, an owner's title insurance commitment with copies of all exceptions (the "Commitment") issued by a title insurance company licensed in Florida ("Title Insurer"), committing to insure Buyer's fee simple title to the Property in the total amount of the Purchase Price.

5.3 Buyer's Review. Buyer shall have ten (10) days after receipt of the Commitment or Survey, whichever is the last to be received, in which to determine the nature of any objections to the Property in those matters or facts disclosed by the Commitment and the Survey. Any matters which are not disclosed in writing to Seller by Buyer as objectionable ("Buyer's Objections") during said ten (10) days, or which are accepted by Buyer, or are restrictions on title otherwise permitted herein, shall be considered "Permitted Encumbrances." Notwithstanding anything to the contrary in this Agreement, any and all oil, gas and mineral interests which encumber the Property shall be considered Permitted Encumbrances. Seller may, at its option, use reasonable efforts to remedy or remove any of Buyer's Objections or obtain title insurance against the same. If Seller and Buyer have not reached an agreement to resolve Buyer's Objections within 30 days following Seller's receipt thereof ("Title Resolution Period"), then Buyer may, at its option, either (i) terminate this Agreement no later than 5 days after expiration of the Title Resolution

Period upon written notice to Seller and receive a refund of the Deposit and the parties shall thereafter be relieved of all further obligations under this Agreement which do not specifically survive its termination, or (ii) take title as it then exists without reduction in the Purchase Price. In the event Buyer fails to timely terminate this Agreement under option (i) immediately above, then Buyer shall have waived its right to terminate this Agreement as permitted under option (i) immediately above.

Section 6.0 Deed of Conveyance. Seller shall convey title to the Property by special warranty deed (the "Deed"), subject to ad valorem taxes for the current year and subsequent years, **the provisions set forth in Sections 27.0 28.0, 29.0, 30.0 and 31.0,** and the Permitted Encumbrances.

Section 7.0 Casualty and Eminent Domain. Except as provided in Section 3.0, risk of any casualty to or loss of the Property occurring prior to Closing shall be borne by Seller. Notwithstanding the foregoing, if all or any portion of the Property or access thereto shall be damaged by fire or other casualty or taken by public authority, or notice of such proposed taking be obtained, prior to the Closing Date, then Seller shall provide immediate written notice thereof to Buyer and, at Buyer's option, (i) this Agreement shall become null and void and the Deposit shall forthwith be returned to Buyer, or (ii) Buyer may consummate the sale, pay the full Purchase Price and have assigned to it all claims and right of recovery for such casualty or taking. Buyer shall make election in writing within 10 days after Seller shall have notified Buyer, in writing, of such taking or proposed taking or casualty damage and the Closing Date shall be extended if necessary to accommodate this notice period.

Section 8.0 Real Estate Commission. Buyer and Seller represent and warrant each to the other that no broker or finder was instrumental in arranging or bringing about this transaction. Each party agrees to hold harmless the other from and against any and all claims, damages, expenses (including reasonable attorneys' fees and court costs) and liabilities of any nature whatsoever asserted against or incurred by either party in connection with claims of any entity with whom such party may have consulted, dealt or negotiated. The provisions of this Section shall survive the Closing and delivery of the deed.

Section 9.0 Closing. The consummation of the transaction contemplated hereby for the purchase of the Property (the "Closing" or "Closing Date") shall take place at Escrow Agent's office within twenty (20) days after the expiration of the Feasibility Period unless otherwise expressly extended by the terms hereof. Closing may take place by mail or on an earlier date as agreed to by the parties.

Section 10.0 Possession. Possession of the Property shall be delivered to Buyer on the Closing Date.

Section 11.0 Closing Costs. Buyer shall pay for (i) the Survey; (ii) documentary stamp tax on the Deed; (iii) recording fees; (iv) Buyer's attorneys' fees; (v) all costs of financing, if any; and (vi) lender's title policy, if any. Seller shall pay for (i) the Commitment and owner's title policy; and (ii) Seller's attorneys' fees. Buyer and Seller shall prorate ad valorem taxes and assessments against the Property as of the Closing Date.

Section 12.0 Notices. Any notice, demand, consent, authorization, request, approval or other communication that any party is required, or may desire, to give to or make upon the other party pursuant to this Agreement shall be effective and valid only if in writing, signed by the parties giving such notice, and delivered personally to the other parties or sent by express 24-hour guaranteed courier or delivery service, by certified mail of the United States Postal Service, postage prepaid and return receipt requested, or by electronic means including email, addressed to the other parties as follows (or to such other place as any party may by notice to the others specify):

made hereunder shall be returned to Buyer, or (ii) treat this Agreement as being in full force and effect with a right to an action for specific performance. Buyer may not maintain an action for specific performance unless (a) Buyer posts a bond, at the time the action is filed, equivalent to 15% of the Purchase Price to be held by the court for the purpose of providing for Seller's damages caused by the filing of the action in the event that Buyer's action is found to be without merit; and (b) Buyer files a verified complaint which alleges that Buyer had the financial ability to perform under this Agreement and attaches to the complaint evidence of Buyer's financial ability to perform at the time of Seller's alleged default. Buyer waives all other remedies that may be available to it at law or equity for breaches occurring prior to Closing. In the event Buyer or Seller breaches or fails to perform any covenant, agreement or obligation hereof subsequent to Closing, then Buyer and Seller shall have all rights and remedies available at law or in equity including the right of injunctive relief, damages and the right to action for specific enforcement.

Section 14.0 State Required Disclosure. The following disclosure is required to be made by the laws of the State of Florida if the Property is located within the State of Florida:

RADON GAS: Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your county public health unit.

Section 15.0 Governing Law. The parties hereto expressly agree that the terms and conditions hereof, and the subsequent performance hereunder, shall be construed and controlled in accordance with the laws of the State of Florida. Venue of any judicial proceedings shall be in Bay County, Florida.

Section 16.0 Assignment. Buyer may not assign its interest in this Agreement without the prior written consent of Seller, which consent may be granted or withheld in Seller's sole discretion.

Section 17.0 Time is of the Essence. Time is of the essence of this Agreement. If any date referenced herein falls on a Saturday, Sunday or legal holiday, then such date automatically is extended to the next business day.

Section 18.0 Acceptance. This agreement and purchase is wholly contingent upon the City of Panama City Beach City Council voting to approve this contract on or before June 28, 2018. If the decision is "yes", this Contract shall continue in force and effect. If the decision is "no", this Agreement shall thereafter be null and void and neither party shall have any liability or obligation hereunder.

Section 19.0 No Recording. Recording of this Agreement or any memorandum thereof by Buyer is prohibited.

Section 20.0 Intentionally omitted.

Section 21.0 Counterparts. This Agreement may be executed in multiple counterparts, which together shall constitute one original, each counterpart of which shall be deemed an original and any of which shall be deemed to be complete of itself and may be introduced into evidence or used for any purpose without the production of the other counterpart or counterparts.

Section 22.0 Further Assurances. Each party hereto shall, from time to time, execute and deliver such further instruments as the other party or its counsel may reasonably request to effectuate the

intent of this Agreement. Nothing within this Agreement shall be construed to be a waiver of the Buyer's sovereign immunity or a waiver or extension of the provisions of Section 768.28, Florida Statutes.

Section 23.0 Attorneys' Fees. In the event of litigation arising pursuant to the provisions of this Agreement, the prevailing party shall be entitled to collect reasonable attorneys' fees from the non-prevailing party and costs and expenses of such litigation whether at the trial level or on appeal.

Section 24.0 Captions. Captions used in this Agreement are for convenience of reference only and shall not affect the construction of any provision of this Agreement. Whenever used, the singular shall include the plural, the plural shall include the singular, and the neuter gender shall include all genders.

Section 25.0 Confidentiality. Except as required in the normal conduct of the business of the parties hereto by law or as part of Buyer's investigation of the Property, Buyer shall not, without the prior written approval of Seller, at any time during the term of this Agreement or thereafter, divulge to any third party, other than its attorneys, accountants, commissioners, employees and professional advisors who are bound by confidentiality, any information concerning the contents of this Agreement. Buyer shall not make any press releases or other media dissemination of information relating to the transaction contemplated by this Agreement without the prior written approval of Seller, which may be granted or withheld in its sole discretion. However, nothing herein shall prevent the Buyer from complying with the requirements of Florida's public records law, Chapter 119, Florida Statutes, compliance with which will not be considered a violation of this Agreement.

Section 26.0 Intentionally Deleted.

Section 27.0 Right of First Refusal.

27.1 **Transfer.** In the event that Buyer decides to assign, sell, lease, transfer, hypothecate, convey or grant (whether voluntarily or otherwise) all or any portion of Buyer's right, title or interest of any kind or nature in and to the Property to a third party (any of which shall be referred to hereinafter as a "Transfer"), Buyer shall provide Seller with a copy of a bona fide, written offer (the "Offer") from an arms-length third party who proposes to be the transferee (the "Proposed Transferee"), setting forth all of the terms and conditions of the Transfer. Seller shall have the right for a period of 15 days following receipt of the Offer, to elect to acquire the interest proposed to be transferred from Buyer to the Proposed Transferee on the terms and conditions set forth in the Offer (the "Right of First Refusal").

27.2 **Exercise.** Seller shall exercise its Right of First Refusal by giving written notice to Buyer, specifying a date not earlier than 30 days and not later than 60 days after the date of Seller's receipt of the Offer, on which Seller will complete the closing on the Transfer. In the event that Seller does not elect to exercise its Right of First Refusal, Buyer shall be free to complete the Transfer to the Proposed Transferee in accordance with the Offer. If any of the material terms or conditions of the Offer change prior to the closing with the Proposed Transferee, Buyer must give written notice of such change to Seller, and Seller shall again have a 15 day period during which it may elect to acquire the interest of Buyer proposed to be transferred by Buyer on the terms and conditions set forth in the revised Offer.

27.3 **Duration.** In the event that Seller does not elect to exercise its Right of First Refusal as aforesaid, the Proposed Transferee and every subsequent owner of the Property (and Buyer, if the original Proposed Transferee fails to complete the closing on the Transfer) shall remain bound by the terms and provisions of this Section, and any subsequent proposed Transfer shall again give rise to Seller's Right of First Refusal to acquire the interest proposed to be transferred, in accordance with the provisions of this Section. The Right of First Refusal shall terminate upon completion of construction of improvements on the Property approved by Seller.

27.4 Survival. The provisions of this Section 27.0 shall survive Closing.

27.5 Recorded Notice. A Notice of Right of First Refusal, in form and substance satisfactory to Seller, shall be executed by Buyer and Seller at Closing, and recorded in the public records of Bay County, Florida.

Section 28.0 Permitted Use. For a period of twenty (20) years after the Closing Date, the Property shall be used and developed generally for any municipal purposes ("Permitted Use"). The terms of this Section 28 shall survive closing and shall be incorporated in the Memorandum of Agreement referenced in Section 29.9 below.

Section 29.0 Repurchase Option. For a period of twenty (20) years from the Closing Date, Seller shall have a right to repurchase the Property as described below. For purposes of this Section, the term "Buyer" shall include any of Buyer's successors and assigns in interest in the Property.

29.1 Use Default. The following events shall constitute a "Use Default": (i) Buyer's failure to commence construction of the Improvements on the Property within twenty-four (24) months after the Closing Date; (ii) Buyer's failure to complete construction of the Improvements on the Property within thirty-six (36) months after the Closing Date; (iii) Buyer's use of any portion of the Property for other than the Permitted Use; or (iv) Buyer's failure to observe, keep, satisfy, perform and comply with, any agreement, term, covenant, condition, requirement, or restriction, which failure continues for longer than 30 days after Seller gives Buyer written notice thereof.

29.2 Remedies. Upon the occurrence of a Use Default, Seller may elect to repurchase the Property in accordance with and subject to the terms, conditions and limitations set forth in this Section ("Repurchase Option").

29.3 Exercise. If Seller concludes that a Use Default has occurred and desires to exercise its Repurchase Option, Seller shall then provide written notice to Buyer specifying the Use Default ("Use Default Notice"). If Buyer has not cured the Use Default within 30 days after receipt of the Use Default Notice, then Seller may exercise its Repurchase Option by providing written notice to Buyer (the "Acquisition Notice"). The Acquisition Notice shall specify a date not more than 90 days thereafter, on which Seller shall acquire all of Buyer's right, title and interest in and to the Property, together with all improvements thereon and all licenses and permits appurtenant to the Property. For purposes hereof, Buyer will be deemed to have cured a failure to observe, keep, satisfy, perform and comply with, any agreement, term, covenant, condition, requirement, or restriction, if Buyer has discontinued the Use Default prior to receipt of the Acquisition Notice. Notwithstanding the foregoing, Buyer shall not be entitled to cure a second Use Default, if such Use Default occurs within two (2) years after the date Buyer cures the first Use Default.

29.4 Repurchase Price. The repurchase price to be paid by Seller for the Property acquired through the Repurchase Option (the "Repurchase Price"), shall be calculated as of the date of the Acquisition Notice as follows:

The sum of (i) the Purchase Price of the Property (the "Land Value") and (ii) as to any completed or partially completed improvements located on the Property, the then fair market value as determined by a mutually agreed upon appraiser, of any such improvements not including the Land Value (the "Improvement Value").

If Seller proposes an appraiser to Buyer for approval and Buyer is unwilling to approve of such appraiser within 15 days after receipt of such proposal, Buyer may designate a second appraiser not later than 30 days

after receipt of Seller's notice proposing an appraiser. The two appraisers designated by Buyer and Seller shall meet and appoint a third appraiser, whereupon all three appraisers shall independently appraise the value of the improvements on the Property. The average of the three appraised values shall be deemed to be the Improvement Value. If Buyer fails to designate a second appraiser within the aforementioned 30 day period, the appraiser initially proposed by Seller shall be deemed to be the mutually agreed upon appraiser, and such appraisal shall control.

29.5 Minimum Repurchase Price. Notwithstanding the provisions of this Section, in no event will the Repurchase Price be less than the amount required to pay or discharge any debt then outstanding which has been incurred by or on behalf of Buyer, in order to finance the acquisition of the Property or the construction of the improvements thereon.

29.6 Additional Repurchase Terms. In the event that Seller exercises its Repurchase Option, the following provisions shall apply:

29.6.1 Title. Buyer shall be required to convey title to the Property to Seller subject only to those matters of record as of the date on which Buyer originally acquired title to the Property, and any utility, drainage or other easements necessary in order to develop the Property which have, as of the date of the Acquisition Notice, been granted to third parties by Buyer.

29.6.2 Fixtures and Equipment. Fixtures and equipment placed or installed on the Property by Buyer as an addition or improvement may, at Seller's option, be purchased by Seller at fair market value, or such fixtures and equipment shall be removed by Buyer.

29.7 No Election of Remedies. Seller's pursuit of the remedies set forth above shall not preclude pursuit of any other remedy or remedies provided in this Agreement or any other remedy or remedies provided for or allowed by law or in equity, separately or concurrently or in any combination.

29.8 Survival. The provisions of this Section 29.0 shall survive Closing.

29.9 Recorded Memorandum. A Memorandum of Agreement, evidencing the terms of this Section 29 and in form and substance satisfactory to Seller, shall be executed by Buyer and Seller at Closing, and recorded in the public records of Bay County, Florida.

Section 30.0 Mitigation. Seller shall delineate all wetlands on the Property and Easement. Buyer shall obtain, at its sole cost and expense, a survey of the delineated wetlands on the Property and Easement and the offsite mitigation area. Seller shall be solely responsible for providing an off-site mitigation area within the Phillips Inlet sub basin, as required for impacts to low quality wetlands and high quality wetlands within the Property and Easement. Seller shall make good faith efforts to provide the off-site mitigation area in the Phillips Inlet sub basin adjacent to the Panama City Beach Conservation Park ("PCBCP"). In the event an off-site mitigation area satisfactory to wetland regulatory agency requirements cannot be located adjacent to PCBCP, an alternate site within the Phillips Inlet sub basin will be provided. Pursuant to the RGP/EMA, a conservation easement shall be recorded by Seller to offset wetland impacts made within the same sub basin. Buyer shall obtain, at its sole cost and expense, all surveys, sketches and legal descriptions needed for on-site and off-site wetlands which require a conservation easement. Buyer shall be responsible for any and all costs associated with the construction, implementation, maintenance, compliance and management of the off-site mitigation area.

Section 31.0 Ecosystem Management Agreement Compliance. The Property is subject to the St. Joe Ecosystem Management Agreement for Bay and Walton Counties ("EMA") entered into by Seller and the Florida Department of Environmental Protection ("FDEP") dated October 11, 2004 and to

the Regional General Permit SAJ-86 ("RGP") covering a regional area inclusive of the Property authorized by the Army Corp of Engineers ("Corps") on June 30, 2004, as renewed. The EMA and RGP establish certain guidelines for regulatory permitting of the Property subject to the jurisdiction of the FDEP, the Corps and other applicable governmental agencies and may be reviewed at <http://www.dep.state.fl.us/northwest/StJoeEMA/joeema.htm>.

St. Joe hereby agrees to serve as the co-applicant to the Buyer on any EMA or RGP permit applications. Buyer agrees to obtain any necessary permits related to wetlands impacts, subsequent mitigation and the management of stormwater or provision of stormwater improvements necessary to support the project in compliance with the EMA and RGP. Buyer shall be solely responsible for any and all costs related to the application for the EMA and RGP permits. Buyer agrees to comply with all applicable laws, rules and regulations, including but not limited to provisions of the EMA and RGP, governing the use and development of any wetlands. In the event Buyer is permitted to fill or otherwise impact any wetlands located on the Property pursuant to the EMA and/or RGP, Buyer agrees not to fill or otherwise impact any wetlands beyond the boundary of that for which a permit is obtained. Furthermore, Buyer acknowledges and agrees that it shall comply with the stormwater management system requirements attached as Appendix E to the EMA. Buyer shall defend, indemnify (without waiving its sovereign immunity and subject to the limitations on liability for Buyer under §768.28, Florida Statutes) and hold Seller harmless from and in respect to any loss, costs, expenses and damages associated with either (a) the unauthorized filling or impacting of wetlands within or beyond the boundary of the Property, including but not limited to the impacting of wetlands beyond that permitted hereunder, and agrees to promptly restore said property to its original condition prior to filling or impacting pursuant to the written direction of Seller and/or applicable governing authorities or (b) Buyer's failure to comply with the RGP or EMA including but not limited to the stormwater management requirements of the EMA. The terms of this Section shall survive Closing and shall be incorporated in the Memorandum of Agreement.

Section 32.0 Tap Fees. Buyer shall be responsible for the payment of all impact fees, connection fees and similar charges imposed in connection with sewer and water service for the Property. Buyer acknowledges and understands that potable water, reclaimed water and sewer will not be provided by Seller, but by an unrelated entity and that the provider of such services imposes a fee for initial connection to the water system and sewer system, which fee, as increased or decreased from time to time, shall be the obligation of Buyer and its successors and assigns.

Section 33.0 Entire Agreement. This Agreement contains the entire Agreement between the parties hereto and no statement or representation of the respective parties hereto, their agents or employees, made outside of this Agreement, and not contained herein, shall form any part hereof or be binding upon the other party hereto. The terms and provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, successors, legal representatives, and permitted assigns. This Agreement shall not be changed or modified except by written instrument signed by the parties hereto.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the dates written below their respective names.

SELLER:

The St. Joe Company,
a Florida corporation

St. Joe Timberland Company of Delaware,
L.L.C., a Delaware limited liability company

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

Date: _____

Date: _____

BUYER:

City of Panama City Beach, Florida

By: _____
Mario Gisbert, City Manager

Date: _____

ATTEST:

City Clerk

ESCROW AGENT:

Watersound Title Agency, LLC

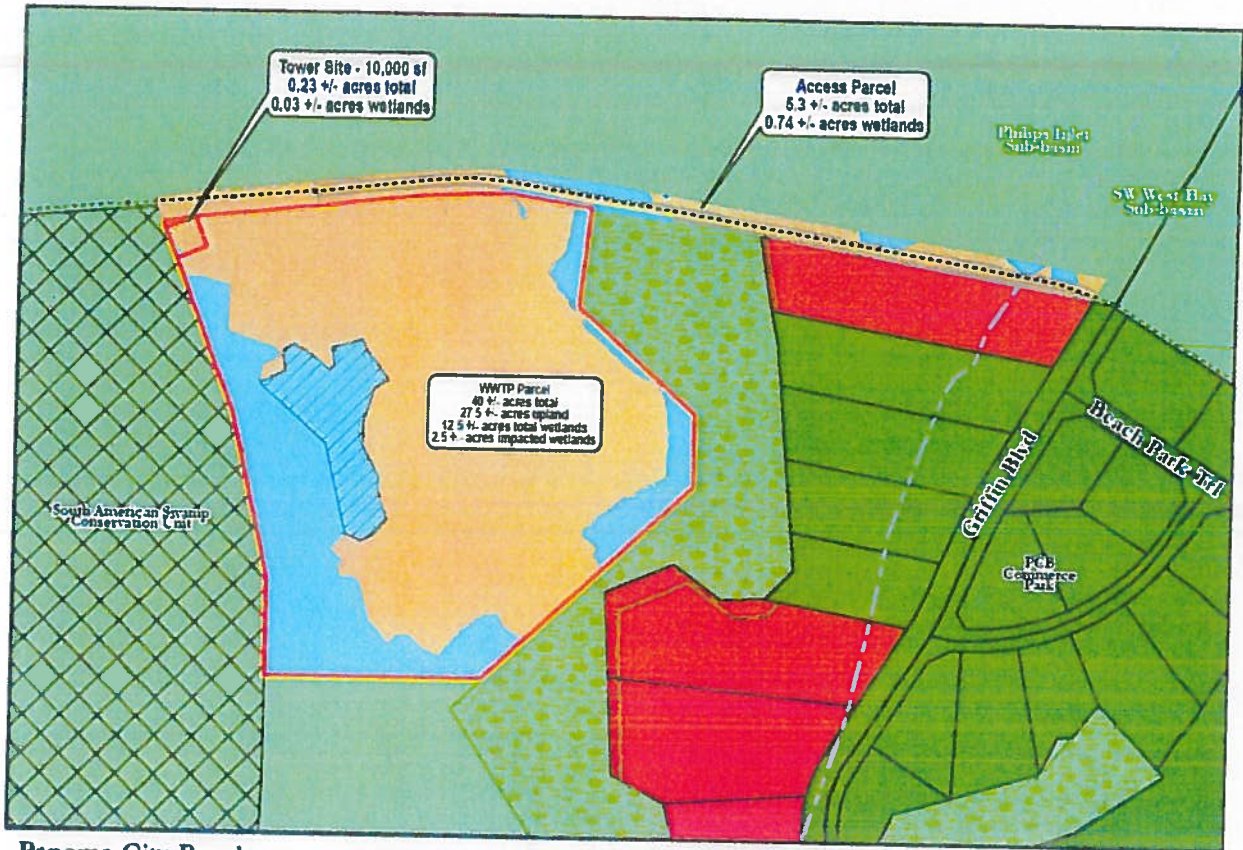
By: _____

Name: _____

Title: _____

Date: _____

EXHIBIT "A" PROPERTY



**Panama City Beach
Potential WWTP Site**



	Proposed WWTP Site		Conservation Easements		Other St. Joe Lands
	Upland		BGP - EMA I Conservation Units		St. Joe owned lots in Phase II
	Wetland		Damage Basin Boundaries		Lots sold by St. Joe in Phase II
	Impacted Wetlands				



St. Joe Company GIS - CWP - 1/3/2015

EXHIBIT "B"
EASEMENT

This instrument prepared by
and to be returned to:

NON-EXCLUSIVE EASEMENT AGREEMENT

THIS NON-EXCLUSIVE EASEMENT AGREEMENT ("Easement Agreement") is made this _____ day of _____, 2018, by and between **THE ST. JOE COMPANY**, a Florida corporation, and **ST. JOE TIMBERLAND COMPANY OF DELAWARE, L.L.C.**, a Delaware limited liability company, with a post office address of 133 South Watersound Parkway, Watersound, Florida 32461 (collectively, "Grantor"), and the **CITY OF PANAMA CITY BEACH**, a municipal corporation, with a post office address of 110 South Arnold Road, Panama City Beach, Florida 32413 ("Grantee").

WITNESSETH:

1. That the Grantor for and in consideration of the sum of Ten Dollars (\$10.00) and other valuable considerations paid, the receipt and sufficiency of which is hereby acknowledged, hereby grants unto the Grantee, its employees, agents, officers, representatives, independent contractors, guests, invitees and licensees, a non-exclusive, perpetual easement over, upon, under and across property located in Bay County, Florida and as more particularly described in **Exhibit "A"** attached hereto and made a part hereof ("Easement Property"). The purpose of the easement is strictly limited to pedestrian and vehicular ingress and egress and utilities over, upon, under and across the Easement Property to serve Grantee's adjacent property.
2. The foregoing grant of easement shall run with the land and shall inure to the benefit of and be binding upon the parties hereto and their respective successors, successors in interest or title and permitted assigns.
3. Grantee shall not be permitted to alter or improve the Easement Property in any manner, except as allowed in Paragraph 1. The cost of any and all improvements shall be borne solely by Grantee. Grantee shall be required to abide by the terms and conditions of any and all applicable permits governing the Easement Area.
4. Grantor reserves the right and privilege to use and occupy and to grant to others the right to use and occupy the subsurface, surface and air space over the Easement Property for any purpose which does not interfere with the rights herein granted to Grantee.
5. It is understood and agreed by and between Grantor and Grantee that to the extent the Grantee installs improvements within the Easement Property, that such improvements shall at all times be and remain the absolute property of the Grantee, and subject to its complete dominion and control.
6. Grantor reserves and shall have the right and authority to require that Grantee redesign, relocate or change the location of the Easement Property and/or any improvements constructed within the Easement Property as may be necessary or desirable in the sole judgment of the Grantor, upon reasonable notice. Grantee shall be solely responsible for the cost of relocation of any improvements.

7. To the extent not prohibited by applicable law, Grantor shall have no liability to Grantee or its employees, guests, invitees, agents or independent contractors for loss of personal property, death or personal injury incurred by Grantee or any such third parties on or about the Easement Property. By acceptance of this easement, Grantee agrees to defend, indemnify and hold harmless Grantor and any subsidiaries and affiliated companies of Grantor, its officers, directors, employees and designated agents from and against any and all losses, damages, injuries, causes of action, claims, demands and expenses (whether based upon tort, breach of contract, failure to pay employee taxes or withholdings, failure to obtain workers' compensation insurance or otherwise), including legal fees and expenses, of whatever kind or nature to the extent arising out of use of the Easement Property by Grantee, its employees, guests, agents, invitees or independent contractors.

8. Grantee, by acceptance of this easement, hereby agrees to maintain the Easement Property in good repair and shall at all times keep the Easement Property clear of all structures, obstructions, trees, shrubbery, undergrowth and roots or objects that may interfere with the use of the Easement.

9. Grantee agrees to provide reasonable restoration to the Easement Property and surrounding area as a result of its installation, operation, maintenance, repair or reconstruction of improvements to the Easement Property.

10. Grantee shall exercise the easement rights conveyed herein in a manner which will not unreasonably interfere with uses of the adjacent property owned by Grantor.

11. The easement conveyed herein shall continue in effect for so long as Grantee shall use the Easement Property for its intended purpose as expressed herein. In the event Grantee abandons or ceases to use the Easement Property for the purposes set forth in this Easement Agreement for a period of six (6) months or longer, all rights herein granted shall be considered abandoned. Upon such abandonment, the parties agree that Grantor shall have the right, without any further authority of Grantee, to record in the Official Records of Bay County, Florida an affidavit describing the abandonment of the easement and declaring this Easement Agreement to be terminated. The parties further agree that such affidavit shall be sufficient and competent evidence of such abandonment and termination without further documentation by either Grantor or Grantee.

12. Grantor may terminate this Easement Agreement in the event Grantee fails to comply with the terms of this Easement Agreement.

13. The Easement Property is subject to the St. Joe Ecosystem Management Agreement (the "EMA") for Bay and Walton Counties entered into by The St. Joe Company and the Florida Department of Environmental Protection ("FDEP") October 11, 2004, and to the Regional General Permit SAJ-86 ("RGP") covering a regional area inclusive of the Property authorized by the Army Corp of Engineers ("Corps") on June 30, 2004, renewed June 23, 2009 and March 15, 2015. The EMA and RGP (SAJ-86) establish certain guidelines for regulatory permitting of the Easement Property subject to the jurisdiction of the FDEP, the Corps and other applicable governmental agencies and may be reviewed at <http://www.dep.state.fl.us/northwest/StJoeEMA/joeema.htm>. Grantee acknowledges and agrees that any permitting contemplated pursuant to the EMA and RGP shall require The St. Joe Company to be a co-applicant under such applications. Grantee agrees to obtain any necessary permits related to wetlands impacts, subsequent mitigation and the management of stormwater or provision of stormwater improvements necessary to support the project in compliance with the EMA and RGP. Grantee shall be solely responsible for any and all costs related to the application for the EMA and RGP permits. Grantee agrees to comply with all applicable laws, rules and regulations, including but not limited to provisions of the EMA and RGP, governing the use and development of any wetlands. In the event Grantee is

permitted to fill or otherwise impact any wetlands located on the Easement Property pursuant to the EMA and/or RGP, Grantee agrees not to fill or otherwise impact any wetlands beyond the boundary of that for which a permit is obtained. Furthermore, Grantee acknowledges and agrees that it shall comply with the stormwater management system requirements attached as Appendix E to the EMA. Grantee shall defend, indemnify and hold The St. Joe Company harmless from and in respect to any loss, costs, expenses and damages associated with either (a) the unauthorized filling or impacting of wetlands within or beyond the boundary of the Easement Property, including but not limited to the impacting of wetlands beyond that permitted hereunder, and agrees to promptly restore said property to its original condition prior to filling or impacting pursuant to the written direction of The St. Joe Company and/or applicable governing authorities or (b) Grantee's failure to comply with the RGP or EMA including but not limited to the stormwater management requirements of the EMA.

14. Except as expressly provided in this paragraph, without the prior written consent of Grantor, which consent Grantor may withhold in its sole and absolute discretion, the Grantee shall not assign, transfer or license all or any portion of its interests under this Easement Agreement in any manner and shall not delegate any of its obligations under this Easement Agreement in any manner.

[SIGNATURES APPEAR ON FOLLOWING PAGES]

IN WITNESS WHEREOF, the Grantor and Grantee have caused this Easement Agreement to be executed on the day and year set forth above.

Signed, seal and delivered
in the presence of

THE ST. JOE COMPANY,
a Florida corporation

Name: _____

By: _____

Name: _____

Name: _____

Its: _____

STATE OF FLORIDA
COUNTY OF WALTON

The foregoing instrument was acknowledged before me this ____ day of _____, 2018, by _____, as _____ of The St. Joe Company, who is personally known to me.

My commission expires:

(Notary Public - Signature)

Signed, seal and delivered
in the presence of

**ST. JOE TIMBERLAND COMPANY OF
DELAWARE, L.L.C.,**
a Delaware limited liability company

Name: _____

By: _____

Name: _____

Name: _____

Its: _____

STATE OF FLORIDA
COUNTY OF WALTON

The foregoing instrument was acknowledged before me this ____ day of _____, 2018, by _____, as _____ of St. Joe Timberland Company of Delaware, L.L.C., who is personally known to me.

My commission expires:

(Notary Public - Signature)

CITY OF PANAMA CITY BEACH

By: _____
Mario Gisbert, City Manager

ATTEST:

By: _____
_____, City Clerk

STATE OF FLORIDA
COUNTY OF BAY

The foregoing instrument was acknowledged before me this ____ day of _____, 2018,
by Mario Gisbert and _____, as City Manager and City Clerk of the City of
Panama City Beach, who are personally known to me.

My commission expires: _____
(Notary Public - Signature)

EXHIBIT "A"
EASEMENT PROPERTY



CITY OF PANAMA CITY BEACH AGENDA ITEM SUMMARY

1. DEPARTMENT MAKING REQUEST/NAME:

UTILITIES/ADMINISTRATION

2. MEETING DATE:

JUNE 14, 2018

3. REQUESTED MOTION/ACTION:

APPROVE RESOLUTION AUTHORIZING THE PURCHASE OF APPROXIMATELY 40 ACRES OF VACANT LAND FOR FUTURE WASTEWATER TREATMENT PLANT

4. AGENDA

PRESENTATION
PUBLIC HEARING
CONSENT
REGULAR

5. IS THIS ITEM BUDGETED (IF APPLICABLE)? YES NO N/A

BUDGET AMENDMENT OR N/A

DETAILED BUDGET AMENDMENT ATTACHED YES NO N/A

6. BACKGROUND: (WHY IS THE ACTION NECESSARY, WHAT GOAL WILL BE ACHIEVED)

TO PLAN FOR FUTURE GROWTH OF CITY'S UTILITY SYSTEM, STAFF HAS IDENTIFIED THE NEED FOR A NEW WASTEWATER TREATMENT PLANT, WHICH WOULD IDEALLY BE LOCATED PROXIMATELY TO THE CITY'S CONSERVATION PARK. AS SUCH, STAFF HAS BEEN NEGOTIATING WITH THE ST. JOE COMPANY TO PURCHASE APPROXIMATELY 30 ACRES OF DEVELOPABLE LAND AND APPROXIMATELY 10 ACRES OF ADJACENT WETLANDS OWNED BY THE ST. JOE COMPANY SOUTH OF THE CONSERVATION PARK AND WEST OF THE COMMERCE PARK. THE SIZE OF THE SITE HAS BEEN DETERMINED BY THE SPACE NEEDS FOR A 12 MGD WWTP, COUPLED WITH NEED FOR A NEW UNDERGROUND UTILITIES OPERATIONS FACILITY.

A WETLAND DELINEATION AND BOUNDARY SURVEY HAVE BEEN UNDERTAKEN BUT ARE NOT YET COMPLETE TO DETERMINE THE FINAL PURCHASE PRICE WHICH WILL BE BASED ON THE UPLANDS AND WETLANDS ON THE PARCEL TO BE PURCHASED BY THE CITY. THE PARTIES HAVE AGREED TO PURCHASE PRICE OF \$23,696.43 FOR EACH DEVELOPABLE ACRE, AND \$3,000 PER ACRE OF WETLAND, BASED ON AN APPRAISAL OBTAINED BY THE CITY FOR THIS PURCHASE. THE TOTAL PURCHASE PRICE FOR THE UPLANDS IS ESTIMATED TO BE \$663,500, WHICH PRICE WILL BE ADJUSTED AS NECESSARY ONCE THE WETLANDS ARE DELINEATED AND THE SITE ACREAGE (BOTH DEVELOPABLE AND WETLAND) IS CONFIRMED. ST. JOE WILL PROVIDE ADDITIONAL MITIGATION WETLAND ACREAGE CONTIGUOUS WITH CONSERVATION PARK TO ALLOW SOME IMPACTS TO WETLANDS AT THE NEW WWTP SITE.

ACCESS TO THE SITE WILL BE PROVIDED BY AN EASEMENT TO BE CONVEYED TO THE CITY CONCURRENTLY WITH THE FEE SIMPLE FOR THE SITE. THE EASEMENT WILL BE CONVEYED AT NO COST TO THE CITY, THOUGH THE CITY WILL BE RESPONSIBLE FOR IMPROVEMENTS NECESSARY TO ACCESS AND SERVE THE PROPOSED NEW FACILITY.

STAFF RECOMMENDS APPROVAL.