



Florida Communities Trust

January 28, 2008

Mr. Parwez Alam
Leon County Administrator
301 South Monroe Street
5th Floor, Leon County Courthouse
Tallahassee, FL 32301

Dear Mr. Alam:

As you may know, the Florida Communities Trust (FCT) Governing Board approved Florida Forever grant funding for Leon County's Fred George Basin Greenway project last November. I am writing to inform you of some issues that have arisen in the early stages of the real estate due diligence and their probable impact to this project.

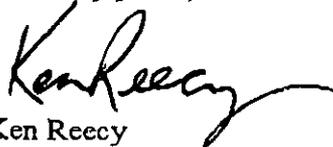
The recently completed Phase II environmental site assessment of the Ghazvini property has found significant construction debris and landfill material in different areas of the site that has ramifications for both the potential value of the property and for managing the property as a park. The property was permitted for landfill activities in the 1990's and the only area of the property in which potential development could occur is the acreage that comprises the main portion of the landfill. Given this new information and the fact that development cannot occur on the landfill without some cost-to-cure, new appraisals will have to be ordered taking into account the effect of the landfill on the highest and best use of the developable acreage.

Before new appraisals are ordered however, additional environmental analysis of the extent of the landfill material and the cost-to-cure will have to be determined using an independent and appropriate consultant. The estimated cost-to-cure will be factored into the analysis and will most likely significantly reduce the ultimate value of the land which will in turn reduce FCT's financial participation in this project. In addition to a scope of work for the environmental consultant that includes analysis assisting in the proper appraised value of the property, the consultant must also provide recommendations and costs associated with developing the property as a safe park environment for public access.

After two recent meetings between FCT and county staff, it has become clear that if this project is to move forward, a meeting including FCT and County staff should be held with the consultant to provide detailed instructions for developing the scope of work. Once the environmental analysis is complete, Leon County staff will have the necessary information to determine how to proceed with what has become a much more complex project. As always, Florida Communities Trust stands ready to assist in any way we can.

If you should need additional information, please feel free to contact me at (850) 922-2207.

Sincerely yours,



Ken Reecy
Program Manager

KR/pk

cc: