

parties [hotel operators/hotel investors] who will seek to acquire that property in excess of the appraised value.

Councilman Weinroth also inquired if the District is contemplating improving the infrastructure to accommodate the increased participation to sustain the number of golfing rounds to keep the facility financially viable. Mr. Koski stated that issues relative to infrastructure will be determined during the design process once have been engaged.

To address the concerns of Council Member Weinroth relative to attracting golf support from communities not immediately proximate to the Ocean Breeze facility, Chairman Rollins read into the record excerpts from the NGF Report (Page 47) referencing Market Opportunities.

Council Member O'Rourke inquired about the cost of developing the Ocean Breeze Golf Course.

Mr. Koski offered that information from Palm Beach County indicates that the development costs for the Osprey Point Golf Course was \$14 million which is fairly consistent with the estimates that NGF has given to the District.

Council Member. O'Rourke inquired about the financing of the acquisition and if there would be two separate bond issues.

Mr. Koski responded that the District would like to have the Council eventually authorize the borrowing of the entire purchase price of \$24 million, which includes the hotel site. However, if the City elects to fund the appraisal cost of \$22.7 million, the District is in a position to fund the difference of \$1.3 million. If the District funds the \$1.3 million at closing, possibly the borrowing could be increased to capitalize one-year of principle and interest. There is the option that the bond could be separated into two parts; one portion for the golf course and the other portion for the hotel site. If the time came to sell the hotel site, those funds could be used to retire the hotel portion of the borrowing and the balance of the funds could be used for development.

Mr. Koski stated that the new golf facility will not be renamed "Ocean Breeze". It is hoped that the name "Boca National Golf Club" can be adopted.

NGF representatives, Mr. Richard Singer and Mr. Ed Getherall gave an overview of the NGF Feasibility Study highlighting financial performance projections. It was noted that a key assumption in the report is the closing of the Boca Raton Municipal Golf Course being replaced by the Ocean Breeze Golf Course.

At the request of Mayor Haynie, Mr. Koski reviewed the components of the appraisal.

Mr. Koski advised that the appraisal increased in value due to the discovery in the title provided by Lennar and recorded in public records that removes all of the golf facility descriptions from a little over 29 acres that was previously granted development approval and never revoked. The 29 acres approved for 211 units placed a value on the property of \$12 million; the civic site of \$7.5 million, and the hotel site of \$3.2 million, for a total of \$22.7 million

Council Member Singer confirmed with Mr. Koski that if the District was no longer involved in the golf course transaction, the 29 acres would no longer be subject to the restrictive covenants, but would require City Council approval.

Ms. O'Rourke inquired if other golf facilities in the area have golf schools. Mr. Koski responded that there are other golf schools in the area; however the District plans to develop something more sophisticated, calling it a "Golf Learning Center".

Commissioner Discussion:

Commissioner Ehrnst evaluated the total taxable property values and taxes paid in the prior year for Boca Teeca residents and the District. He estimates the taxable value of the property at \$163 million. Based on the prior millage rate, the District will collect \$1.5 million and the City \$6 million based on the prior year.

Commissioner Engel stated that Boca Raton's status as a "World-Class City" needs world-class amenities – "Boca National will be a world-class amenity".

Public Comments:

Individuals in support of the acquisition: Larry Kobren; Harold Chaffee; Decian Murphy; Madeline Cuevas; Peggy Haupt; Dottie Provenzano; Robert DuKate; Doug Collier; Angelo Sands; Cil Cilliberti.

Individuals opposed to the acquisition: Judith Teller Kay and Jay Slapp.

Other Commentary Received:

Glen Gromann - put the acquisition to a referendum; conduct contamination studies; the City should not finance the acquisition unless all of the restrictions are lifted.

Lenore Wachtel – Both the City (Mizner Park) and the District (Chuck's Steakhouse) do not have a good track record of making money. Sell off the hotel and golf school.

Robert Kleinschmidt spoke in support of the Boca Raton Municipal Golf Course.

At the end of the meeting, Mayor Haynie read into the record comments received from Jacob Jennings in support the acquisition.

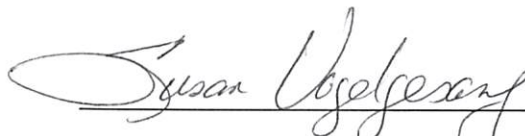
Conclusion:

City Council Members expressed their concerns and stated their positions. It was the consensus of the City Council to support the District in their efforts to move forward with the acquisition of the Ocean Breeze property.

ADOURNMENT: The meeting was adjourned at 4:38 p.m.



Robert K. Rollins, Jr., Chairman



Susan Vogelgesang, Secretary-Treasurer