



**CITY OF DAPHNE
1705 MAIN STREET, DAPHNE, AL
CITY COUNCIL BUSINESS MEETING AGENDA
TUESDAY, JANUARY 20, 2026 at 6:00 PM**

1. CALL TO ORDER

A. ROLL CALL

B. INVOCATION - Pastor Andrew Tewell, Shore Light Baptist Church

C. PLEDGE OF ALLEGIANCE

2. PROCLAMATIONS/PUBLIC HEARINGS

A. PROCLAMATION: Human Trafficking Prevention Month

B. PROPOSED EXTENSION OF DEMOLITION DEADLINE HEARING: 905
Daphne Avenue

3. APPROVE MINUTES

A. January 5, 2026 regular meeting

4. REPORTS OF STANDING COMMITTEES

A. FINANCE COMMITTEE - Conaway

B. BUILDINGS & PROPERTY COMMITTEE- Messinger
Review the December 2025 new Construction and Building Report.
Certificates of Occupancy: 12
Permits Issued: 245
New Residential Home Permits: 8
Total Fees: \$36,647.91

i. Review the minutes from the December 2025 meeting.

C. PUBLIC SAFETY COMMITTEE - Green

i. Review the minutes from the December 2025 meeting.

D. CODE ENFORCEMENT/ORDINANCE COMMITTEE - Roberts

E. PUBLIC WORKS COMMITTEE - Coleman

5. REPORTS OF SPECIAL BOARDS & COMMISSIONS

A. BOARD OF ZONING ADJUSTMENTS - Adrienne Jones

B. DAPHNE PUBLIC SCHOOL COMMISSION - Hughes

C. DOWNTOWN REDEVELOPMENT AUTHORITY - Conaway

i. Review the minutes from the November and December 2025 meetings.

D. INDUSTRIAL DEVELOPMENT BOARD - Coleman

E. LIBRARY BOARD - Olen

F. PLANNING COMMISSION - Olen

G. RECREATION BOARD - Green

H. UTILITY BOARD - Coleman

6. PUBLIC PARTICIPATION

7. MAYOR'S REPORT

8. CITY ATTORNEY REPORT

9. DEPARTMENT HEAD REPORTS

10. CITY CLERK'S REPORT

A. MOTION to approve the 700 - Specialty Retailer of Consumable Hemp Products to CNC LLC dba Simply CBD located at 2005 US Highway 98, Daphne, AL 36526

B. MOTION to approve the Lupus Walk on March 21, 2026 from 9:00am - 12:00pm.

C. MOTION to approve the Annual Turkey Trot 5K race and fun run on October 24, 2026.

D. MOTION to approve the Loyal Order of the Firetruck Parade on February 15, 2026 at 2:29pm.

11. RESOLUTIONS

A. 2026-03- Resolution Extending the Time for Demolition of Certain Unsafe Structures Located at 905 Daphne Avenue, Daphne, Alabama

12. 2nd READ ORDINANCES

A. 2026 - 01 - Revisions to the City of Daphne Zoning District Map

B. 2026 - 02 - Ordinance to Amend the Text of the Rowan Oak PUD Narrative for Property Located Southwest of County Road 13 and Milton Jones Road

- C. 2026 - 03 - Ordinance Amending the City of Daphne's Gasoline Excise Tax Ordinance No. 1990-20**
- D. 2026 - 04 - Amendment to Ordinance 2004-11 (Business License Ordinance) to Enable Licensure of Mobile/Itinerant Businesses**

13. 1st READ ORDINANCES

- A. 2026 - 05 - The Fortuna Hotel - Warrant Ordinance**

14. COUNCIL COMMENTS

15. ADJOURN

CITY OF DAPHNE, ALABAMA

Proclamation

WHEREAS, human trafficking is a public health issue and crime that harms the health and well-being of individuals, families, and communities, often across generations; and

WHEREAS; human trafficking can happen to anyone in every community; and

WHEREAS; human trafficking is connected to many other forms of violence and exploitation, and often shares common risk factors, such as lack of resources and unsafe environments; and

WHEREAS; strengthening communities requires collective action to reduce the conditions that contribute to exploitation, build resilience, and create environments where people are protected from human trafficking and other forms of violence; and

WHEREAS; a successful response to human trafficking requires a coordinated, community-wide response that includes collaboration across sectors and with those who have experienced human trafficking firsthand, to ensure that services and programs are effective and meet the needs of all survivors; and

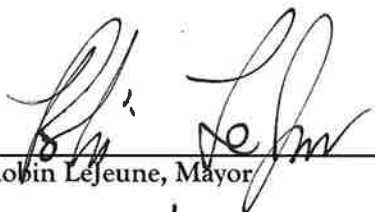
WHEREAS; every individual, family, community, and organization can help raise awareness, prevent trafficking, and support survivors by learning how to take action.

NOW,
THEREFORE; I, Robin LeJeune, as the Mayor of the City of Daphne, together with the Daphne City Council, do hereby proclaim January 2026 as

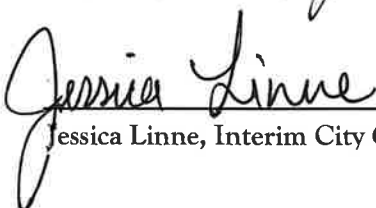
Human Trafficking Prevention Month

in the City of Daphne and reaffirm our commitment to human trafficking awareness, training and education activities, and strengthened resources for those impacted by human trafficking.





Robin LeJeune, Mayor



Jessica Linne, Interim City Clerk



January 5, 2026

REPORT TO THE CITY COUNCIL
Pursuant to Section 9(e), Ordinance No. 2024-17

To: Daphne City Council
From: Eric Butler, Building Official (Appropriate Municipal Official)

**Re: 905 Daphne Avenue (Parcel ID No. 43-04-17-3-000-045.000) – Report
Requesting Extension of Demolition Deadline (Resolution 2025-76)**

Council Members:

Pursuant to Section 9(e) of Ordinance No. 2024-17, I submit this report to advise the Council that the demolition ordered by Resolution 2025-76 for the unsafe structures located at **905 Daphne Avenue, Daphne, Alabama (Parcel ID No. 43-04-17-3-000-045.000)** cannot be accomplished within ninety (90) days of the passage of Resolution 2025-76.

Although the structures remain unsafe and are due to be demolished as previously ordered, the demolition cannot be timely accomplished because **a third-party tenant, Zoghby's Uniforms, currently occupies space within one of the commercial units on the site**, and additional time is needed to allow the tenant to relocate in an orderly manner. Proceeding with demolition on the original timetable would create avoidable disruption and practical complications associated with an occupied commercial unit, including coordination of access, removal of personal property and business equipment, and securing the site during the relocation process.

For those reasons, I recommend that the Council grant an extension of the demolition deadline **through May 31, 2026**. This requested extension is intended solely to provide a reasonable relocation window for the existing tenant while maintaining the City's prior nuisance determination and demolition order.

Respectfully submitted,

Eric Butler
Building Official / Appropriate Municipal Official
City of Daphne, Alabama

**January 5, 2026
CITY COUNCIL MEETING
REGULAR BUSINESS MEETING
1705 MAIN STREET
DAPHNE, AL
6:00 P.M.**

1. CALL TO ORDER:

There being a quorum present Council President Benjamin Hughes called the meeting to order at 6:00pm.

2. ROLL CALL:

COUNCIL MEMBERS PRESENT: Tommie Conaway, Steve Olen, Stephanie Messinger, Oliver Roberts, Ben Hughes, Joel Coleman and Jennifer Green

Also Present: Patrick Dungan, City Attorney; Mayor LeJeune; Chief Brian Gulsby, Police; Chief Tacon, Fire; Emmie Powell, Library; Troy Strunk, City Development; Andy Bobe, City Engineer; Charlie McDavid, Recreation; Adrienne Jones, Planning; Captain Ardis, Police; Battalion Chief Green, Fire; Amber Lue, Junior City Councilmember; Maddie Barnes, Junior City Councilmember; Emma Coleman, Junior City Councilmember; Dareon Maynard, Junior City Councilmember; and Jessica Linne, Assistant City Clerk.

INVOCATION/PLEDGE OF ALLEGIANCE:

Invocation was given by Battalion Chief Lamar Green, Daphne Fire Department.

3. PRESENTATIONS AND PUBLIC HEARINGS:

POLICE DEPARTMENT PROMOTION: Chief Gulsby, Mayor LeJeune and Captain Ardis recognized the recent Police Department promotions: Lieutenant Caleb Reeves, Sergeant Shawn Barnette and Corporal Todd Gresham.

RECOGNITION: Mayor LeJeune recognized Karen Kyzar for her 21 years volunteering at the Daphne Public Library.

PUBLIC HEARING: Adrienne Jones presented on the Official Zoning Map Update.

Public hearing opened at 6:11pm. No one came forward to speak.

Public hearing closed at 6:11pm.

PUBLIC HEARING: Adrienne Jones presented on the Amendment to the Rowan Oak PUD Narrative.

Public hearing opened at 6:12pm.

Chloe Kelly, 68 Ventures, gave details on the amendments.

Public hearing closed at 6:20pm.

4. APPROVE THE MINUTES:

The minutes from the December 15, 2025 Regular Meeting were approved.

5. REPORT OF STANDING COMMITTEES:

A. FINANCE COMMITTEE

Councilwoman Conaway said the minutes from the December 15th meeting are in the packet and gave the Treasurer's Report for November 2025: unrestricted fund balance - \$26,037,593; total cash balance - \$47,579,980; sales tax for October 2025 - \$2,324,667.52; lodging tax for October 2025 - \$157,492.89; debt summary for November 2025: warrants - \$28,151,132; capital leases: general fund - \$233,344; enterprise fund - \$807,456. She said the next meeting is January 20th at 4:30pm.

B. BUILDINGS & PROPERTY COMMITTEE

Councilwoman Messinger said the next meeting is January 12th at 5:15pm.

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C. PUBLIC SAFETY COMMITTEE

Councilwoman Green said the next meeting is January 12th at 4:30pm.

D. CODE ENFORCEMENT/ORDINANCE COMMITTEE

Councilman Roberts said the next meeting is February 2nd at 4:30pm and the minutes from the December meeting are in the packet.

E. PUBLIC WORKS COMMITTEE

Councilman Coleman said the next meeting is February 2nd at 5:15pm.

6. REPORTS OF SPECIAL BOARDS & COMMISSIONS:

A. Board of Zoning Adjustments

Mrs. Jones said there will be a meeting on January 8th at 6:00pm.

B. Daphne Public School Commission

Councilman Hughes said the next meeting will be January 26th at Daphne Middle School at 5:30pm.

C. Downtown Redevelopment Authority

Councilwoman Conaway said the next meeting is January 15th at 5:30pm.

D. Industrial Development Board

Councilman Coleman said the next meeting is January 27th at 4:30pm.

E. Library Board

Councilman Olen said the next meeting is January 8th at 4:30pm.

F. Planning Commission

Councilman Olen said the next meeting is January 22nd at 5:00pm.

G. Recreation Board

Councilwoman Green said the next meeting is January 14th at 6:00pm.

H. Utility Board

Councilman Coleman was absent.

7. PUBLIC PARTICIPATION:

Public participation opened at 6:24pm.

Victoria Phelps, Worchester Drive, commended the City staff on their work on the holidays events and asked about sidewalk paving.

Public participation closed at 6:28pm.

8. MAYOR'S REPORT:

Mayor LeJeune shared about changes in the trash pickup schedule. He said County Road 64 repaving is beginning at night on January 11th. He shared about the \$5 million grant received from Senator Britt's office for underground utilities.

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9. CITY ATTORNEY REPORT:

City Attorney said there was no report.

10. DEPARTMENT HEAD COMMENTS:

Chief Gulsby, Police, thanked the Council for approving the 2nd Lieutenant position.

Chief Tacon, Fire, commended Chief Green and his team for working a wreck that afternoon.

Ange Baggett, Marketing, thanked all who helped with the City's Christmas events.

Vickie Hinman, Human Resources, updated the Council on the ACA report starting, GIS interviews and shared that supervisor training will be January 13th and 14th.

Bobby Purvis, Public Works, said Solid Waste is working hard on the garbage pickups. He shared about a recent drainage project and gave kudos to Brandon Fulton and Josh Burkett for their hard work.

Charlie McDavid, Recreation, said the City's basketball league is starting and baseball registration is open. He shared about an upcoming animal shelter adoption event.

Kelli Reid, Finance, said the audit is wrapping up and gave a 2025 general revenue review.

Andy Bobe, City Engineer, said a Geotech consultant will be in Lake Forest.

Emma Coleman, Junior City Council, said the "santa paws" donation drive was a success. She said two new podcasts have been released and the next meeting is January 26th at 5:00pm.

11. CITY CLERK'S REPORT:

**MOTION by Councilwoman Messinger to approve the additional intersection at Highway 90 and Bay View Drive for Daphne High School JROTC donut sales on January 17, 2026, February 28, 2026, March 21, 2026 and April 25, 2026. Seconded by Councilman Coleman.
MOTION CARRIED UNANIMOUSLY.**

12. RESOLUTIONS:

A. 2026 - 01 - Appropriation: Demolition of Structures at 505 Van Avenue - \$10,000

**B. 2026 - 02 - Resolution Declaring Certain Personal Property Surplus and
Authorizing the Mayor to Dispose of Such Property - 2000 Ford F-450**

**MOTION by Councilwoman Conaway to waive the reading of Resolutions 2026-01 and 2026-02.
Seconded by Councilwoman Green.
MOTION CARRIED UNANIMOUSLY.**

**MOTION by Councilwoman Conaway to adopt Resolution 2026-01. Seconded by Councilman Coleman.
MOTION CARRIED UNANIMOUSLY.**

**MOTION by Councilwoman Conaway to adopt Resolution 2026-02. Seconded by Councilwoman Green.
MOTION CARRIED UNANIMOUSLY.**

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CITY COUNCIL MEETING
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13. 2ND READ ORDINANCES:

- A. 2025 - 23 - Hotel Fortuna Project-TFH Daphne 2026-Limited Obligation Project Revenue Warrant-Not to exceed \$8 Million**
- B. 2025 - 24 - Ordinance Authorizing the Mayor to Execute a Purchase and Development Agreement with Sisters (Baldwin), LLC for the Conveyance of Certain Real Property No Longer Needed for Public or Municipal Purposes**

**MOTION by Councilman Coleman to waive the reading of Ordinances 2025-23 and 2025-24. Seconded by Councilwoman Messinger.
MOTION CARRIED UNANIMOUSLY.**

**MOTION by Councilman Coleman to adopt Ordinance 2025-23. Seconded by Councilwoman Messinger.
MOTION CARRIED UNANIMOUSLY.**

**MOTION by Councilman Coleman to adopt Ordinance 2025-24. Seconded by Councilman Olen.
MOTION CARRIED UNANIMOUSLY.**

14. 1ST READ ORDINANCES:

- A. 2026 - 01 - Revisions to the City of Daphne Zoning District Map**
- B. 2026 - 02 - Ordinance to Amend the Text of the Rowan Oak PUD Narrative for Property Located Southwest of County Road 13 and Milton Jones Road**
- C. 2026 - 03 - Ordinance Amending the City of Daphne's Gasoline Excise Tax Ordinance No. 1990-20**
- D. 2026 - 04 - Amendment to Ordinance 2004-11 (Business License Ordinance) to Enable Licensure of Mobile/Itinerant Businesses**

15. COUNCIL COMMENTS

Councilwoman Conaway asked everyone to reflect on what has been accomplished in 2025. She also wished everyone a wonderful new year.

Councilman Olen echoed Councilwoman Conaway's comments and wished everyone happy new year.

Councilman Coleman recognized the police department's promotions.

Councilman Roberts congratulated the police department's promotions.

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CITY COUNCIL MEETING
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DAPHNE, AL
6:00 P.M.**

Councilwoman Messinger echoed Councilwoman Conaway's comments and commended the Junior Council.

Councilwoman Green thanked Chief Tacon and Chief Gulsby for their department's responses to the afternoon's wreck. She thanked Public Works for their work around the City.

Mayor LeJeune wished everyone a happy new year and reminded everyone it was mardi gras season.

Council President Hughes wished everyone a happy new year.

16. ADJOURN:

THERE BEING NO FURTHER BUSINESS TO DISCUSS, COUNCIL ADJOURNED AT 6:45PM.

Respectfully submitted by,

Certification of Presiding Officer,

Jessica Linne, CMC, Interim City Clerk

Benjamin Hughes, Council President

City of Daphne Building Department

2022 / 2023 / 2024 / 2025 / 2026 Comparison Report

	Fee's Collected					Permit's Issued					CO's Issued				
	2022	2023	2024	2025	2026	2022	2023	2024	2025	2026	2022	2023	2024	2025	2026
Oct	\$84,303.63	\$47,086.96	\$83,607.35	\$143,569.06	\$77,524.20	308	192	223	213	189	40	28	32	17	25
Nov	\$91,672.49	\$50,279.03	\$27,758.62	\$58,210.00	\$219,396.48	351	286	166	142	216	30	36	23	12	9
Dec	\$128,605.99	\$57,070.59	\$40,344.17	\$50,271.68	\$36,647.91	296	216	181	150	245	53	36	33	25	12
Jan	\$259,810.62	\$33,804.54	\$163,953.56	\$80,404.50		350	152	295	173		36	33	25	20	
Feb	\$129,315.56	\$44,081.76	\$84,412.27	\$37,199.09		292	169	229	163		32	31	23	20	
Mar	\$116,358.20	\$30,603.28	\$57,825.99	\$320,154.95		431	181	240	165		84	44	24	16	
Apr	\$60,816.35	\$76,873.19	\$171,191.80	\$89,713.72		324	212	348	202		42	27	15	19	
May	\$65,454.25	\$147,875.62	\$207,947.06	\$155,349.01		306	288	368	211		48	20	30	17	
June	\$147,395.66	\$234,524.02	\$58,420.91	\$143,387.48		355	308	232	230		34	25	43	21	
July	\$87,733.72	\$100,809.42	\$69,318.38	\$78,117.48		305	267	273	185		23	13	33	15	
Aug	\$61,504.63	\$60,342.37	\$181,357.78	\$65,814.58		299	192	239	182		19	4	29	11	
Sept	\$140,065.18	\$108,322.22	\$189,261.78	\$106,073.70		328	277	344	147		40	34	20	15	
Total	\$1,373,036.28	\$991,673.00	\$1,335,399.67	\$1,328,265.25	\$333,568.59	3945	2740	3138	2,163	650	481	331	330	208	46
Percent +/-	N/A	-27.78%	34.66%	-0.53%		N/A	-30.54%	14.53%	-31.07%		N/A	-31.19%	-0.30%	-93.64%	

December FY2026 Building Inspections-

\$36,647.91 Fee's Collected, 245 Permits issued, 12 Certificate Of Occupancies issued and 8 New Residential Homes permitted

Infirmiry Health is in progress. The Croft at Daphne is getting started.

BUILDINGS & PROPERTY COMMITTEE MEETING

December 8, 2025 5:15 p.m.

**City Hall, Jubilee Conference Room
1705 Main Street, Daphne, AL 36526**

MEETING MINUTES

MEMBERS PRESENT: Councilman Hughes, Councilwoman Messinger, Councilwoman Green, Councilman Roberts and Councilman Coleman

MEMBERS ABSENT: Councilman Olen and Councilwoman Conaway

ALSO PRESENT: Patrick Dungan, City Attorney; Troy Strunk, City Development; Mayor LeJeune; Eric Butler, Building Inspection; Jessica Linne, Interim City Clerk; Andy Bobe, City Engineer; Bobby Purvis, Public Works; Randy Jones, Solid Waste; Emmie Powell, Library; and Ange Baggett, Marketing.

1) CALL MEETING TO ORDER / ROLL CALL

There being a quorum present Councilwoman Messinger called the meeting to order at 5:15p.m.

2) MINUTES

Councilman Messinger reviewed the minutes from the November 10, 2025 meeting.

3) PUBLIC PARTICIPATION

4) BUILDING INSPECTION REPORT

Eric Butler reviewed the Building Inspection report.

5) CIVIC CENTER & BAYFRONT PAVILION REPORT

Ange Baggett gave the Civic Center report.

6) RECREATION REPORT

7) LIBRARY REPORT

Emmie Powell gave the Library report.

8) FACILITIES REPORT

Bobby Purvis gave the Facilities Report.

9) OLD BUSINESS

10) NEW BUSINESS

Councilman Hughes discussed amending the gas tax to be raised to 3%.

MOTION by Councilman Hughes to place the resolution for gas tax on the December 15, 2025 Finance Agenda. Seconded by Councilwoman Green. MOTION CARRIED UNANIMOUSLY.
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11) ANY OTHER BUILDINGS AND PROPERTY BUSINESS

12) NEXT MEETING

The next meeting is scheduled for Monday, January 12, 2026 at 5:15 p.m.

13) ADJOURN

There being no further business to discuss, the Committee adjourned at 5:36pm.

December 15, 2025
PUBLIC SAFETY MEETING MINUTES
1705 MAIN STREET
DAPHNE, AL
4:30 P.M.

1. CALL TO ORDER:

There being a quorum present, the meeting was called to order at 4:30 p.m by Councilwoman Green.

2. ROLL CALL:

COUNCIL MEMBERS PRESENT: Councilmen Oliver Roberts, Joel Coleman, Benjamin Hughes and Councilwomen Stephanie Messenger and Jennifer Green.

ABSENT: Councilman Steve Olen and Councilwoman Tommie Conaway.

Also Present: Mayor LeJeune, City Attorney; Patrick Dungan, Troy Strunk, Fire Department; Chief Tacon, Police Department; Chief Gulsby, Assistant City Clerk; Jessica Linne

Junior City Council present: Lakyn Coggin and Isabella New

3. PUBLIC PARTICIPATION:

None

4. APPROVAL OF MINUTES FROM PREVIOUS MEETING

Minutes from November 2025 Public Safety meeting approved as presented.

5. POLICE DEPARTMENT – Chief Gulsby

Old Business: None

New Business: (Stats provided)

Chief Gulsby discussed report stats with Council. Annual cookies with a Cop to be held on Wednesday. Four new Officers starting, swearing in on Friday. Discussed a grant that is in place to fill 4 Officer positions to patrol the City Parks. Detective sent to class to learn how to extract data from cell phones, last week. SRO's are wrapping up their stocking stuffer drive for Ecumenical Ministries this week.

6. FIRE DEPARTMENT: - Chief Tacon

Old Business: Baby Box Update: Back in service. 2nd Fire Truck will now be here in November. The ladder truck is said to arrive in 18 months.

New Business: (Stats provided)

Chief Tacon discussed staffing: Recently hired 3 new employees, leaving only 2 openings. They will have more interviews this week.

December 15, 2025
PUBLIC SAFETY MEETING MINUTES
1705 MAIN STREET
DAPHNE, AL
4:30 P.M.

Medstar- Justified on all calls when the Fire Department rode along. Brad provided a report. 93.2 % compliance in Daphne.

7. **OTHER BUSINESS:**

Sea Cliff Street Renaming: Motion to move to Council made by Councilman Hughes, 2nd by Councilman Coleman.

Adjournment 4:49 p.m.

Daphne Downtown Redevelopment Authority
Thursday, November 20, 2025
Meeting Minutes

Attendees: Daphne Robinson, Chairperson; Monica Kurth, Vice Chair; Jason Goffinet, Member; Laura Johnson, Member; Pamela Marks, Member

Public Attendee: Keith Parker

City Officials: Tommie Conaway; Jessica Linne, Asst. City Clerk

Absent: Dayna Oldham, Treasurer

A. Call to Order:

- a. Prayer/Pledge of Allegiance
- b. Member present roll Sheet / Greet Public Participants
- c. Approve minutes – Pam motions, Jason 2nds; November minutes unanimously approved

B. Public Participation

- a. None

C. Treasurer Report

- a. No new update

D. City Council update

- a. Daphne Christmas events underway with the Tree Lighting to take place Thursday, December 4th

E. Committee Progress Reports

- a. Website and Social Media Pages: Monica Kurth
 - o No new developments
- b. Main Street Development: Daphne Robinson
 - o Porch flooring poured concrete with impregnated stain and scoring. Possible alternative to the herringbone brick pavers. Another possibility could be solid pavers for contrast to the brick wall.
 - o Site inspection to certify building electrical meets code
 - o Faux shutters to be placed on exterior walls, pricing being confirmed
 - o By next meeting or via e-mail, DRA seeks additional details on reimbursable expenses billed on 5/27/25 in the amount of \$100 and on 5/29/25 in the amount of \$3,677.75; payment pending clarification.

Motion: Jason motions to pay interior designer invoice for services rendered in the amount of \$19,218.75, Pam seconds the motion, motion passes unanimously.

Motion: Jason motions to pay the electrical consultants for services rendered in the amount of \$10,394.65, Pam seconds the motion, motion passes unanimously.

F. New Business

- a. Next meeting: **December 18, 2025**
- b. Following meeting: **January 15, 2026**
- c. Adjourn

Daphne Downtown Redevelopment Authority

Thursday, December 18, 2025

Meeting Minutes

Attendees: Daphne Robinson, Chairperson; Adam Campbell, Member; Laura Johnson, Member; Tommie Conaway, City Council Representative; Jessica Linne, Clerk

Absent: Monica Kurth, Vice Chair; Dayna Oldham, Treasurer; Jason Goffinet, Member; Pamela Marks, Member

A. Call to Order – 5:30 p.m.

- a. Prayer/Pledge of Allegiance lead by Laura Johnson
- b. Member present roll sheet
- c. Review minutes

B. Public Participation

- a. No public attendees

C. Treasurer Report

- a. Dewberry refund of \$8,499.85 has been deposited

D. City Council update

- a. Skating with Santa scheduled for December 18th and 19th, the City offices will be closed December 24th and 25th as well as January 1st in observance of Christmas and New Year's Day

E. Committee Progress Reports

- a. Website and Social Media Pages: Monica Kurth
 - i. No new updates
- b. Main Street Development: Daphne Robinson
 - i. Pricing requested for finishing out the main floor, place an air conditioner and other basic items to be comparable with other lease options currently available in our market
 - ii. Reimbursements for 5/27/25 of \$100 and 5/29/25 of \$3,677.75 remain outstanding as they appear to be duplicate charges for a fixture
 - iii. Mardi Gras parades scheduled for February 6th and 14th, there are only 2 parades in Daphne for 2026. The target date for completion of vacation rental unit is the last week in January.
 - iv. Furnishing for rental space needed

F. New Business

- a. Next meeting: **January 15, 2026**
- b. Adjourn



STATE OF ALABAMA
ALCOHOLIC BEVERAGE CONTROL BOARD
CONSUMABLE HEMP PRODUCTS APPLICATION
Confirmation Number: 20260105094617295



Type License: 700 - SPECIALTY RETAILER OF CONSUMABLE HEMP PRODUCTS **State:** \$1,000.00 **County:** \$0.00

Trade Name: SIMPLY CBD

Filing Fee: \$50.00

Applicant: CNC LLC

Transfer Fee:

Location Address: 2005 US HIGHWAY 98 DAPHNE, AL 36526

Mailing Address: 2005 US HIGHWAY 98 DAPHNE, AL 36526

County: BALDWIN **Tobacco sales:** NO

Tobacco Vending Machines:

Product Type:

Type Ownership: LLC

Book, Page, or Document info: 303584

Do you sell Draft Beer?:

Date Incorporated: 06/19/2025 **State incorporated:** AL

County Incorporated: MOBILE

Date of Authority: 06/19/2025

Federal Tax ID: 27-3801539

Alabama State Sales Tax ID: R010366739

Name:	Title:	Date and Place of Birth:	Residence Address:
AARON VANHAUTER 9293980 - AL	OWNER	04/10/1973 MICHIGAN	33344 HOLBROOK LANE LOXLEY, AL 36551

Has applicant complied with financial responsibility ABC RR 20-X-5-.14?

Does ABC have any actions pending against the current licensee?

Has anyone, including manager or applicant, had a Federal/State permit or license suspended or revoked? NO

Has a liquor, wine, malt or brewed license for these premises ever been denied, suspended, or revoked?

Are the applicant(s) named above, the only person(s), in any manner interested in the business sought to be licensed? YES



STATE OF ALABAMA
ALCOHOLIC BEVERAGE CONTROL BOARD
CONSUMABLE HEMP PRODUCTS APPLICATION
Confirmation Number: 20260105094617295



Are any of the applicants, whether individual, member of a partnership or association, or officers and directors of a corporation itself, in any manner monetarily interested, either directly or indirectly, in the profits of any other class of business regulated under authority of this act

Does applicant own or control, directly or indirectly, hold lien against any real or personal property which is rented, leased or used in the conduct of business by the holder of any vinous, malt or brewed beverage, or distilled liquors permit or license issued under authority of this act

Is applicant receiving, either directly or indirectly, any loan, credit, money, or the equivalent thereof from or through a subsidiary or affiliate or other licensee, or from any firm, association or corporation operating under or regulated by the authority of this act?

Contact Person: AARON VANHAUTER
Business Phone: 251-586-8890
Fax:

Home Phone: 251-487-0806
Cell Phone:
E-mail: INFO@SIMPLYCBD.NET

PREVIOUS LICENSE INFORMATION:
Trade Name:
Applicant:

Previous License Number(s)
License 1:
License 2:



STATE OF ALABAMA
ALCOHOLIC BEVERAGE CONTROL BOARD
CONSUMABLE HEMP PRODUCTS APPLICATION
Confirmation Number: 20260105094617295



If applicant is leasing the property, is a copy of the lease agreement attached? YES

Name of Property owner/lessor and phone number: DONNA HUGHES 251-605-8513

What is lessors primary business?

Is lessor involved in any way with the alcoholic beverage business?

Is there any further interest, or connection with, the licensee's business by the lessor?

Does the premise have a fully equipped kitchen?

Is the business used to habitually and principally provide food to the public?

Does the establishment have restroom facilities?

Is the premise equipped with services and facilities for on premises consumption of alcoholic beverages?

Will the business be operated primarily as a package store? NO

Building Dimensions Square Footage: 900

Display Square Footage:

Building seating capacity: 0

Does Licensed premises include a patio area? NO

License Structure: SINGLE STRUCTURE

License covers: ENTIRE STRUCTURE

Number of licenses in the vicinity:

Nearest:

Nearest school:

Nearest church:

Nearest residence:

Location is within: CITY/TOWN LIMITS

Police protection: CITY



STATE OF ALABAMA
ALCOHOLIC BEVERAGE CONTROL BOARD
CONSUMABLE HEMP PRODUCTS APPLICATION
Confirmation Number: 20260105094617295



Has any person(s) with any interest, including manager, whether as sole applicant, officer, member, or partner been charged (whether convicted or not) of any law violation(s)?

Name:	Violation & Date:	Arresting Agency:	Disposition:



STATE OF ALABAMA
ALCOHOLIC BEVERAGE CONTROL BOARD
CONSUMABLE HEMP PRODUCTS APPLICATION
Confirmation Number: 20260105094617295



Initial each

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Signature page

In reference to law violations, I attest to the truthfulness of the responses given within the application.

In reference to the Lease/property ownership, I attest to the truthfulness of the responses given within the application.

In reference to ACT No. 80-529, I understand that if my application is denied or discontinued, I will not be refunded the filing fee required by this application.

In reference to Special Retail or Special Events retail license, Wine Festival and Wine Festival Participant Licenses, and Food or Beverage Truck Licenses, I agree to comply with all applicable laws and regulations concerning this class of license, and to observe the special terms and conditions as indicated within the application.

In reference to the Club Application information, I attest to the truthfulness of the responses given within the application.

In reference to the transfer of license/location, I attest to the truthfulness of the information listed on the attached transfer agreement.

In accordance with Alabama Rules & Regulations 20-X-5-.01(4), any social security number disclosed under this regulation shall be used for the purpose of investigation or verification by the ABC Board and shall not be a matter of public record.

The undersigned agree, if a license is issued as herein applied for, to comply at all times with and to fully observe all the provisions of the Alabama Alcoholic Beverage Control Act, as appears in Code of Alabama, Title 28, and all laws of the State of Alabama relative to the handling of alcoholic beverages.

The undersigned, if issued a license as herein requested, further agrees to obey all rules and regulations promulgated by the board relative to all alcoholic beverages received in this State. The undersigned, if issued a license as herein requested, also agrees to allow and hereby invites duly authorized agents of the Alabama Alcoholic Beverage Control Board and any duly commissioned law enforcement officer of the State, County or Municipality in which the license premises are located to enter and search without a warrant the licensed premises or any building owned or occupied by him or her in connection with said licensed premises. The undersigned hereby understands that he or she violate any provisions of the aforementioned laws his or her license shall be subject to revocation and no license can be again issued to said licensee for a period of one year. The undersigned further understands and agrees that no changes in the manner of operation and no deletion or discontinuance of any services or facilities as described in this application will be allowed without written approval of the proper governing body and the Alabama Alcoholic Beverage Control Board.

I hereby swear and affirm that I have read the application and all statements therein and facts set forth are true and correct, and that the applicant is the only person interested in the business for which the license is required.

Applicant Name (print): *ARON VANHAUSER*

Signature of Applicant: *an*

Notary Name (print): *Dorothy Watson Cordell*

Notary Signature: *D Watson Cordell*

Commission expires:

Application Taken:

App. Inv. Completed:

Forwarded to District Office:

Submitted to Local Government:

Received from Local Government:

Received in District Office:

Reviewed by Supervisor:

Forwarded to Central Office:



STATE OF ALABAMA
ALCOHOLIC BEVERAGE CONTROL BOARD
CONSUMABLE HEMP PRODUCTS APPLICATION
Confirmation Number: 20260105094617295



Private Clubs / Special Retail / or Special Events licenses ONLY

Private Club

Does the club charge and collect dues from elected members?

Number of paid up members:

Are meetings regularly held?

How often?

Is business conducted through officers regularly elected?

Are members admitted by written application, investigation, and ballot?

Has Agent verified membership applications for each member listed?

Has at least 10% of members listed been confirmed and highlighted?

Agent's Initials:

For what purpose is the club organized?

Does the property used, as well as the advantages, belong to all the members?

Do the operations of the club benefit any individual member(s), officer(s), director(s), agent(s), or employee(s) of the club rather than to benefit of the entire membership?

Special Retail

Is it for 30 days or less?

More than 30 days?

Franchisee or Concessionaire of above?

Other valid responsible organization:

Explanation:

Special Events / Special Retail (7 days or less)

Starting Date: Ending Date:

Special terms and conditions for special event/special retail:

Other Explanations

Receipt Confirmation Page

Receipt Confirmation Number: 20260105094617295

Application Payment Confirmation Number: 115289740

Payment Summary	
Payment Item	Fee
Application Fee for License License 700	\$50.00
Total Amount to be Charged	\$50.00

License Payment Confirmation Number:

Payment Summary			
Payment Item	County Fee	State Fee	Total Fee
	\$0.00	\$1,000.00	
Total Amount to be Charged			

Application Type

Application Type: APPLICATION

Applicant Information

License Type 700 - SPECIALTY RETAILER OF CONSUMABLE HEMP PRODUCTS

License County: BALDWIN

Business Type: LLC

Trade Name: SIMPLY CBD

Applicant Name: CNC LLC

Location Address: 2005 US HIGHWAY 98
DAPHNE, AL 36526

Mailing Address: 2005 US HIGHWAY 98
DAPHNE, AL 36526

Contact Person: AARON VANHAUTER

Contact Home Phone: 251-487-0806

Contact Business Phone: 251-586-8890

Contact Fax:

Contact Cell Phone:

Contact Email Address:

Contact Web Address:

Contact Relationship to Applicant: OWNER

2026-1

DATE RECEIVED BY REVENUE DIV

1/5/26

CAC

DATE FORWARDED TO POLICE DEPT

1/5/26

CAC

DATE RECEIVED BY POLICE DEPT

1/5/2026

KRF

DATE 1/8/25 APPROVED

✓

DISAPPROVED

POLICE DEPT SIGNATURE

[Signature] 1142

DATE RETURNED TO REVENUE DIV

1/8/2026

KRF

DATE FORWARDED TO CITY CLERK

1/8/26

CAC

DATE RECEIVED BY CITY CLERK

1/8/26

JL

SCHEDULED DATE ON AGENDA

Council Action:

APPROVED

DISAPPROVED

TABLED

COMMENTS:

Rescheduled for Council Agenda Date

Council Action:

APPROVED

DISAPPROVED

TABLED

COMMENTS:

DATE RETURNED TO REVENUE DIV.:

DATE RETURNED TO TAXPAYER
OR TO ABC FIELD OFFICE

(per taxpayer request)



City of Daphne Event Permit Application

TYPE OF PERMIT:

☐ Special Event/Fundraiser

☐ Parade/Run (Streets Use)

☒ Walk (Sidewalks Only)

☐ Athletic Complex/Sporting Event

☐ Other: _____

APPLICANT & ORGANIZATION INFORMATION

ORGANIZATION NAME: LSK Lupus Awareness Walk

APPLICANT NAME: Lucy King

STREET: 27531 French Settlement Dr. CITY, STATE, ZIP: Daphne, AL 36526

CONTACT PHONE: 251 753-7989 EMAIL: lkking15@AOL.com

"ON SITE" CONTACT PERSON DAY OF EVENT: Kenneth King

CELL PHONE: 251 599-8026

EMAIL: _____

EVENT INFORMATION

EVENT NAME: Lupus Walk

TYPE OF/PURPOSE OF EVENT: Walk + Blood Drive

EVENT DATE: 3.21.26 TIME (START- END): 9:00 - 12:00

ASSEMBLY TIME: 8:00 am # PARTICIPANTS/VEHICLES: 75-100

EVENT LOCATION: Daphne City Hall 1705 Main Street

FULL DESCRIPTION OF EVENT (PLEASE LIST ANY TENTS, STAGING, PORT-O-LETS, OR SIMILAR ITEMS THAT WILL

BE USED ON-SITE): Tables, tent, music, bouncers and

Daphne utilities truck

SPECIAL REQUESTS

ROAD CLOSURE(S) REQUESTS: ☐ Yes* ☒ No *If Yes, please indicate which City Route is requested: _____

WILL YOUR EVENT REQUIRE BARRICADES: ☐ Yes* ☒ No *If Yes, please indicate quantity & location: _____

WILL YOUR EVENT REQUIRE ELECTRICITY: ☒ Yes* ☐ No *If Yes, you must provide your own extension cords

WILL YOUR EVENT REQUIRE WATER: ☐ Yes* ☒ No *If Yes, you must provide your own hose(s)

OTHER SPECIAL ITEMS FOR RENT:

TENTS: 20' X 40' # _____ X \$321.00 10' X 10' # _____ X \$123.00/EACH

TABLES: 8' L # _____ X \$45.00/EACH CHAIRS: # _____ X \$12.00/EACH

OTHER SPECIAL REQUESTS: _____

MARKETING & COMMUNICATIONS

PLEASE NOTE: As a City permitted event, the City of Daphne should be listed as a sponsor on all marketing materials promoting your event, such as, but not limited to, posters, social media outlets, website(s), t-shirts, promo items, etc. It is the event organizer's responsibility to request the official City logo from our Marketing & Events Department in a proper format. No other City of Daphne logo should be utilized. Please initial acknowledgement: _____

Is your event open to the general public? ☐ Yes* ☐ No

* If Yes, do you wish for your event to be listed and/or shared on: www.daphneal.com? ☐ Yes ☐ No

Facebook.com? ☐ Yes ☐ No Instagram? ☐ Yes ☐ No LinkedIn? ☐ Yes ☐ No

MARKETING CONTACT (IF DIFFERENT THAN EVENT APPLICANT OR "ON SITE" EVENT CONTACT):

NAME: _____ CONTACT PHONE: _____

OTHER MARKETING REQUESTS: _____

REVENUE/BUSINESS LICENSE

WILL SALES BE GENERATED AT YOUR EVENT: ☐ Yes** ☐ No ** If Yes, please provide your City of Daphne Business License Number here: _____

PLEASE NOTE: If you are providing food trucks or other third-party vendors, they MUST be a licensed business with the City of Daphne.

INDEMNITY & HOLD HARMLESS AGREEMENT

In consideration of the permission granted to me by the City of Daphne to use grounds, sidewalks, and/or streets, I hereby indemnify and hold harmless the City of Daphne, its agents, servants and employees from any and all claims and causes of action that may arise from injury to me or third party using the grounds, sidewalks, and/or streets who are injured or suffer property damage that is in any way caused by my use of the grounds, sidewalks, and/or streets. This indemnity and hold harmless agreement is given to the City of Daphne to protect the City and its agents, servants, and employees from cost of defense and claims for injuries and damages that may be caused either directly or indirectly by my use of grounds, sidewalks, and/or streets.

Further, I have read and understand all rules and regulations according to the City of Daphne Ordinance No. 2017-35 as set forth by the governing body of the City of Daphne and will abide by these rules and regulations. I understand that damage to City property, grounds, sidewalks, and/or streets can and will result in additional fees. I also understand that if at any time the City of Daphne appointed Law Enforcement, Code Enforcement, or other personnel feel that said rules and regulations are not being followed the function will be terminated with no refund of said fees.

I have read and understand the above, including the cancellation and indemnity policies.

APPLICANT SIGNATURE:

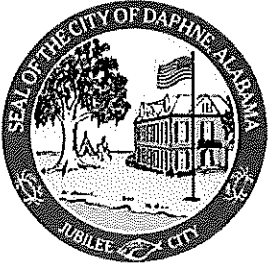
Lucy King

DATE:

1.8.26

INTERNAL USE ONLY

DATE REC'D: <i>1-8-26</i>	CITY CLERK: _____
FIRE DEPT: <i>S. G. Tencer</i>	APPROVED ROUTE: _____
POLICE DEPT: <i>75</i>	ROUTE MAP ATTACHED: ☐ Yes ☐ No
PUBLIC WORKS: _____	EVENT FEE: ☐ Paid \$ _____ CHK# _____
SPORTS & RECREATION: <i>Michael</i>	☐ Waived: _____
MARKETING & EVENTS: <i>Angela Bayne</i>	PROOF OF INSURANCE REC'D: ☐ Yes ☐ No
** REVENUE: _____	



City of Daphne

Event Permit Application

TYPE OF PERMIT:

- ☐ Special Event/Fundraiser ☒ Parade/Run (Streets Use) ☐ Walk (Sidewalks Only)
☐ Athletic Complex/Sporting Event ☐ Other: _____

APPLICANT & ORGANIZATION INFORMATION

ORGANIZATION NAME: Prodisee Pantry

APPLICANT NAME: Neil Beasley

STREET: 9315 Spanish Fort Blvd CITY, STATE, ZIP: Spanish Fort AL 36527

CONTACT PHONE: 251-626-1720 EMAIL: operations.director@prodiseepantry.org

"ON SITE" CONTACT PERSON DAY OF EVENT: Neil Beasley 251-709-1222

CELL PHONE: 251-709-1222 EMAIL: 251-709-1222

EVENT INFORMATION

EVENT NAME: Annual Turkey Trot 5K race and Fun run

TYPE OF/PURPOSE OF EVENT: fundraiser for holiday food distribution to Baldwin co. families

EVENT DATE: 10/24/26 TIME (START- END): 7am

ASSEMBLY TIME: 6:45am # PARTICIPANTS/VEHICLES: 500

EVENT LOCATION: Daphne City Hall Parking lot Start / Finish line in front of City Hall

FULL DESCRIPTION OF EVENT (PLEASE LIST ANY TENTS, STAGING, PORT-O-LETS, OR SIMILAR ITEMS THAT WILL

BE USED ON-SITE): Port-o-lets on side of City Hall, sponsors 10x10 tents

SPECIAL REQUESTS

ROAD CLOSURE(S) REQUESTS: ☒ Yes* ☐ No *If Yes, please indicate which City Route is requested: 5K Route

WILL YOUR EVENT REQUIRE BARRICADES: ☐ Yes* ☒ No *If Yes, please indicate quantity & location: _____

WILL YOUR EVENT REQUIRE ELECTRICITY: ☒ Yes* ☐ No *If Yes, you must provide your own extension cords

WILL YOUR EVENT REQUIRE WATER: ☐ Yes* ☒ No *If Yes, you must provide your own hose(s)

OTHER SPECIAL ITEMS FOR RENT:

TENTS: 20' X 40' # _____ X \$321.00 10' X 10' # _____ X \$123.00/EACH

TABLES: 8' L # _____ X \$45.00/EACH CHAIRS: # _____ X \$12.00/EACH

OTHER SPECIAL REQUESTS: _____

MARKETING & COMMUNICATIONS

PLEASE NOTE: As a City permitted event, the City of Daphne should be listed as a sponsor on all marketing materials promoting your event, such as, but not limited to, posters, social media outlets, website(s), t-shirts, promo items, etc. It is the event organizer's responsibility to request the official City logo from our Marketing & Events Department in a proper format. No other City of Daphne logo should be utilized. Please initial acknowledgement: _____

Is your event open to the general public? ☒ Yes* ☐ No

* If Yes, do you wish for your event to be listed and/or shared on: www.daphneal.com? ☒ Yes ☐ No

Facebook.com? ☒ Yes ☐ No Instagram? ☒ Yes ☐ No LinkedIn? ☒ Yes ☐ No

MARKETING CONTACT (IF DIFFERENT THAN EVENT APPLICANT OR "ON SITE" EVENT CONTACT):

NAME: _____ CONTACT PHONE: _____

OTHER MARKETING REQUESTS: _____

REVENUE/BUSINESS LICENSE

WILL SALES BE GENERATED AT YOUR EVENT: ☐ Yes** ☒ No ** If Yes, please provide your City of Daphne Business License Number here: _____

PLEASE NOTE: If you are providing food trucks or other third-party vendors, they **MUST** be a licensed business with the City of Daphne.

INDEMNITY & HOLD HARMLESS AGREEMENT

In consideration of the permission granted to me by the City of Daphne to use grounds, sidewalks, and/or streets, I hereby indemnify and hold harmless the City of Daphne, its agents, servants and employees from any and all claims and causes of action that may arise from injury to me or third party using the grounds, sidewalks, and/or streets who are injured or suffer property damage that is in any way caused by my use of the grounds, sidewalks, and/or streets. This indemnity and hold harmless agreement is given to the City of Daphne to protect the City and its agents, servants, and employees from cost of defense and claims for injuries and damages that may be caused either directly or indirectly by my use of grounds, sidewalks, and/or streets.

Further, I have read and understand all rules and regulations according to the City of Daphne Ordinance No. 2017-35 as set forth by the governing body of the City of Daphne and will abide by these rules and regulations. I understand that damage to City property, grounds, sidewalks, and/or streets can and will results in additional fees. I also understand that if at any time the City of Daphne appointed Law Enforcement, Code Enforcement, or other personnel feel that said rules and regulations are not being followed the function will be terminated with no refund of said fees.

I have read and understand the above, including the cancellation and indemnity policies.

APPLICANT SIGNATURE:

Neil Beach

DATE:

12-30-2025

INTERNAL USE ONLY

DATE REC'D:

CITY CLERK:

FIRE DEPT:

APPROVED ROUTE:

POLICE DEPT:

ROUTE MAP ATTACHED: ☐ Yes ☐ No

PUBLIC WORKS:

SPORTS & RECREATION:

EVENT FEE: ☐ Paid \$ CHK#

MARKETING & EVENTS:

☐ Waived:

** REVENUE:

PROOF OF INSURANCE REC'D: ☐ Yes ☐ No



City of Daphne

Event Permit Application

TYPE OF PERMIT:

- ☐ Special Event/Fundraiser ☒ Parade/Run (Streets Use) ☐ Walk (Sidewalks Only)
☐ Athletic Complex/Sporting Event ☐ Other: _____

APPLICANT & ORGANIZATION INFORMATION

ORGANIZATION NAME: Loyal Order of Firetruck. (LOFT)

APPLICANT NAME: Marvin Ussery

STREET: P O Box 1414 CITY, STATE, ZIP: Daphne AL 36526

CONTACT PHONE: 2517516001 EMAIL: musser@bellsouth.net

"ON SITE" CONTACT PERSON DAY OF EVENT: Paul Jones

CELL PHONE: 2514212334 EMAIL: _____

EVENT INFORMATION

EVENT NAME: LOFT Parade

TYPE OF/PURPOSE OF EVENT: Family / Civic Mardi Gras February 15th 2026

EVENT DATE: February 15 2026 TIME (START- END): 2:29 PM Promptly

ASSEMBLY TIME: 1:00 PM # PARTICIPANTS/VEHICLES: 75

EVENT LOCATION: Starts at May Day park parking lot

FULL DESCRIPTION OF EVENT (PLEASE LIST ANY TENTS, STAGING, PORT-O-LETS, OR SIMILAR ITEMS THAT WILL BE USED ON-SITE): A "Peoples Parade" thru the streets of Daphne

SPECIAL REQUESTS

ROAD CLOSURE(S) REQUESTS: ☒ Yes* ☐ No *If Yes, please indicate which City Route is requested: Same as previous

WILL YOUR EVENT REQUIRE BARRICADES: ☒ Yes* ☐ No *If Yes, please indicate quantity & location: Minimal at

WILL YOUR EVENT REQUIRE ELECTRICITY: ☐ Yes* ☒ No *If Yes, you must provide your own extension cords

WILL YOUR EVENT REQUIRE WATER: ☐ Yes* ☒ No *If Yes, you must provide your own hose(s)

OTHER SPECIAL ITEMS FOR RENT:

TENTS: 20' X 40' # _____ X \$321.00 10' X 10' # _____ X \$123.00/EACH

TABLES: 8' L # _____ X \$45.00/EACH CHAIRS: # _____ X \$12.00/EACH

OTHER SPECIAL REQUESTS: _____

MARKETING & COMMUNICATIONS

PLEASE NOTE: As a City permitted event, the City of Daphne should be listed as a sponsor on all marketing materials promoting your event, such as, but not limited to, posters, social media outlets, website(s), t-shirts, promo items, etc. It is the event organizer's responsibility to request the official City logo from our Marketing & Events Department in a proper format. No other City of Daphne logo should be utilized. Please initial acknowledgement: _____

Is your event open to the general public? ☒ Yes* ☐ No

* If Yes, do you wish for your event to be listed and/or shared on: www.daphneal.com? ☒ Yes ☐ No

Facebook.com? ☒ Yes ☐ No Instagram? ☒ Yes ☐ No LinkedIn? ☒ Yes ☐ No

MARKETING CONTACT (IF DIFFERENT THAN EVENT APPLICANT OR "ON SITE" EVENT CONTACT):

NAME: _____ CONTACT PHONE: _____

OTHER MARKETING REQUESTS: _____

REVENUE/BUSINESS LICENSE

WILL SALES BE GENERATED AT YOUR EVENT: ☐ Yes** ☒ No ** If Yes, please provide your City of Daphne Business License Number here: _____

PLEASE NOTE: If you are providing food trucks or other third-party vendors, they MUST be a licensed business with the City of Daphne.

INDEMNITY & HOLD HARMLESS AGREEMENT

In consideration of the permission granted to me by the City of Daphne to use grounds, sidewalks, and/or streets, I hereby indemnify and hold harmless the City of Daphne, its agents, servants and employees from any and all claims and causes of action that may arise from injury to me or third party using the grounds, sidewalks, and/or streets who are injured or suffer property damage that is in any way caused by my use of the grounds, sidewalks, and/or streets. This indemnity and hold harmless agreement is given to the City of Daphne to protect the City and its agents, servants, and employees from cost of defense and claims for injuries and damages that may be caused either directly or indirectly by my use of grounds, sidewalks, and/or streets.

Further, I have read and understand all rules and regulations according to the City of Daphne Ordinance No. 2017-35 as set forth by the governing body of the City of Daphne and will abide by these rules and regulations. I understand that damage to City property, grounds, sidewalks, and/or streets can and will result in additional fees. I also understand that if at any time the City of Daphne appointed Law Enforcement, Code Enforcement, or other personnel feel that said rules and regulations are not being followed the function will be terminated with no refund of said fees.

I have read and understand the above, including the cancellation and indemnity policies.

APPLICANT SIGNATURE: Marvin Ussery DATE: January 12 2026

INTERNAL USE ONLY

DATE REC'D: <u>1/12/26</u>	CITY CLERK: _____
FIRE DEPT: <u>L.G. Tavor</u>	APPROVED ROUTE: _____
POLICE DEPT: <u>[Signature]</u>	ROUTE MAP ATTACHED: ☐ Yes ☐ No
PUBLIC WORKS: _____	
SPORTS & RECREATION: <u>[Signature]</u>	EVENT FEE: ☐ Paid \$ _____ CHK# _____
MARKETING & EVENTS: <u>Angie Bayne</u>	☐ Waived: _____
** REVENUE: _____	PROOF OF INSURANCE REC'D: ☐ Yes ☐ No

**CITY OF DAPHNE, ALABAMA
RESOLUTION 2026-03**

A RESOLUTION EXTENDING THE TIME FOR DEMOLITION OF CERTAIN UNSAFE STRUCTURES LOCATED AT 905 DAPHNE AVENUE, DAPHNE, ALABAMA, PARCEL ID NO. 43-04-17-3-000-045.000, PURSUANT TO SECTION 9(e) OF ORDINANCE NO. 2024-17; AND PROVIDING FOR RELATED MATTERS

WHEREAS, on November 17, 2025, the City Council of the City of Daphne adopted Resolution 2025-76 finding that the buildings and structures located at 905 Daphne Avenue, Parcel ID No. 43-04-17-3-000-045.000, are unsafe to the extent of constituting a public nuisance and ordering that such structures be demolished in accordance with Sections 11-40-30 through 11-40-36 and Sections 11-53B-1 through 11-53B-16 of the Code of Alabama (1975), as amended, and Ordinance No. 2024-17 of the City of Daphne; and

WHEREAS, Section 9(d) of Ordinance No. 2024-17 provides that failure to accomplish a demolition within ninety (90) days of the passage of a demolition resolution constitutes an abdication of the Council's order unless one or more specified conditions are satisfied; and

WHEREAS, Section 9(e) of Ordinance No. 2024-17 expressly authorizes the Council, following notice and a public hearing, to adopt a resolution extending the time for demolition to be accomplished for such period of time as the Council deems necessary when an ordered demolition cannot be completed within the prescribed time period; and

WHEREAS, the Appropriate Municipal Official has reported to the Council that, although the structures remain unsafe and are due to be demolished, additional time is warranted before demolition is carried out; and

WHEREAS, one of the commercial units located on the subject property is presently occupied by a third-party tenant, and the purpose of the requested extension is to allow a reasonable period of time for that tenant to relocate and wind down operations in an orderly manner, without altering the Council's prior determination that the structures constitute a public nuisance; and

WHEREAS, the Council finds that granting a limited extension of time for demolition under these circumstances is consistent with the intent of Ordinance No. 2024-17, protects the public interest, and constitutes "further action" by the Council as contemplated by Section 9(d)(5) and Section 9(e) of that Ordinance;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Daphne, Alabama, while in regular session, as follows:

Section 1. Pursuant to Section 9(e) of Ordinance No. 2024-17, the time for demolition of the unsafe buildings and structures located at 905 Daphne Avenue, Parcel ID No. 43-04-17-3-000-045.000, as ordered by Resolution 2025-76 adopted November 17, 2025, is hereby extended through **May 31, 2026**.

Section 2. This extension is granted for the limited purpose of allowing additional time for the orderly relocation of an existing third-party tenant occupying a portion of the subject property and does not constitute a waiver, modification, or reconsideration of the City Council’s prior findings that the structures are unsafe and constitute a public nuisance.

Section 3. All findings, determinations, directives, and authorizations contained in Resolution 2025-76 remain in full force and effect except as expressly modified by this Resolution.

Section 4. The City Council finds and determines that the notice and public hearing requirements of Section 9(e) of Ordinance No. 2024-17 have been satisfied prior to the adoption of this Resolution, and that this Resolution constitutes the “further action” of the Council authorizing an extension of time for demolition as contemplated in Section 9(d)(5) thereof.

Section 5. The Appropriate Municipal Official is authorized to take all actions necessary to effectuate the demolition upon expiration of the extended deadline if demolition has not otherwise been completed.

ADOPTED this, the 20th day of January, 2026.

Robin LeJeune, Mayor

ATTEST:

Jessica Linne, Interim City Clerk

**CITY OF DAPHNE, ALABAMA
ORDINANCE 2026-01**

**Zoning District Map
Revision to the City of Daphne Land Use and Development Ordinance**

WHEREAS, the Planning Commission of the City of Daphne, Alabama at their regular meeting held on October 23, 2025, favorably recommended to the City Council of the City of Daphne certain amendments to the Daphne Land Use and Development Ordinance / Zoning District Map approved and adopted by Ordinance No. 2011-54, referenced in Appendix H “Exhibit A” thereof, and amended by Ordinance No. 2016-69, Ordinance No. 2017-49, Ordinance No. 2018-02, Ordinance 2018-27, Ordinance 2019-19, Ordinance 2020-12, Ordinance 2020-28, Ordinance 2022-20, Ordinance 2022-51, Ordinance 2023-44, Ordinance 2024-18, Ordinance 2024-42, Ordinance 2025-12; and

WHEREAS, said amendments are necessary due to various rezoning and annexation requests which have been approved since the adoption of Ordinance No. 2025-12; and

WHEREAS, due notice of said proposed zoning map amendments has been provided to the public as required by law through publication and open display at the City of Daphne Public Library and City Hall; and

WHEREAS, a public hearing regarding the proposed Zoning District Map amendments was held by the City Council on January 5, 2026; and

WHEREAS, the City Council of the City of Daphne after due consideration and upon recommendation of the Planning Commission believe it in the best interest of the health, safety and welfare of the citizens of the City of Daphne to amend said Zoning District Map as recommended; and

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF DAPHNE, ALABAMA, as follows:

SECTION I: ZONING DISTRICT MAP

The Zoning District Map referenced hereto as Exhibit “A” shall be the official zoning map of the City of Daphne, Alabama and shall be further designated in Appendix H of the City of Daphne Land Use and Development Ordinance, as set forth in Ordinance No. 2011-54 and its amendments.

SECTION II: REPEALER

Ordinance No. 2011-54, Appendix H “Exhibit A”, Ordinance No. 2016-69, Ordinance No. 2017-49, Ordinance No. 2018-02, Ordinance 2018-27, Ordinance 2019-19, Ordinance 2020-12, Ordinance 2020-28, Ordinance 2022-20, Ordinance 2022-51, Ordinance 2023-44, Ordinance 2024-18, Ordinance 2024-18 and Ordinance 2025-12 are hereby repealed, and any Ordinance(s), parts of Ordinance(s) or Resolution(s) conflicting with the provisions of this Ordinance are hereby repealed insofar as they conflict.

SECTION III: EFFECTIVE DATE

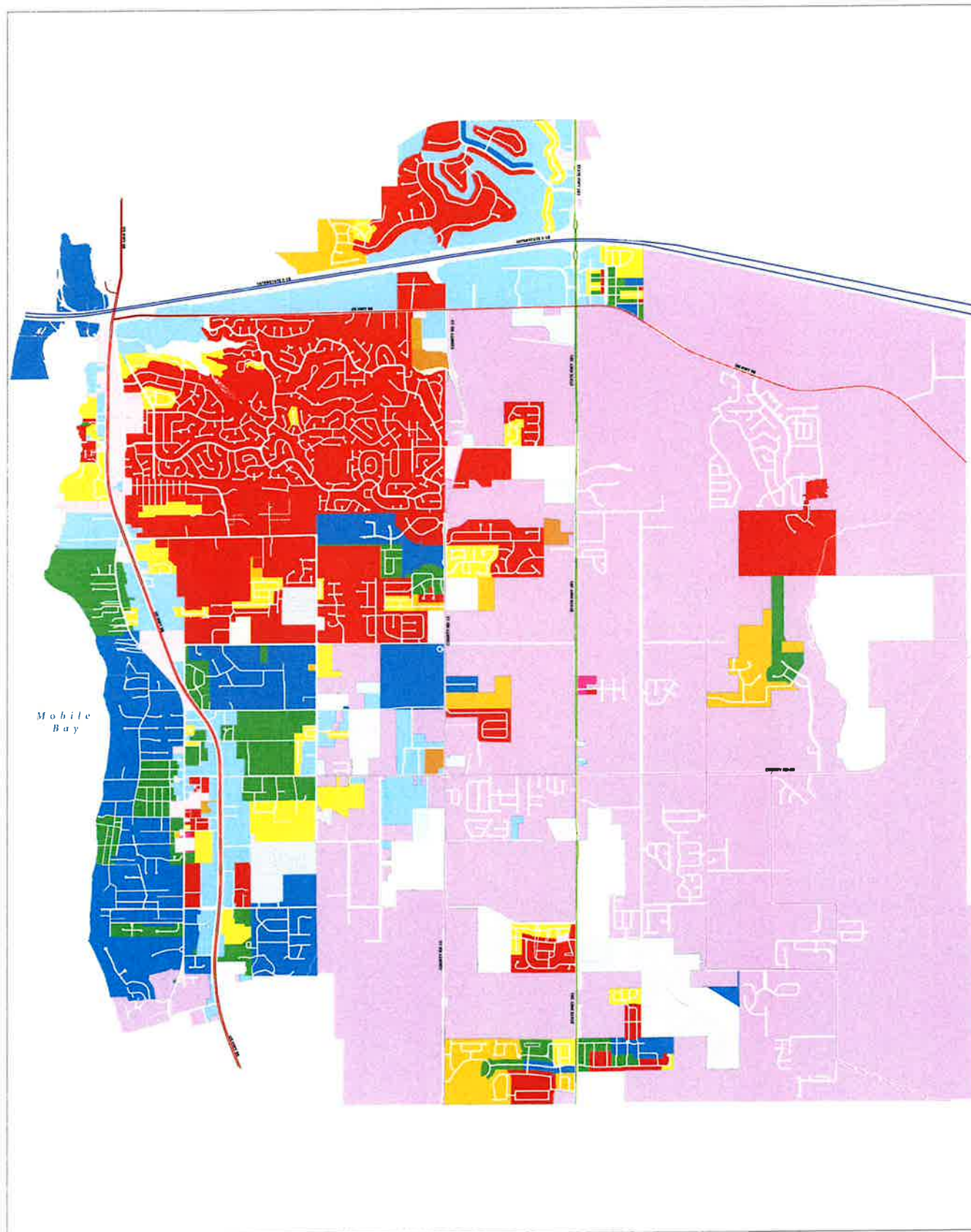
This Ordinance shall take effect and be in force from and after the date of its approval by the City of Daphne City Council and publication as required by law.

**ADOPTED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF DAPHNE,
ALABAMA ON THIS ____ DAY OF _____, 2025.**

Robin LeJeune, Mayor

ATTEST:

Jessica Linne, Interim City Clerk



Please write a clearly defined function and do not consider a single (small) case.

The only public within the district encompassed by the Co. of Duane is located over a diverse range of land, public and private, which are generally considered to be related. However, the City of Duane does not provide guarantees to the accuracy, completeness, or comprehensiveness of the information. The City is making decisions as to what is reported in order to maintain the integrity, completeness, accuracy, reliability, or comprehensiveness of the information to be disclosed to the City Secretary and the public.

Furthermore, the City of Davenport is representative, official, or employees' failure to comply, recognized with the violation of this Code and subject to no recognition for its compliance in any manner or form for any purposes related to this or any other, public office and powers to the City of Davenport, Community Development Department.

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CITY OF DAPHNE, ALABAMA
ORDINANCE 2026-02
(Amending Ordinance 2024-19)

**AN ORDINANCE TO AMEND THE TEXT OF THE ROWAN OAK PUD NARRATIVE FOR
PROPERTY LOCATED SOUTHWEST OF COUNTY ROAD 13 AND MILTON JONES ROAD**

WHEREAS, the real property pre-zoned and described in Ordinance 2024-19 has been annexed into the corporate limits of the City of Daphne and assigned a zoning designation of Planned Unit Development (“PUD”) upon annexation; and

WHEREAS, said real property is located Southwest of the intersection of County Road 13 and Milton Jones Road, being more particularly described as follows:

Legal Description for the Property:

COMMENCE AT THE SOUTHEAST CORNER OF SECTION 21, TOWNSHIP 5 SOUTH, RANGE 2 EAST, BALDWIN COUNTY, ALABAMA AND RUN THENCE NORTH 00 DEGREES 19 MINUTES 24 SECONDS EAST, ALONG THE EAST LINE OF SAID SECTION 21, A DISTANCE OF 667.52 FEET; THENCE RUN NORTH 89 DEGREES 23 MINUTES 03 SECONDS WEST, A DISTANCE OF 40.00 FEET TO A 1/2" CAPPED REBAR SET (CA-1167-LS) ON THE WEST RIGHT-OF-WAY OF COUNTY ROAD NUMBER 13 FOR THE POINT OF BEGINNING; THENCE DEPARTING SAID RIGHT-OF-WAY, CONTINUE NORTH 89 DEGREES 23 MINUTES 03 SECONDS WEST, A DISTANCE OF 1280.51 FEET TO A 1/2" CAPPED REBAR FOUND (MOORE); THENCE RUN NORTH 89 DEGREES 27 MINUTES 54 SECONDS WEST, A DISTANCE OF 667.54 FEET TO A 1/2" CAPPED REBAR FOUND (CA-0604-LS); THENCE RUN SOUTH 00 DEGREES 09 MINUTES 34 SECONDS EAST, A DISTANCE OF 661.03 FEET TO A 3/4" OPEN TOP PIPE FOUND; THENCE RUN NORTH 89 DEGREES 13 MINUTES 25 SECONDS WEST, A DISTANCE OF 247.59 FEET TO A 1/2" REBAR FOUND; THENCE RUN NORTH 00 DEGREES 46 MINUTES 35 SECONDS EAST, A DISTANCE OF 40.00 FEET TO A 1/2" CAPPED REBAR SET (CA-1167-LS) ON THE NORTH RIGHT-OF-WAY OF GLOVER LANE; THENCE RUN NORTH 89 DEGREES 13 MINUTES 25 SECONDS WEST, ALONG THE NORTH RIGHT-OF-WAY OF SAID GLOVER LANE, A DISTANCE OF 375.33 FEET TO A 1/2" CAPPED REBAR SET (CA-1167-LS) ON THE EAST RIGHT-OF-WAY OF FRIENDSHIP ROAD; THENCE RUN NORTH 00 DEGREES 14 MINUTES 02 SECONDS EAST, ALONG THE EAST RIGHT-OF-WAY OF SAID FRIENDSHIP ROAD, A DISTANCE OF 1003.65 FEET TO A 1/2" CAPPED REBAR FOUND (MOORE); THENCE DEPARTING SAID RIGHT-OF-WAY, RUN SOUTH 89 DEGREES 33 MINUTES 10 SECONDS EAST, A DISTANCE OF 253.20 FEET TO A 1/2" CAPPED REBAR FOUND (MOORE); THENCE RUN NORTH 00 DEGREES 10 MINUTES 23 SECONDS EAST, A DISTANCE OF 294.79 FEET TO A 1/2" CAPPED REBAR FOUND (MOORE) ON THE SOUTH LINE OF BUSINESS CENTER OF FRIENDSHIP ROAD SUBDIVISION, AS SHOWN BY MAP OR PLAT THEREOF, RECORDED AT SLIDE 2090-C AND SLIDE 2090-D, PROBATE RECORDS, BALDWIN COUNTY, ALABAMA; THENCE RUN SOUTH 89 DEGREES 38 MINUTES 14 SECONDS EAST, A DISTANCE OF 147.62 FEET TO A 1/2" CAPPED REBAR FOUND (CA-0604-LS); THENCE RUN NORTH 00 DEGREES 07 MINUTES 58 SECONDS EAST, ALONG THE EAST LINE OF SAID SUBDIVISION, A DISTANCE OF 281.34 FEET TO A 1/2" CAPPED REBAR SET (CA-1167-LS) AT THE SOUTHEAST CORNER OF LOT 7 OF SAID SUBDIVISION; THENCE RUN NORTH 89 DEGREES 51 MINUTES 43 SECONDS WEST, ALONG THE SOUTH OF SAID LOT 7, A DISTANCE OF 400.21 FEET TO A 1/2" CAPPED REBAR FOUND (CA-0604-LS) AT THE SOUTHWEST CORNER OF SAID LOT 7 AND THE EAST RIGHT-OF-WAY OF THE AFOREMENTIONED FRIENDSHIP ROAD; THENCE RUN NORTH 00 DEGREES 07 MINUTES 50 SECONDS EAST, ALONG SAID RIGHT-OF-WAY, A DISTANCE OF 279.50 FEET TO A 1/2" CAPPED REBAR FOUND (CA-0604-LS) AT THE NORTHWEST CORNER OF LOT 6 OF SAID SUBDIVISION; THENCE DEPARTING SAID RIGHT-OF-WAY, RUN SOUTH 89 DEGREES 51 MINUTES 35 SECONDS EAST, ALONG THE NORTH LINE OF SAID LOT 6, A DISTANCE OF 400.14 FEET TO A 1/2" CAPPED REBAR FOUND (CA-1167-LS) AT THE NORTHEAST CORNER OF SAID LOT 6; THENCE RUN NORTH 00 DEGREES 06 MINUTES 55 SECONDS EAST, ALONG SAID SUBDIVISION, A DISTANCE OF 750.83 FEET TO A 1/2" CAPPED REBAR FOUND (CA-0604-LS) ON THE SOUTH LINE OF A RESUBDIVISION OF LOTS 2 & 3 OF FRIENDSHIP PARK

SUBDIVISION, AS SHOWN BY MAP OR PLAT THEREOF, RECORDED AT SLIDE 2422-C, PROBATE RECORDS, BALDWIN COUNTY, ALABAMA; THENCE RUN SOUTH 89 DEGREES 25 MINUTES 42 SECONDS EAST, ALONG THE SOUTH LINE OF SAID RESUBDIVISION OF LOTS 2 & 3 OF FRIENDSHIP PARK SUBDIVISION, A DISTANCE OF 635.09 FEET TO A 1/2" CAPPED REBAR FOUND (LS #10675) AT THE SOUTHWEST CORNER OF LOT 4 OF TRIONE TRACE SUBDIVISION, AS SHOWN BY MAP OR PLAT THEREOF, RECORDED AT SLIDE 1594-A, PROBATE RECORDS, BALDWIN COUNTY, ALABAMA; THENCE RUN SOUTH 89 DEGREES 21 MINUTES 56 SECONDS EAST, ALONG THE SOUTH LINE OF LOT 4 OF SAID TRIONE TRACE SUBDIVISION AND A PROJECTION THEREOF, A DISTANCE OF 911.38 FEET TO A 5/8" CAPPED REBAR FOUND (CA-0568-LS); THENCE RUN NORTH 00 DEGREES 15 MINUTES 57 EAST, A DISTANCE OF 1328.23 FEET TO 1/2" CAPPED REBAR FOUND (ILLEGIBLE) AT THE SOUTHWEST CORNER OF LOT 4 OF BONI SUBDIVISION, AS SHOWN BY MAP OR PLAT THEREOF RECORDED AT SLIDE 2055-E, PROBATE RECORDS, BALDWIN COUNTY, ALABAMA; THENCE RUN SOUTH 89 DEGREES 30 MINUTES 22 SECONDS EAST, ALONG THE SOUTH LINE OF SAID LOT 4, A DISTANCE OF 621.85 FEET TO A 1/2" REBAR FOUND ON THE AFOREMENTIONED WEST RIGHT-OF-WAY OF SAID COUNTY ROAD NUMBER 13; THENCE RUN SOUTH 00 DEGREES 08 MINUTES 04 SECONDS WEST, ALONG SAID WEST RIGHT-OF-WAY, A DISTANCE OF 1319.16 FEET TO A 1/2" CAPPED REBAR SET (CA-1167-LS); THENCE RUN SOUTH 00 DEGREES 19 MINUTES 24 SECONDS WEST, ALONG SAID WEST RIGHT-OF-WAY, A DISTANCE OF 2001.88 FEET TO THE POINT OF BEGINNING. TRACT CONTAINS 134.31 ACRES, MORE OR LESS.

WHEREAS, the PUD pre-zoning approval adopted through Ordinance 2024-19 included a PUD Narrative and Conceptual Plan governing development standards for the Property; and

WHEREAS, the owner has submitted an Amended PUD Narrative for review and approval, reflecting certain modifications to the previously approved PUD Narrative; and

WHEREAS, at its regular meeting of October 23, 2025, the Planning Commission considered the proposed amendments and issued a favorable recommendation to the City Council subject to the following regarding the multi-family units: the maximum units are to be 264; maximum building coverage for multi-family is 35%; and all multi-family units are to be located in Phase 6; and

WHEREAS, due notice of said proposed rezoning has been provided to the public as required by law through publication and open display at City Hall, and a public hearing was held before the City Council on January 5, 2026; and

WHEREAS, the City Council finds that the amendments to the PUD Narrative are appropriate, remain consistent with the intent and purpose of the PUD zoning district, and promote the public health, safety, and welfare.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DAPHNE, ALABAMA, AS FOLLOWS:

SECTION I. AMENDMENT TO EXISTING PUD. The PUD Narrative approved by Ordinance 2024-19 is hereby amended to replace the previously adopted PUD Narrative with the Amended PUD Narrative, which is attached hereto as **Exhibit A** and incorporated herein by reference.

This exhibit shall constitute the governing development narrative for the PUD and shall supersede in full the prior PUD Narrative approved as part of Ordinance 2024-19.

All development of the subject property shall comply with the Amended PUD Narrative adopted herein and shall be further subject to the following conditions regarding the multi-family units: the maximum units are to be 264; maximum building coverage for multi-family is 35%; and all multi-family units are to be located in Phase 6.

SECTION II. REPEALER. All ordinances, resolutions, or parts thereof in conflict with this Ordinance, to the extent of such conflict, are hereby repealed.

SECTION III. SEVERABILITY. The provisions of this Ordinance are severable. If any section, clause, or provision is declared invalid or unconstitutional, such ruling shall not affect the remaining portions, which shall remain in full force and effect.

SECTION IV. EFFECTIVE DATE. This Ordinance shall take effect immediately upon its adoption and publication as required by law.

ADOPTED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF DAPHNE, ALABAMA, THIS _____ day of _____, 2026.

Robin LeJeune, Mayor

ATTEST:

Jessica Linne, Interim City Clerk

EXHIBIT A
Amended PUD Narrative

(attached)



PUD Statement and Narrative



A Planned Unit Development

Developer:

68Venturës

707 Bellrose Avenue
Daphne, AL 36526
251-625-1198

Engineer/ Surveyor:



9969 Windmill Road
Fairhope, AL 36532
251-990-6566

Landscape Architects:



WAS Design
218 N. Alston Street
Foley, AL 36535
251-948-7181

Traffic Engineer:



Neel Schaffer, Inc.
851 East I-65 Service Road
Suite 1000
Mobile, AL 36606
251-471-2000

Project Summary

Rowan Oak is a 134.31 acre, Mixed Use Planned Unit Development located between County Road 13 and Friendship Road at the Milton Jones Road intersection. The development includes Single Family Residential lots of various sizes, Townhomes, Multi-Family, and Commercial properties.

Intent

By combining the various land uses proposed in Rowan Oak, the developer hopes to promote a more efficient use of land relative to the location of public streets and natural features. The developer is partnering with the City of Daphne to provide a much-needed east-west connection from Friendship Road to County Road 13 by the extension of Milton Jones Road, with a Roundabout at the intersection of Milton Jones Road and County Road 13. The development goal is to provide diverse housing opportunities for citizens of differing economic levels, preferences, and/or stages of life.

Public / Private Benefits

The development of Rowan Oak provides several Public benefits to the Daphne Community including:

- 1) At the behest of the City of Daphne, donation by the Developer of land for an 80-foot public Right-of-Way (50 feet wide by others where necessary) to City of Daphne for the extension of Milton Jones Road from County Road 13 to Friendship Road¹, a value of \$214,200².
- 2) At the behest of the City of Daphne, donation by the Developer of sufficient Right-of-Way to City of Daphne to enable the installation of a Roundabout at the intersection of Milton Jones Road and County Road 13.
- 3) At the behest of the City of Daphne, Developer to coordinate and provide capital for surveying and engineering services for the Milton Jones Road extension, a value of \$144,500³.
- 4) Developer to provide Design and Construction of Improvements at the Intersection of Friendship Road and County Road 64. A value of \$300,000. See Exhibit 1 herein.
- 5) Donation by the Developer of a 1.8-acre parcel to City of Daphne for a public park, a value of \$95,000.⁴
- 6) Construction by the Developer of two pickleball courts within the future public park, a value of approximately \$140,000.⁵
- 7) Annexation of 11.61 acres of Commercial Property for a potential tax revenue of approximately \$535,821.71 annually.⁶

Total direct Public Benefit Value as a result of Developer's actions = \$893,700.

There are various Private benefits that will be realized as a result of this development, including:

¹ The Developer acknowledges that the City of Daphne is in no way obligated to construct or cause to be constructed any of the Milton Jones road extension and intersection improvements referenced herein, and that the construction by the City of Daphne of such improvements is contingent upon the availability of sufficient funds as determined solely by the City of Daphne.

² Based on valuation of \$35k/ AC x 6.12 AC

³ Based on Developer-executed proposal for surveying and design services of Milton Jones Rd. Extension with Southeast Civil Engineering in the amount of \$144,500.

⁴ Based on valuation of \$47.5k/ AC x 2 AC

⁵ Based on estimated construction cost of \$70k per pickleball court x 2 Quantity.

⁶ Estimated figure calculated based on data published in City of Daphne's 2022 Annual Comprehensive Financial Report

- 1) Providing improved direct access to a Public Road for the privately owned Commercial lots in Friendship Park Subdivision via the new Milton Jones Road Extension.

Land Use Summary

Of the 134.31-acre Rowan Oak property, the majority will be utilized for Single Family Residential Lots. The proposed uses are outlined below:

72' Lots	27.4 AC
52' Lots	29.9 AC
42' Lots	25.5 AC
Townhomes	16.3 AC
Multifamily	17.5 AC
Commercial	11.61 Acres
ROW Donation for Milton Jones Extension and Roundabout	6.12 Acres

Streets, Drainage and Utilities

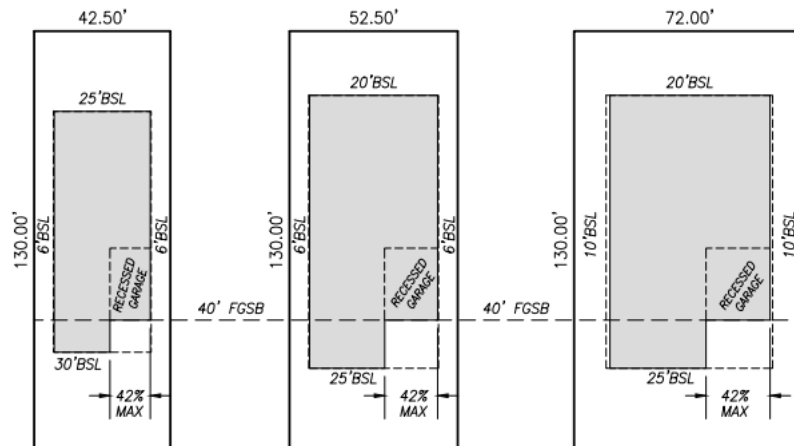
All streets and drainage will be designed to the current standards of the City of Daphne Land Use Ordinance. No deviations or variances will be requested. Traffic Calming is provided using Traffic Circles, Speed Tables, and Stop Signs. Utilities will be provided by Daphne Utilities (sewer), Belforest Water (water), Riviera Utilities (power), and AT&T (telephone).

Parking

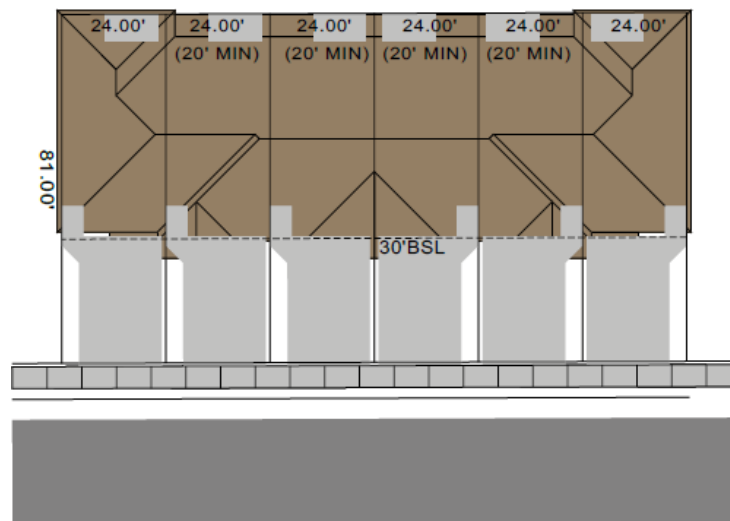
All Single-Family Residences will provide two spaces per house, with additional guest parking provided in strategic locations in the higher density neighborhood areas. Each Townhome unit will provide a garage plus two driveway spaces, with the addition of guest parking as required in the Land Use Development Ordinance. Multi-Family units will have two spaces per dwelling unit. Detailed plans have not been developed for the Commercial lots but any future Site Plans proposed will meet the current standards of the City of Daphne regarding parking.

Zoning Relaxations

In general, the various aspects of the Zoning Ordinance will be met in Rowan Oak in regards to Streets, Buffers, Parking and Open Space. However, the unique spatial characteristics of the various Lots proposed do not meet the specifics of the defined Zoning designations of the Land Use Ordinance. The Lots proposed and their related Building Setbacks are as follows:



Typical Single Family Lots



Typical Townhome Lots

Building Setbacks	
Front	30 Ft.
Rear	0 Ft.
Side	0 Ft.
Side Street	20 Ft.

Amenities

Various amenities are included in the Rowan Oak development plan within an overall 29.6 acres of open space. Open areas with trails, water features and a public park with two pickle ball courts are proposed in the Single-Family areas. A pool and cabana are proposed in the Townhome section next to two open play

areas and a water feature. The Multi-Family portion will include a clubhouse, pool, two pickle ball courts, and a water feature.

Architectural Themes

- I. Building materials including brick, stone, textured traditional cement stucco (i.e., real stucco) and cement siding are required as the primary veneer on new dwellings.
- II. Roofs must be varied in roofline treatments.
- III. The front facing garage (i.e., garage fronts) on single family homes shall be recessed and constitute not more than forty-two percent (42%) of the residential facade (as measured from the outside edge of garage doors, not including the frame).
- IV. Recessed garage doors oriented toward the front property line shall be as follows:
 - a. Garage doors must be positioned between five (5) feet and twenty (20) feet behind the front wall plane of the house. The front wall plane is defined as the principal building façade facing the primary street right of way.
 - b. The minimum front yard setback for said garage shall be forty (40) feet.
 - c. The minimum front yard setback for the principal structure may be reduced to twenty (20) feet.
 - d. The 42.5' foot lots will be subject to the 5' recessed garage requirement except for the Bluewater plan/elevations as submitted.
- V. The side-street facing garage setback shall be a minimum of twenty-two (22) feet from the sidewalk and recessed three (3) feet behind the side facade
- VI. Where the garage is located at the rear of the primary structure, the front yard setback shall be reduced to fifteen (15) feet, or ten (10) feet with an open air front porch.
- VII. Colored elevations shall illustrate that a minimum of three (3) different elevations are provided in each block face.
- VIII. Developments of thirty-five (35) dwelling units or more should offer a minimum of five (5) different elevations and ten percent (10%) of each respective elevation shall be provided in each block face.

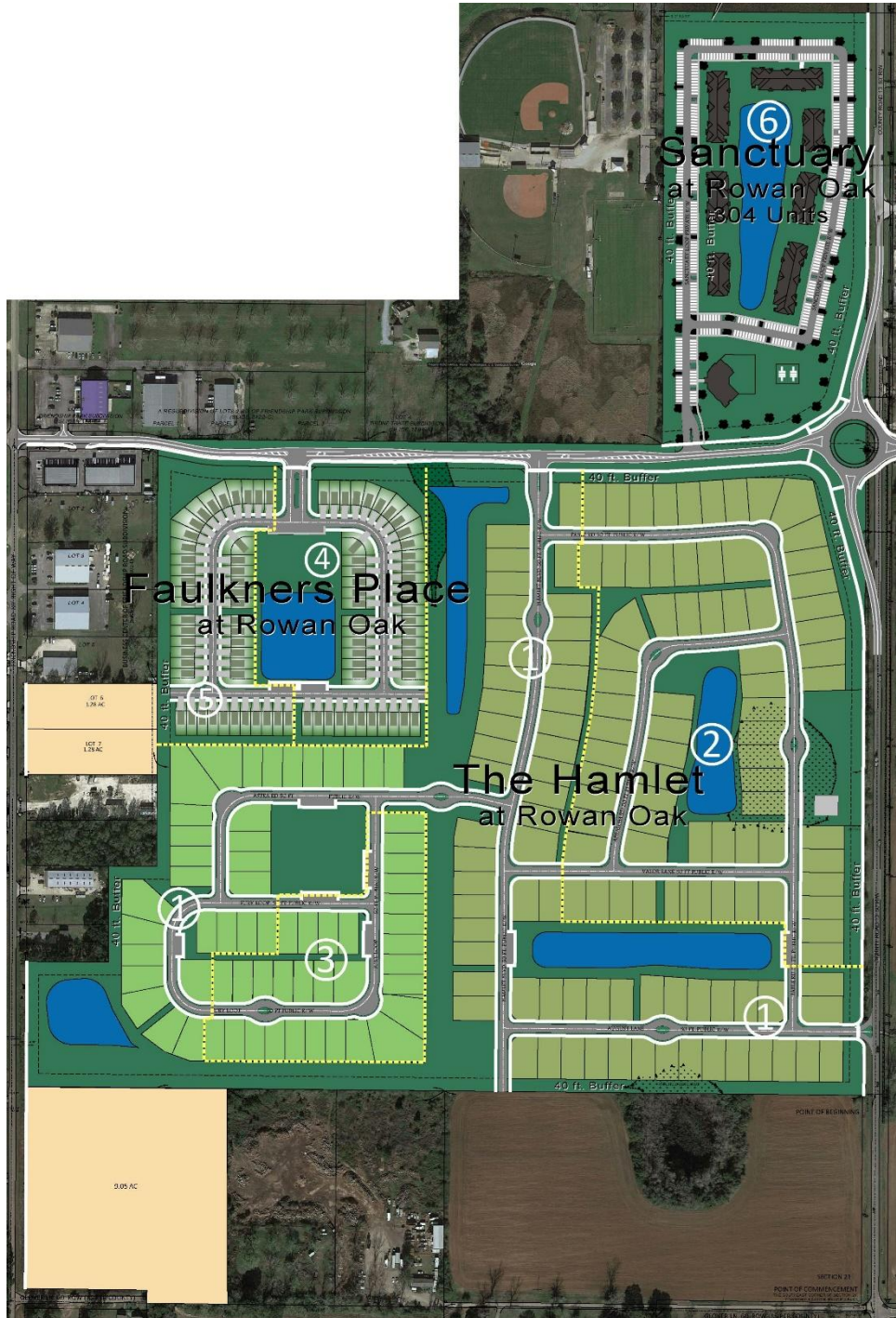
Additional Stipulations

- i. The use of vinyl siding shall be limited to fascia and soffits.
- ii. Minimum Building Setbacks for Single Family Detached Homes shall be as follows:
 - a. Front Setbacks for the 42.5' lots shall be 30 feet.
 - b. Rear Setbacks for the 42.5' lots shall be 25 feet.
 - c. Front Setbacks for the 52.5' lots shall be 25 feet.
 - d. Rear Setbacks for the 52.5' lots shall be 20 feet.
 - e. Front Setbacks for the 72' lots shall be 25 feet
 - f. Rear Setbacks for the 72' lots shall be 20 feet.
 - g. Side Setbacks for the 72 foot wide Lots shall be 10 feet.
 - h. Side Setbacks for the 42.5 foot wide and 52.5 foot wide Lots shall be 6 feet.
 - i. Side Street Setbacks for the 42.5 foot wide and 52.5 foot wide Lots shall be 15 feet.
 - j. Side Street Setbacks for the 72 foot wide Lots shall be 20 feet.
 - k. The 42.5' lots shall include a 2-car wide driveway (minimum width of 16 ft).

- iii. Minimum Building Setbacks for Townhomes shall be as follows:
 - a. Front Setbacks shall be 30 feet.
 - b. Side and Rear Setbacks shall be 0 (zero) feet
 - c. Side Street Setbacks shall be 20 feet.
 - d. Minimum Spacing between buildings shall be 24 feet with spacing between eaves being a minimum of 20 feet.
- iv. Developer responsibility for traffic improvements will be limited to the following, per the Traffic Impact Study conducted by Neel Schaffer:
 - a. The northbound approach of Friendship Road to County Road 64 will be widened to provide a dedicated left turn lane within the existing Right-of-Ways. In the event the proposed northbound left turn lane will require additional Right-of-Way may limit the ability of constructing the proposed turn lane improvements if additional Right-of-Way can't be acquired. See Exhibit 1, herein.
- v. Access points and unit density are limited to counts provided in the proposed plan.
- vi. Developer reserves the right to alter the proposed phasing plan and change the order of construction from the proposed plan at a later date.
- vii. Rowan Oak PUD will be subject to City of Daphne Land Use & Development Ordinance, with latest codifications dated 01/12/2024, including all subsequent Plats, Phases, and Building Permits.
- viii. Non jurisdictional grady ponds to be filled in as a part of development.
- ix. Commercial property to be site-planned at a later date, subject to City of Daphne Land Use & Development Ordinance. Traffic studies to be conducted at time of development and any improvements, as applicable, to be constructed at time of development.
- x. Commercial land uses shall be consistent with the B-2, General Business, district as provided in the City of Daphne Land Use & Development Ordinance with latest codifications dated through 01/12/24 except that the following uses shall not be permissible in the Rowan Oak PUD:
 - Adult entertainment or adult/sex retail sale facilities;
 - Jail facilities, housing of detainees or inmates, community correction facilities of any kind



EXHIBIT 1
Intersection Improvements by Developer
At Friendship Rd. and County Rd. 64



PUD Amendment

Proposed Amendment to PUD Statement and Narrative

The following outlines the proposed changes to the Rowan Oak Planned Unit Development (PUD) Narrative:

Reduction and Reallocation of Density

The Developer proposes reallocating density from the Townhome portion of the Approved PUD (Phases 4 & 5) and Single-Family portion (Phases 1 & 2) to the Multifamily portion of the PUD (Phase 6). The proposed change would reduce the Townhome and Single-Family lots and reduce the overall density of the PUD by 40 units (6.8%).

Reduction and Reallocation of Density		
	Approved Units	Proposed Units
Hamlet (SF)	249	192
Faulkner's Place (TH)	132	89
Sanctuary (MF)	204	264
Overall	585	545
Net Reduction		40

Revisions to Lot Types by Section

The Hamlet

- Proposing to remove the 42.5' & 52' lots.
- Proposed layout to be comprised of 62' and 72' lots.
- Proposed lot count is 192 lots, a reduction of 57 lots.
- Request to reduce the side setback from 10' to 6' on the 72' lots to accommodate Truland courtyard-garage style floorplans. Homes on the 72' lots will be required to have gutters.
- Recreational vehicles and campers shall not be parked or stored on any Lot. Boats and utility trailers, if desired to be kept on property, shall be parked fully enclosed within garages.

Faulkner's Place

- Proposing to move from attached to detached Townhome product.
- Proposing to increase lot size to 33'x 105'.
- Proposing to reduce unit count from 132 attached to 89 detached, a reduction of 43 units.
- Proposing new Elevations & Floorplans
- Setbacks and minimum spacing will be the following:
 - Front – 30'
 - Rear – 0'
 - Side – 10' / 0'
 - Side Street – 15'

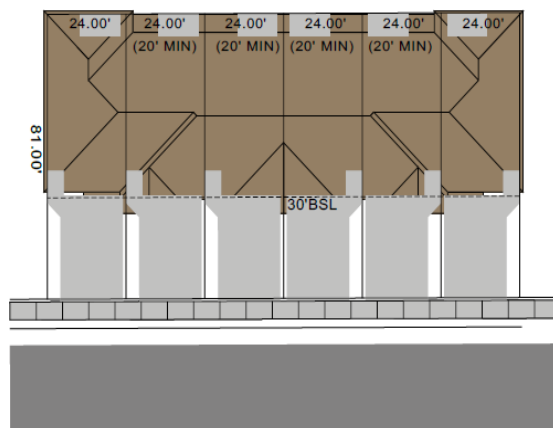
Proposed Conceptual Multifamily Site Plan



Multifamily units are to be 264 maximum, and all located in Phase 6. Maximum building coverage is 35%.

Townhome Lot Typicals

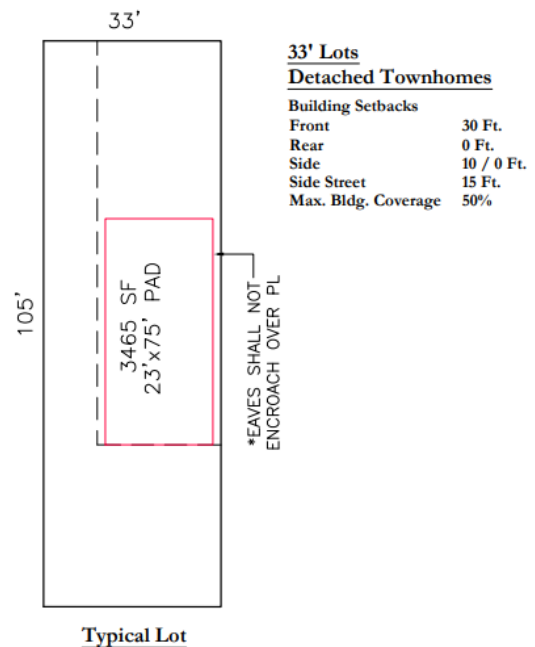
Approved Lot Typicals



Typical Townhome Lots

Building Setbacks	
Front	30 Ft.
Rear	0 Ft.
Side	0 Ft.
Side Street	20 Ft.

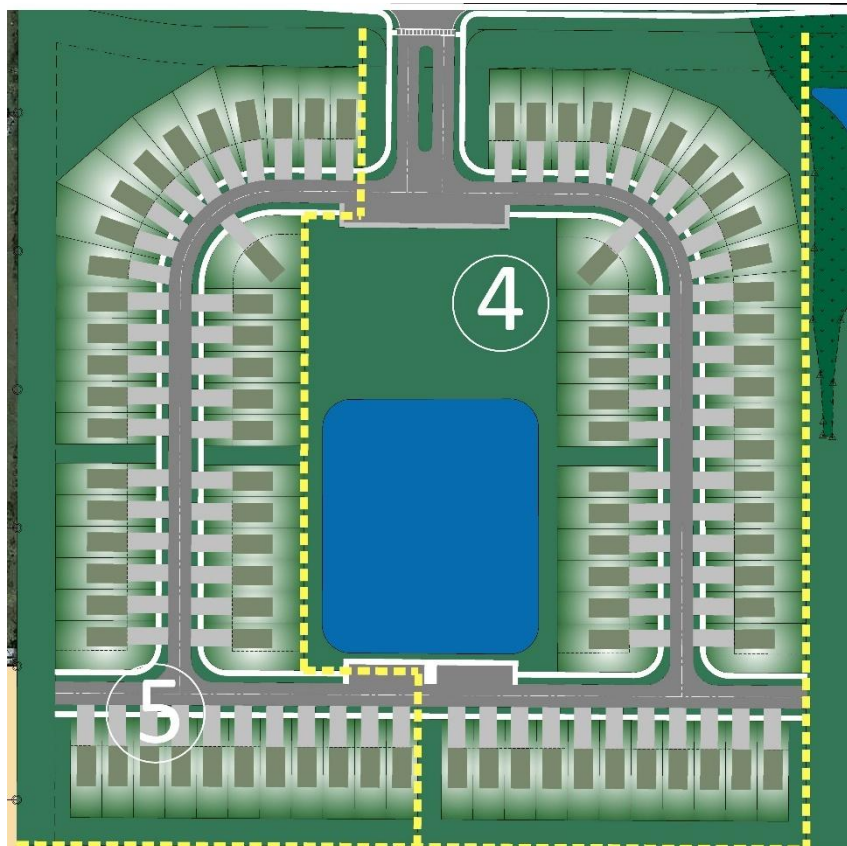
Proposed Lot Typical

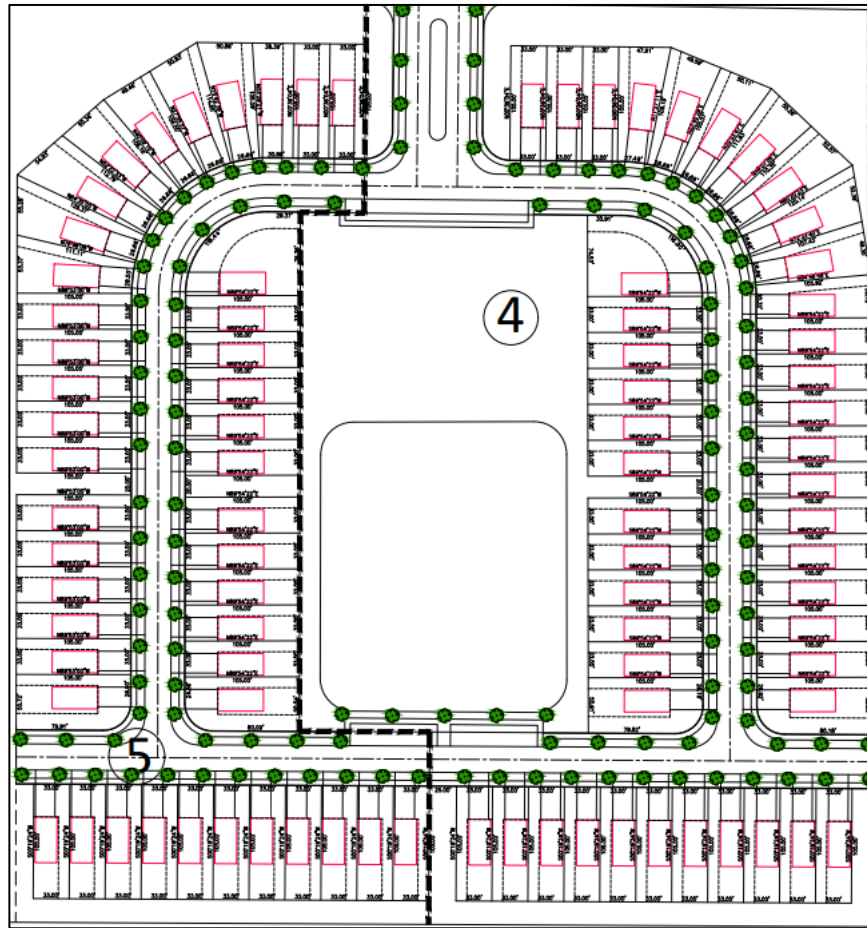


Approved Phase 4 & Phase 5 Layout



Proposed Phase 4 & Phase 5 Layout



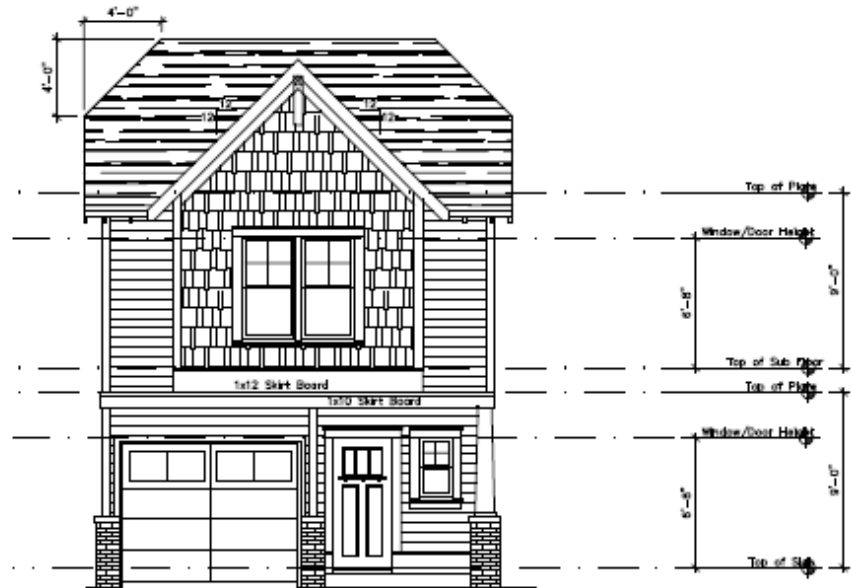


Elevations

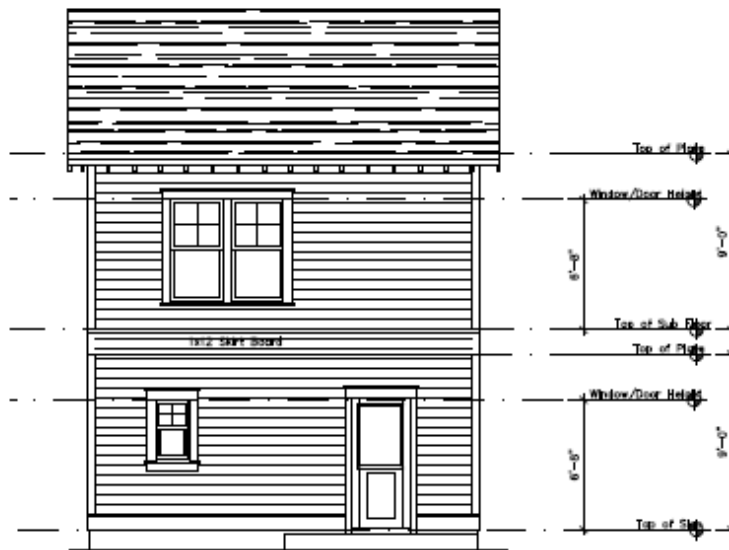




M A T E R I A L S L E G E N D	
①	Hardi Shake Siding
②	1x6 Corner Board
③	Horizontal Lap Siding
④	Architectural Asphalt Shingles
⑤	Brick Veneer @ Front only

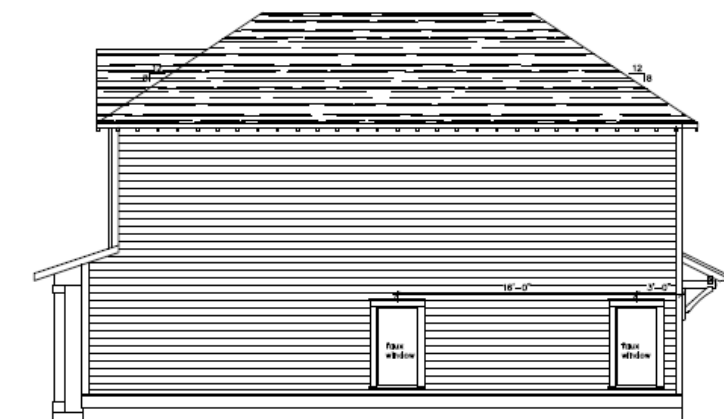


① Front Elevation
A3.1 1/4" = 1'-0"

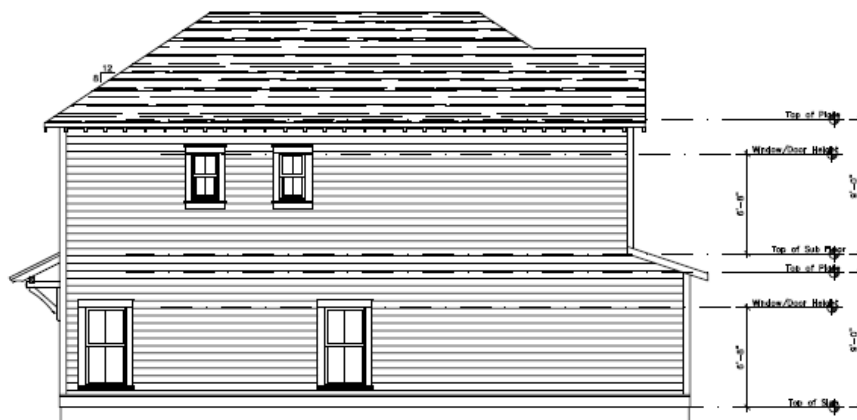


② Rear Elevation
A3.1 1/4" = 1'-0"

M A T E R I A L S L E G E N D	
①	Board & Batten @ 16" OC
②	1x6 Corner Board
③	Horizontal Lap Siding
④	Architectural Asphalt Shingles

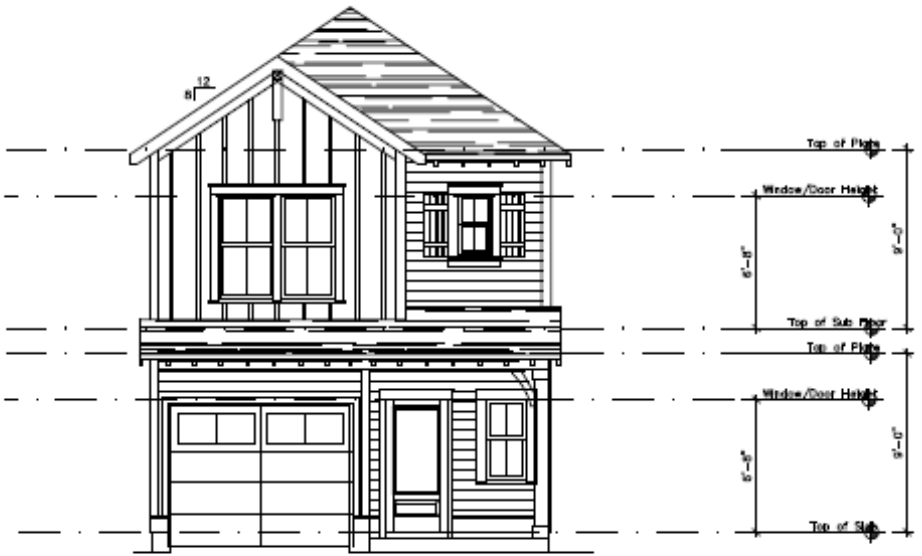


① Right Side Elevation
A3.2 1/4" = 1'-0"



② Left Side Elevation
A3.2 1/4" = 1'-0"

M A T E R I A L S L E G E N D	
①	Board & Batten @ 16" OC
②	1x6 Corner Board
③	Horizontal Lap Siding
④	Architectural Asphalt Shingles

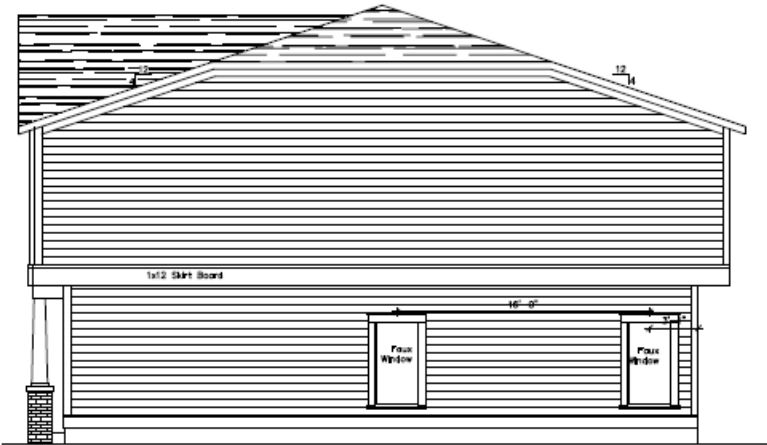


① Front Elevation
A3.1 1/4" = 1'-0"



② Rear Elevation
A3.1 1/4" = 1'-0"

M A T E R I A L S L E G E N D	
①	Hardi Shake Siding
②	1x6 Corner Board
③	Horizontal Lap Siding
④	Architectural Asphalt Shingles
⑤	Brick Veneer @ Front only

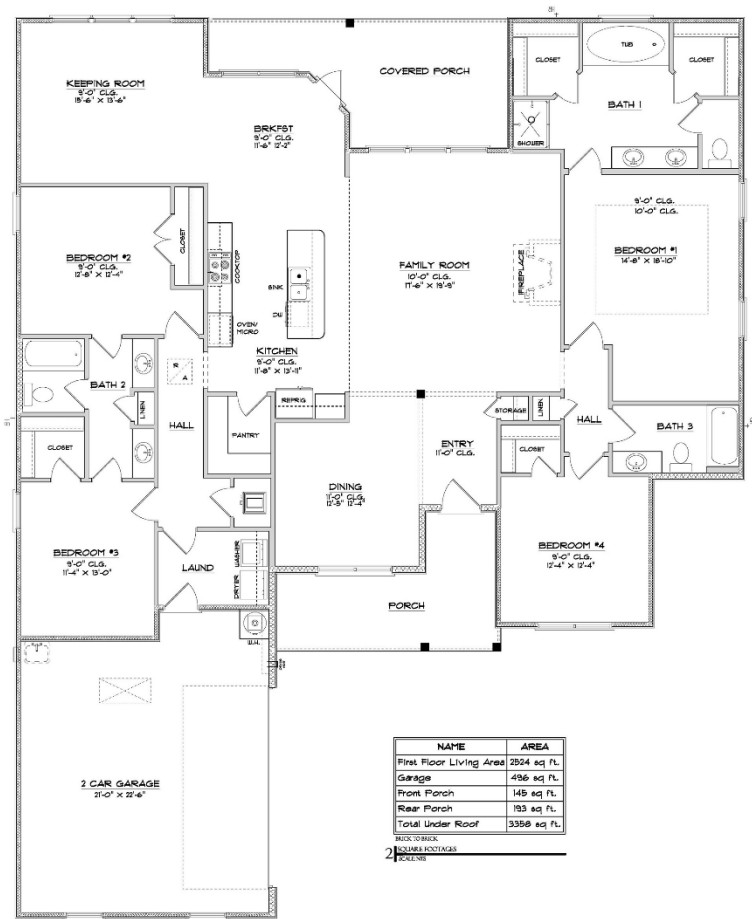


① Right Side Elevation
A3.2 1/4" = 1'-0"



② Left Side Elevation
A3.2 1/4" = 1'-0"









**CITY OF DAPHNE, ALABAMA
ORDINANCE 2026-03**

**AN ORDINANCE AMENDING THE CITY OF DAPHNE'S
GASOLINE EXCISE TAX ORDINANCE NO. 1990-20**

WHEREAS, the City of Daphne currently levies a municipal gasoline excise tax of one cent (\$0.01) per gallon pursuant to its authority under Alabama law; and

WHEREAS, the mileage of public streets, rights-of-way, and related transportation infrastructure within the corporate limits of the City has increased substantially in recent years due to continued residential and commercial development, as well as multiple annexations expanding the City's boundaries; and

WHEREAS, the cost of constructing, maintaining, resurfacing, and repairing public streets, sidewalks, drainage structures, and traffic-control devices has materially increased due to inflation in construction materials, equipment, and labor; and

WHEREAS, the City's long-range capital plans identify ongoing and anticipated needs for improved roadway capacity, pavement preservation, intersection upgrades, multimodal connectivity, and other transportation-related projects necessary to protect public safety and support continued economic growth; and

WHEREAS, increasing the municipal gasoline excise tax from one cent (\$0.01) per gallon to three cents (\$0.03) per gallon will provide additional dedicated revenue needed to meet these transportation infrastructure demands and to maintain safe and efficient public streets for the traveling public; and

WHEREAS, any additional local motor-fuel tax amount levied after August 1, 2023 is required by Alabama law to be used exclusively for roadway, bridge, and transportation-related purposes, and the City intends to allocate and expend the incremental revenue accordingly; and

WHEREAS, the City Council finds that the proposed rate adjustment is in the best interest of the City, is reasonably related to the increased costs of providing and maintaining public streets and related infrastructure, and is necessary to promote the health, safety, and welfare of the citizens of Daphne.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DAPHNE, ALABAMA as follows:

SECTION 1. AMENDMENT TO SECTION 13-31, LEVY OF TAX.

Section 13-31 of the City of Daphne Code of Ordinances, entitled "Levy of Tax," is hereby amended to read as follows:

There is hereby levied and imposed an excise tax of three cents (\$0.03) per gallon on persons, corporations, copartnerships, companies, agencies or associations engaged in the business of selling, distributing, storing or withdrawing from storage for any purpose whatever gasoline or other liquid motor fuels or devises or substitutes therefor within the corporate limits of the city. Every distributor, retail dealer, or storer of gasoline is required to pay an excise tax in such amount upon the selling, distributing, or withdrawing from storage for any use gasoline in the city. The excise tax levied hereby shall not and is not levied and shall not be collected upon the sales of gasoline in interstate commerce, provided that if the excise tax imposed hereby upon the sale, distribution, or withdrawal from storage of such shall have been paid by a distributor or a retail dealer or by a storer, such payment shall be sufficient, the intention being that the tax shall not be paid but once. The excise tax imposed under this article shall apply to dealers or distributors or other persons storing and distributing the same or allowing the same to be withdrawn from storage, whether such withdrawal is for sale or other use; provided that sellers of gasoline paying the tax herein provided may pay the same computed and paid on the basis of their sales as herein provided and storers and distributors shall compute and pay such tax on the basis of their withdrawals or distributions. The tax herein imposed shall be in addition to all excise or other taxes imposed on gasoline, or on the business of selling, distributing, storing or withdrawing from storage for any purpose gasoline by the state or any other agency or subdivision of the state or the United States.

SECTION 2. INCORPORATION IN THE CODE OF ORDINANCES.

The provisions of this ordinance shall be included in and incorporated in the Code of Ordinances of Daphne, Alabama, as an addition or amendment thereto, and shall be renumbered, if appropriate, to conform to the uniform numbering system of the Code.

SECTION 3. NO OTHER CHANGES.

The remaining provisions of Ordinance 1990-20, and those surviving provisions of Ordinance 1987-6 not previously amended, shall remain in full force and effect.

SECTION 4. SEVERABILITY.

The provisions, sections, paragraphs, sentences, clauses, phrases, and parts thereof of this ordinance are severable, and if any provision, section, paragraph, sentence, clause, phrase, or part thereof of this ordinance shall be declared unconstitutional or invalid by a court of competent jurisdiction, then such ruling shall not affect any other provision, section, paragraph, sentence, clause, phrase, or part thereof, since the same would have been enacted by the Council without the incorporation of any such unconstitutional or invalid provision, section, paragraph, sentence, clause, phrase, or part thereof.

SECTION 5. NOTICE TO ALABAMA DEPARTMENT OF REVENUE.

Pursuant to Ala. Code § 11-51-210(e), no later than January 31, 2026, the City Clerk shall cause a certified copy of this ordinance to be delivered to the Alabama Department of Revenue as required by law.

SECTION 6. EFFECTIVE DATE.

This ordinance shall become effective upon its adoption and publication as required by law. The tax imposed by this ordinance shall go into effect on April 1, 2026.

ADOPTED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF DAPHNE, ALABAMA on this the ____ day of _____, 2026.

Robin LeJeune, Mayor

ATTEST:

Jessica Linne, Interim City Clerk

**CITY OF DAPHNE, ALABAMA
ORDINANCE 2026-04**

**AMENDMENT TO ORDINANCE NO. 2004-11 (BUSINESS LICENSE ORDINANCE)
TO ENABLE LICENSURE OF MOBILE/ITINERANT BUSINESSES**

WHEREAS, the City of Daphne, after due consideration, believes that certain revisions to the City of Daphne’s Business License Ordinance are necessary to authorize mobile/itinerant business licenses, allow a residential/mailling address for notices, and preserve home-occupation limitations.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DAPHNE, ALABAMA, as follows:

SECTION 1. DEFINITIONS

Section 13-252 of Chapter 13, Article XII of the Code of Ordinances of the City of Daphne, Alabama is hereby amended by adding the following definitions:

Mobile/Itinerant Business. A business that performs services, repairs, maintenance or other work at customer locations (within the City of Daphne) and does not maintain a fixed place of business open to the public within the city.

Business Location (for Mobile/Itinerant Business). For purposes of this Article, for a Mobile/Itinerant Business the “business location” used for licensing and administrative notice purposes may be the owner’s or operator’s residential mailing address. However, no customer traffic, inventory storage, or on-site operations shall occur at such residential address unless the business qualifies as a Home Occupation under Section 31-1 of the City of Daphne Land Use & Development Ordinance.

Home Occupation. A business conducted within a dwelling unit in compliance with Section 31-1 of the Land Use & Development Ordinance of the City of Daphne.

SECTION 2. LICENSE LOCATION REQUIREMENT

Section 13-254 of Chapter 13, Article XII of the Code of Ordinances of the City of Daphne, Alabama is hereby amended by appending the following new sentence immediately following the last sentence of subsection (a):

“For a Mobile/Itinerant Business, the requirement for a fixed place of business within the City shall not apply; notwithstanding the foregoing, the applicant shall provide an address for licensing and administrative purposes, and all services shall be performed at customer locations unless the business qualifies as a Home Occupation under Section 31-1 of the Land Use & Development Ordinance.”

SECTION 3. LICENSE CLASSIFICATIONS

A Mobile/Itinerant Business license shall be classified by one or more of the following classifications, as applicable:

Code	NAICS Title and Suggested License Grouping	Schedule
999111	Unclassified miscellaneous business services not elsewhere classified	C
999222	Unclassified miscellaneous personal services not elsewhere classified	B

SECTION 4. CONFLICT WITH OTHER ORDINANCES

Any Ordinance heretofore adopted by the City Council of Daphne, Alabama, which is in conflict with this Ordinance, is hereby repealed to the extent of such conflict.

SECTION 5. SEVERABILITY

The provisions of this Ordinance are severable. If any section, subsection, sentence, clause, phrase, or portion of this Ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction such portion shall be deemed a separate, distinct and independent provision and such holding shall not affect the validity of the remaining portions hereof.

SECTION 6. EFFECTIVE DATE

This Ordinance shall take effect and be in force from and after the date of its approval by the City Council of the City of Daphne and publication as required by law.

ADOPTED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF DAPHNE, ALABAMA, THIS ____ DAY OF _____, 2026.

Robin LeJeune, Mayor

ATTEST:

Jessica Linne, Interim City Clerk

I, Jessica Linne, Interim City Clerk of the City of Daphne, Alabama, do hereby certify that the attached is a true and correct copy of Ordinance No. 2026-____, duly adopted by the City Council in their meeting of February 2, 2026, as to which proper notice was given and at which a quorum was in attendance and acting. I further certify that the said ordinance has not been amended, repealed or revoked.

WITNESS my hand and seal of the City of Daphne, Alabama, this the ____ day of _____, 2026.

[SEAL]

Jessica Linne
Interim City Clerk of the City of Daphne, Alabama

AUTHORIZING ORDINANCE

relating to
the issuance of
Not to Exceed \$8,000,000.00
City of Daphne, Alabama
Limited Obligation Project Revenue Warrant (The Fortuna Hotel Project)
Series 2026

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to
AUTHORIZING ORDINANCE

relating to
the issuance of

Not to Exceed \$8,000,000
City of Daphne, Alabama
Limited Obligation Project Revenue Warrant (The Fortuna Hotel Project)
Series 2026

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Exhibit A - Legal Notice
Exhibit B - Form of Investment Letter
Exhibit C - Project Development Agreement

**CITY OF DAPHNE, ALABAMA
ORDINANCE 2026-05**

BE IT ORDAINED by the City Council of the CITY OF DAPHNE, ALABAMA, as follows:

Section 1. Definitions and Use of Phrases.

(a) Definitions. The following words and phrases and others evidently intended as the equivalent thereof shall, in the absence of clear implication herein otherwise, be given the following respective interpretations:

“**Annual Term**” means the period from January 1 to December 31 of the applicable calendar year.

“**Authorized Denominations**” means, with respect to the principal of the Warrants, the denomination of \$100,000 or any integral multiple of \$5,000 in excess thereof.

“**Authorizing Ordinance**” or “**Ordinance**” means this ordinance, as it may be amended or supplemented, which is also referred to as the Warrant Ordinance under the Project Development Agreement.

“**Business Day**” means any day other than Saturday, Sunday or a day on which banking institutions are required or authorized to close in the City or in the City of New York, New York.

“**City**” means the City of Daphne, Alabama.

“**City Clerk**” means the City Clerk of the City.

“**City Council**” means the City Council of the City and includes any other governing body of the City that may succeed to the functions of said City Council.

“**City Treasurer**” means the Finance Director of the City.

“**Code**” means the Internal Revenue Code of 1986, as amended.

“**Commencement of Operations**” has the meaning assigned in the Project Development Agreement.

“**Developer**” means TFH DAPHNE 2026, LLC, an Alabama limited liability company, and its successors and permitted assigns, including, without limitation, any affiliate of Developer, any lender, mortgagee, or beneficiary of a deed of trust, that acquires

Developer's interest in the Project, Project Site, or this Agreement by foreclosure, deed in lieu, assignment, or other transfer.

"Drawing" means each installment of principal advanced under the Warrants pursuant to the terms of this Authorizing Ordinance.

"Economic Development Amendment" means Amendments 750 and/or 772 to the *Constitution of Alabama of 1901*, as amended, codified as Section 94.01 of the *Official Recompilation of the Constitution of Alabama of 1901*.

"Eligible Investments" means (i) Federal Securities, (ii) Eligible Time Deposits, and (iii) to the extent that they are at the time legal investments for the City, any of the following: (1) any direct, general obligation of, or any obligation payment of the principal of and interest on which is unconditionally guaranteed by, any one or a combination of agencies or corporations created or controlled by the United States of America if and to the extent that the obligations of such agencies and corporations are secured by the full faith and credit of the United States of America, including, without limitation, the following agencies or corporations: the Export-Import Bank of the United States, the Federal Financing Bank, the Farmer's Home Administration, the Federal Housing Administration, the Maritime Administration, the Federal Home Loan Mortgage Corporation and the Government National Mortgage Association; (2) any repurchase agreement or reverse repurchase agreement with any Qualifying Bank provided that such agreement is secured by obligations or securities described in clauses (i), (ii) and (iii)(1) of this definition; and (3) any share or other investment unit representing a beneficial interest in any money market fund which is registered under the Investment Company Act of 1940, as from time to time amended (or successor provision of federal law), provided that the investment portfolio of such money market fund consists of obligations and securities described in clauses (i), (ii), (iii)(1) and (iii)(2) of this definition; and (4) any Treasury Receipt.

"Eligible Time Deposits" means any time deposit with, or any certificate of deposit issued by, (i) any Qualifying Bank or (ii) any bank or savings bank, provided in the latter case that such time deposit or certificate of deposit is fully insured by the Federal Deposit Insurance Corporation or any agency or instrumentality of the United States of America that may succeed to the functions of either thereof or is secured by a deposit of Federal Securities having a market value at all times not less than the principal amount of such time deposit or certificate of deposit.

"Federal Securities" means direct obligations of the United States of America.

"Fiscal Year" means a fiscal year of the City, which is the period beginning on October 1 of each calendar year and ending on September 30 of the then next ensuing calendar year.

"fully paid", "payment in full", or any similar expression with respect to the Warrants, means that all of the Warrants have been paid in full or duly provided for pursuant to Section 29 hereof.

“Holder” means the person in whose name the ownership of a Warrant is registered on the registry books of the Paying Agent pertaining to the Warrants.

“Incentive Commencement Date” has the meaning assigned in the Project Development Agreement.

“Paying Agent” means the City Treasurer in her capacity as registrar, transfer agent and paying agent with respect to the Warrants, or any successor thereto in such capacity as appointed by the City.

“Project” has the meaning ascribed to such term in the Project Development Agreement.

“Project Development Agreement” means that certain Special Economic Development Grant and Project Development Agreement to be dated the date of its delivery, between the City and the Developer.

“Project Site” means the Fortuna Hotel Project, a hotel and commercial development situated in the City at the property more particularly described as the Project Site in the Project Development Agreement.

“Qualifying Bank” means any bank which is a member of the Federal Deposit Insurance Corporation (or any department, agency or instrumentality of the United States of America that may succeed to the functions of such corporation) and whose certificates of deposit are rated “A” by Moody’s Investors Service, Inc. or its successor.

“Special Pledged Taxes” means seventy-five percent (75%) of the sales and use tax, lodgings tax and ad valorem tax levied by and paid to the City from business conducted in relation to the Project, or due to property owned, in the Project Site after Commencement of Operations through the Maturity Date (as defined in the Warrants), excluding any lodging tax levied by and paid to the City that is calculated on a dollar amount per night per room basis (but not excluding any lodging tax based on a percentage of the charge of such room, rooms, lodgings, or accommodations, including the charge for use or rental of personal property and services furnished in relation to such rooms).

“Special Pledged Taxes Account” means the Fortuna Hotel Project Pledged Tax Account established hereunder by Section 19 hereof and maintained by the Paying Agent.

“Treasury Receipts” means custodial receipts or other instruments evidencing ownership in future principal or interest payments, or both, with respect to United States Treasury obligations that have been deposited with a custodian or trustee pursuant to a custody or trust agreement which provides for the United States Treasury obligations underlying such custodial receipts or other instrument to be held in a separate account and for all payments of principal and interest received by such custodian or trustee with respect to such underlying obligations to be paid to the Holders of such custodial receipts or other

instruments in accordance with their respective ownership interests in such underlying obligations, provided that the custodian or trustee holding such underlying obligations must be a Qualifying Bank.

“Warrant Fund” means the Fortuna Hotel Project Warrant Debt Service Fund created in Section 20 hereof and maintained by the Paying Agent.

“Warrant” or “Warrants” means the City’s Limited Obligation Project Revenue Warrant (Fortuna Hotel Project), Series 2026, herein authorized to be issued.

(b) Use of Phrases. “Herein,” “hereby,” “hereunder,” “hereof,” “hereinbefore,” “hereinafter,” and other equivalent words refer to this ordinance as an entirety and not solely to any particular portion in which any such word is used. The definitions set forth in Section 1(a) hereof include both the singular and the plural. Wherever used herein, any pronoun or pronouns shall be deemed to include both singular and plural and to cover all genders.

Section 2. **Findings.** The City Council has ascertained and found and does hereby declare as follows:

(a) Pursuant to the authority granted to the City by the Economic Development Amendment, the City has entered into the Project Development Agreement.

(b) The undertakings by the City and the Developer in the Project Development Agreement including, without limitation, the undertaking regarding providing economic incentives to the Developer, meet the requirements for assistance by the City set forth in the Economic Development Amendment, because, among other things, the performance of the same will serve a valid and sufficient public purpose, notwithstanding any incidental benefit accruing to any private entity or entities.

(c) The City does not expect to have sufficient funds in the near future to pay all of the costs of the undertakings by the City in the Project Development Agreement.

(d) Pursuant to the Economic Development Amendment and Section 11-47-2 of the *Code of Alabama*, as amended, the City is authorized to issue the Warrants to provide funds for providing economic incentives to the Developer; the issuance of the Warrants by the City is necessary, desirable and in the public interest; the City has determined that it is in the City’s best interest to provide incentives in order to facilitate the Project (as defined in the Project Development Agreement) and that the development of the Project (i) will advance the economic development of the City, (ii) will promote the convenience, order, propriety and welfare of its citizens, (iii) is a direct benefit to the City and its residents as a result of increased tax revenues to the City, increased property values and additional economic activity in the area of the City surrounding the Project, the creation of new jobs in relation to the Project, and the proportion of tourism related activities and provision of lodging in relation to the City, and (iv) will increase the tax and revenues base of the City

and result in employment opportunities in the City, and thus is in the best interest of the City and serves a valid and sufficient public purpose.

(e) Pursuant to the Economic Development Amendment, the City has caused the Notice attached hereto as **Exhibit A** (the “Notice”) to be published on January 23, 2026 in *The Baldwin Times* with respect to certain actions proposed to be taken, and the Project Development Agreement proposed to be made and delivered, by the Developer, to provide for the economic development of the City thereby. The information set forth in the Notice is true and correct and the publication of the Notice is hereby satisfied and confirmed.

(f) The City finds and certifies that all procedural prerequisites of the Economic Development Amendment have been satisfied, including publication of the required public notice, and that the adoption of this Ordinance to authorize the Warrant is necessary, desirable, and in the public interest.

(g) It is necessary, desirable, and in the best interests of the taxpayers and citizens of the City for the City to deliver and perform the agreements and undertakings of the City set forth in the Project Development Agreement and this Ordinance.

(h) The City does hereby approve, ratify and confirm (i) the form and content of, and the statements set forth in, the Notice and (ii) the publication of the Notice as set forth in Section 1 of this resolution.

Section 3. **Authorization and Description of the Warrants.**

(a) Authorization of Warrants. Pursuant to the applicable provisions of the constitution and laws of the State of Alabama, including particularly Section 11-47-2 of the *Code of Alabama* 1975, as amended, and the Economic Development Amendment, and for the purposes set forth in the preceding Section 2 hereof, there are hereby authorized to be issued by the City its Limited Obligation Project Revenue Warrant (The Fortuna Hotel Project), Series 2026, which shall be issued in the principal amount of \$8,000,000.00; provided, however, that if insufficient Special Pledged Taxes are available on the Maturity Date (as provided in the Warrants) to the pay the total principal amount of \$8,000,000, no amounts in excess of the Special Pledged Taxes will be owed under the Warrant. The Warrants shall, subject to the provisions of Section 14 hereof, be dated the Issue Date, shall be numbered R-1 upwards and shall be issued initially to the Developer. The Warrants shall mature and become payable monthly on the last day of each month following the Incentive Commencement Date, in accordance with the Project Development Agreement, but not to be later than thirty (30) years from the date of issuance thereof pursuant to the Warrant Act, and shall not bear interest. The Warrants shall be initially issued and registered in the name of the Developer.

(b) Method of Payment. The principal of the Warrants shall be payable by check or draft mailed or otherwise delivered by the Paying Agent to the respective Holders thereof at their addresses as they appear on the registry books of the Paying Agent pertaining to the registration of the Warrants; provided that the Paying Agent’s records of

the principal payments and outstanding principal balance will be controlling and further provided that the final payment of such principal shall be made only upon surrender of the appropriate Warrants to the Paying Agent. The foregoing to the contrary notwithstanding, a Holder of \$1,000,000 or more in principal amount of the Warrants may make arrangements with the Paying Agent for payment of the principal of such Warrants by wire transfer to an account such Holder maintained at a bank in the continental United States or by any other method providing for payment in same-day funds that is acceptable to the Paying Agent.

(c) Source of Payment. The principal of the Warrants shall be payable solely from the proceeds, if any, of the Special Pledged Taxes. Neither the Warrants nor any of the agreements herein contained shall constitute a general indebtedness of the City. The general faith and credit of the City are not pledged for payment of the Warrants, which shall not be general obligations of the City. Neither this Authorizing Ordinance nor the Warrants shall be deemed to impose upon the City any obligation to pay the principal of the Warrants, except with the proceeds, if any, of the Special Pledged Taxes. The Warrants do not bear any interest. None of the agreements, representations and warranties made or implied in this Authorizing Ordinance shall ever impose any personal or pecuniary liability or charge upon the City, whether before or after the breach by the City of any such agreement, representation or warranty, except with respect to the proceeds, if any, of the Special Pledged Taxes. Nothing contained in this subsection shall, however, relieve the City from the performance of the several agreements and representations on its part herein contained or in the Project Development Agreement.

Section 4. Optional Redemption Provisions. The Warrants shall be subject to redemption and prepayment prior to their maturity, at the option of the City, in whole or in part, at any time and at a redemption price equal to the principal amount thereof to be redeemed.

Section 5. Pledge of Special Pledged Tax; Deposit in Special Pledged Tax Account. The proceeds, if any, of the Special Pledged Taxes are hereby irrevocably pledged for the payment of the principal of the Warrants or for the purchase of the same on the open market. The said pledge shall begin on the date of Commencement of Operations and end on the twenty-fifth (25th) anniversary of the Incentive Commencement Date, or such earlier date on which the Warrants shall have been paid in full or defeased in accordance with the provisions of Section 29 of this Authorizing Ordinance. The City represents that the said pledge for the Warrants is the only pledge made of the proceeds of the Special Pledged Taxes.

The City covenants that it will deposit, no later than ten (10) calendar days after the last Business Day of each calendar month, the Special Pledged Taxes into the Special Pledged Taxes Account; provided that, if there is a default in the payment of principal on the Warrants, the City shall immediately, upon the receipt of the said Special Pledged Taxes, deposit the same in the Special Pledged Taxes Account and immediately cause such Special Pledged Taxes, in appropriate amounts, to be paid to Developer from the Special Pledged Taxes Account and/or Warrant Fund to cure such default.

Section 6. **Mandatory Sinking Fund Redemptions.** The Warrants are required to be redeemed on the last day of each month, commencing on the applicable month immediately following the Commencement of Operations, and on each month thereafter, with the final scheduled mandatory redemption to occur on the date that is the earlier of (i) twenty five (25) years after the Incentive Commencement Date or (ii) the principal amount of the Warrant (\$8,000,000.00) is paid in full, but not to be later than January 1, 2061, with the amount of each annual redemption of principal amount being equal to the amount of funds in the Special Pledged Taxes Account. The Warrants shall be redeemed at a redemption price equal to the principal amount to be redeemed. The redemption price shall be payable on each scheduled redemption date to the Holders of record as forty-five (45) days next preceding the date fixed for such redemptions.

Section 7. **Purchase of Warrants for Retirement.** The City may at any time and from time to time purchase Warrants for retirement using funds from the Warrant Purchase Fund, provided that (i) City shall provide Developer or Holder at least thirty (30) days prior written notice of such purchase, (ii) no purchase shall reduce or defer the City's obligations to deposit Special Pledged Taxes, and (iii) if less than all of the Warrant is purchased, application of the retired principal to scheduled payments shall be as directed by the Holder (or, absent direction, pro rata across remaining scheduled payments).

Section 8. **Form of Warrants.** The Warrants, the registration certificate, the City Treasurer's Certificate and the assignment pertaining thereto shall be in substantially the following forms, with such insertions, omissions and other variations, as may be necessary to conform to the provisions of this Authorizing Ordinance:

* * * * *

(Form of Warrant)

THIS WARRANT HAS NOT BEEN REGISTERED (i) UNDER THE SECURITIES ACT OF 1933, AS AMENDED, IN RELIANCE UPON THE EXEMPTIONS PROVIDED BY SAID ACT, OR (ii) UNDER ANY STATE SECURITIES LAW, IN RELIANCE UPON APPLICABLE EXEMPTIONS, AND MAY NOT BE TRANSFERRED WITHOUT REGISTRATION EXCEPT PURSUANT TO AN EXEMPTION THEREFROM.

This Warrant may be transferred only to (i) an investment company registered under the Investment Company Act of 1940; (ii) a bank, as defined in Section 3(a)(2) of the Securities Act of 1933 (the "1933 Act"), whether acting in its individual or fiduciary capacity; (iii) an insurance company, as defined in Section 2(13) of the 1933 Act; or (iv) a sophisticated investor possessing sufficient knowledge and experience in financial and business matters, including the purchase and ownership of municipal and other tax-exempt obligations, to be able to evaluate the risks and merits of the investment represented by the purchase of the Warrant. Each transferee shall be required to execute and deliver to the City an investment letter substantially in the form attached as Exhibit B to the hereinafter defined Authorizing Ordinance.

THIS WARRANT DOES NOT BEAR INTEREST

UNITED STATES OF AMERICA
STATE OF ALABAMA
CITY OF DAPHNE, ALABAMA
LIMITED OBLIGATION PROJECT REVENUE WARRANT
(THE FORTUNA HOTEL PROJECT)
SERIES 2026 (TAXABLE)

DATE OF WARRANT

[], 2026

MATURITY DATE

Not later than [], 20[], as provided below

Subject to prior payment and other provisions as herein provided, the City Treasurer of the City of Daphne, Alabama, a municipal corporation in the State of Alabama (herein called the "City"), is hereby ordered and directed to pay to TFH DAPHNE 2026, LLC, an Alabama limited liability company, or its permitted registered assigns, to whom the City acknowledges itself indebted in the principal amount hereafter set out, the principal sum of EIGHT MILLION AND NO/100 U.S. DOLLARS (\$8,000,000.00) solely from the Special Pledged Taxes deposited in the Series 2026 Warrant Fund, at the times and in the manner hereinafter provided on the date specified above. This Warrant shall be in the principal amount outstanding from time to time from the date hereof (the "Issue Date"), until the maturity hereof. This Warrant shall not bear interest. The final principal amount of this Warrant shall be payable only upon presentation and surrender of this Warrant at the office of the City Treasurer at City Hall in Daphne, Alabama, or his or her successor as Paying Agent under the ordinance providing for the issuance of the Warrant hereinafter referred to (said office of the City Treasurer, together with his or her successors in such capacity, being herein called the "Paying Agent"). Notwithstanding any of the foregoing, a registered owner of \$1,000,000 or more in principal amount of the Warrant may make arrangements with the Paying Agent for payment of the principal of the Warrant to be made by wire transfer to an account of such registered owner maintained at a bank in the continental United States or by any other method providing for payment in same-day funds that is acceptable to the Paying Agent.

This warrant is the duly authorized warrant of the City designated a Limited Obligation Project Revenue Warrant (The Fortuna Hotel Project), Series 2026, in the principal amount of \$8,000,000.00 (herein called the "Warrant"). The Warrant has been issued pursuant to the applicable provisions of the constitution and laws of the State of Alabama, including particularly

Amendment 772 to the *Constitution of Alabama of 1901* (codified as Section 94.01 of the *Official Recompilation of the Constitution of Alabama of 1901*) and Section 11-47-2 of the *Code of Alabama of 1975*, and an ordinance providing for the issuance of the Warrant duly adopted by the City Council of the City on February 2, 2026, (the "Authorizing Ordinance").

The Warrant is subject to redemption, at the option of the City, in whole or in part, at any time. Such redemption shall be at and for a redemption price equal to the principal amount thereof to be redeemed.

The Warrant is subject to scheduled mandatory redemption on the last day of each month, commencing on the applicable month immediately following the Commencement of Operations (as defined in the Special Economic Development Grant and Project Development Agreement between the City of Daphne, Alabama and TFH DAPHNE 2026, LLC, an Alabama limited liability company, dated as of February 2, 2026 (the "Development Agreement")), and on each month thereafter, with the final scheduled mandatory redemption to occur on the date that is the earlier of (i) twenty five (25) years after the Incentive Commencement Date (as defined in the Development Agreement) or (ii) the principal amount of the Warrant (\$8,000,000.00) is paid in full, but not to be later than January 1, 2061, at and for a redemption price equal to the principal amount thereof to be redeemed. The principal amount to be so redeemed on each such last day of each month is set forth in Section 6 of the Authorizing Ordinance.

By the execution of this Warrant, the City acknowledges that it is indebted to the payee hereof in the principal amount hereof in accordance with the terms hereof and solely from the sources of payment provided for herein. The indebtedness evidenced and ordered paid by this Warrant is not a general obligation of the City, and the full faith and credit of the City are not pledged for payment thereof. The said Warrant is payable solely from the proceeds of the City's "Special Pledged Taxes." For purposes of this Warrant, the "Special Pledged Taxes" shall have the meaning assigned in Section 1 of the Authorizing Ordinance, levied by and paid to the City from business conducted at The Fortuna Hotel Project more particularly described in the Authorizing Ordinance as the "Project Site." The pledge of the Special Pledged Taxes shall end at midnight on that certain date that is twenty five (25) years from the Incentive Commencement Date, or such earlier date on which the Warrant shall be paid in full or shall have been defeased in accordance with the provisions of Section 29 of the ordinance providing for the issuance of the Warrant. The City's obligation to make payments on this Warrant and to pledge the Special Pledged Taxes to repayment of this Warrant is subject to the terms and conditions of the Project Development Agreement and the Authorizing Ordinance. The Special Pledged Taxes are hereby pledged to the payment, and for the benefit, of this Warrant, subject to, in accordance with *Johnson v. Sheffield*, 183 So. 265 (Ala. 1938), the law-imposed requirement that, if necessary, there must first be paid from all funds and revenues for the City (including without limitation the Special Pledged Taxes) the legitimate and necessary governmental expenses of operating the City.

It is hereby certified and recited that the indebtedness evidenced and ordered paid by this Warrant is lawfully due without condition, abatement or offset of any description; that this Warrant has been registered as a claim against the City in the manner provided by law; that all conditions, actions and things required by the constitution and laws of the State of Alabama to exist, be performed or happen precedent to or in the issuance of this Warrant do exist, have been

performed and have happened in due and legal form; and that the indebtedness evidenced and ordered paid by this Warrant, together with all other indebtedness of the City, was at the time the same was created and is now within every debt and other limit prescribed by the constitution and laws of the State of Alabama.

The Warrants are issuable only as a fully registered Warrant in the denomination of \$100,000 or any integral multiple of \$5,000 in excess thereof. Provision is made in the Authorizing Ordinance for the exchange of the Warrant for a like aggregate principal amount of Warrants in authorized denominations, all upon the terms and subject to the conditions set forth in the Authorizing Ordinance.

Subject to the terms of an investment letter to be executed by the registered Holders hereof, this Warrant is transferable by the registered Holder hereof, in person or by authorized attorney, only pursuant to the requirements and conditions of the Project Development Agreement and the Authorizing Ordinance, only on the books of the Paying Agent, only upon surrender of this Warrant to the Paying Agent for cancellation, and upon receipt of an executed investment letter from the transferee in the form attached to the Authorizing Ordinance, and upon any such transfer a new Warrant of like tenor hereof will be issued to the transferee in exchange therefor, all as more particularly described in the Authorizing Ordinance. Each Holder, by receiving or accepting this Warrant, shall consent and agree and shall be estopped to deny that, insofar as the City and the Paying Agent are concerned, this Warrant may be transferred only in accordance with the provisions of the Project Development Agreement and the Authorizing Ordinance and the terms of an investment letter executed by the registered Holders hereof.

The Paying Agent shall not be required to transfer or exchange this Warrant during the period following the close of the Paying Agent's business on the forty-fifth day next preceding the date fixed for redemption of this Warrant.

The ordinance providing for the issuance of the Warrant provides that all payments by the City or the Paying Agent to the person in whose name a Warrant is registered shall to the extent thereof fully discharge and satisfy all liability for the same. ANY TRANSFEREE OF THIS WARRANT TAKES IT SUBJECT TO ALL PAYMENTS OF PRINCIPAL IN FACT MADE WITH RESPECT HERETO.

Execution by the Paying Agent of its registration certificate hereon is essential to the validity hereof.

IN WITNESS WHEREOF, the City has caused this Warrant to be executed with the signature of the Mayor, has caused a facsimile of its official seal to be hereunto imprinted, has caused this warrant to be attested by the signature of its City Clerk, and has caused this warrant to be dated the date hereinafter specified.

CITY OF DAPHNE, ALABAMA

By _____
Mayor

Attest:

City Clerk

REGISTRATION CERTIFICATE

I hereby certify that this warrant has been duly registered by me at the time of issuance as a claim against City of Daphne, in the State of Alabama, and the Series 2026 Warrant Fund referred to herein.

Treasurer of City of Daphne

VALIDATION CERTIFICATE

Validated and confirmed by judgment of the Circuit Court of Baldwin County, State of Alabama entered on the ____ day of _____, ____.

Clerk of Circuit Court of Baldwin County, State of Alabama

REGISTRATION OF OWNERSHIP

This warrant is recorded and registered on the warrant register of City of Daphne in the name of the last owner named below. The principal of this warrant shall be payable only to or upon the order of such registered owner.

<u>Date of Registration</u>	<u>In Whose Name Registered</u>	<u>Signature of Authorized Officer of City</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

ASSIGNMENT

For value received, _____ hereby sell(s), assign(s) and transfer(s) unto _____ this warrant and hereby irrevocably constitute(s) and appoint(s) _____ attorney to transfer this warrant on the books of the within named City with full power of substitution in the premises.

Dated: _____

NOTE: The signature on this assignment must correspond with the name of the registered owner as it appears on the fact of the within Warrant in every particular, without alteration, enlargement or change whatsoever.

Signature Guaranteed:

(Bank, Trust Company or Firm*)

By _____
(Authorized Officer)

Medallion Number: _____

*Signature(s) must be guaranteed by an eligible guarantor institution which is a member of a recognized signature guarantee program, i.e., Securities Transfer Agents Medallion Program (STAMP), Stock Exchange Medallion Program (SEMP) or New York Stock Exchange Medallion Signature Program (MSP)

* * * * *

Section 9. Execution of Warrants by City. The Warrants shall be executed on behalf of the City by the Mayor and attested by the City Clerk, and the seal of the City shall be impressed on each of the Warrants; provided that the signatures of the said Mayor and the City Clerk on the Warrants may be facsimile or electronic signatures of the said officers imprinted thereon, and the seal of the City appearing on the Warrants may be facsimile or electronic of such seal imprinted thereon (it being understood that a condition to the validity of each Warrant is the appearance on such Warrant of a Registration Certificate, substantially in the form hereinabove provided, executed by the manual signature of an authorized officer of the Paying Agent and a City Treasurer's Certificate, substantially in the form hereinabove provided, executed by the manual, electronic, or facsimile signature of the City Treasurer of the City). Signatures on the Warrants by persons who are officers of the City at the times such signatures were written or printed shall continue to be effective although such persons cease to be such officers prior to the delivery of the Warrants, whether initially issued or exchanged for Warrants of different denominations from those initially issued.

Section 10. Registration Certificate on Warrants. A registration certificate by the Paying Agent, in substantially the form hereinabove recited, duly executed by the manual signature of an authorized officer of the Paying Agent, shall be endorsed on each of the Warrants and shall be essential to its validity. The City may impose no fee for registration or transfer other than customary out-of-pocket costs (e.g., shipping). Upon written direction from the Developer or Holder, the City shall make payments directly to any designated lender or permitted assignee until revoked by written notice.

Section 11. City Treasurer's Certificate on Warrants. A City Treasurer's Certificate by the City Treasurer of the City, in substantially the form hereinabove recited, duly executed by the manual, electronic, or facsimile signature of the said officer, shall be endorsed on each of the Warrants and shall be essential to its validity. Such certificate shall be conclusive of the due registration of the claim against the City represented by the Warrants.

Section 12. **Registration and Transfer of Warrants.** The Warrants shall be registered as to principal and shall be transferable only on the registry books of the Paying Agent pertaining to the Warrants, subject to the terms of an investment letter executed by the initial Holder of the Warrants. The Paying Agent shall be the registrar and transfer agent of the City and shall keep at its office proper registry and transfer books in which it will note the registration and transfer of such Warrants as are presented for those purposes, all in the manner and to the extent hereinafter specified. The Warrants shall be transferable only on the transfer books of the Paying Agent. No transfer of any Warrants shall be valid hereunder unless such Warrants are presented at the office of the Paying Agent with written power to transfer signed by the registered owner thereof in person or by duly authorized attorney, properly stamped if required, in form and with guaranty of signature satisfactory to the Paying Agent whereupon the City shall execute, and the Paying Agent shall authenticate and deliver to the transferee a new Warrant, registered in the name of such transferee and of like tenor as that presented for transfer. The person in whose name any Warrant is registered on the books of the Paying Agent shall be the sole person to whom or on whose order payments on account of the principal thereof thereon may be made. The Warrants may not be assigned, hypothecated, pledged, or transferred except upon the prior written consent of the City as set forth in a resolution of the governing body of the City with respect thereto, unless such assignment, hypothecation, pledge, or transfer is permitted under the Project Development Agreement, e.g. Sections 5.04, 6.06, and 8.06 of the Project Development Agreement, which are incorporated herein by reference as if set forth in full. Each registered owner of any of the Warrants, by receiving or accepting such Warrants, shall consent and agree and shall be estopped to deny that, insofar as the City and the Paying Agent are concerned, the Warrants may be transferred only in accordance with the provisions of this Authorizing Ordinance, the Project Development Agreement and the terms of the investment letter, the form of which is attached as **Exhibit B** hereto. Notwithstanding the foregoing or anything herein or in the Project Development Agreement to the contrary, the City acknowledges and agrees that Developer's lender(s), mortgagee(s), beneficiary(ies) under a deed of trust, equity investor(s), or other parties holding interest in the Project or Developer may require a collateral assignment of the Developer's rights under the Warrants. In the event that any such collateral assignment is required, Developer shall have the right to collaterally assign its rights under this Ordinance and/or Warrants, whether at the closing of a construction loan or another time and from time to time. As a component of such collateral assignment of Developer's rights under this Ordinance and/or the Warrant, the City shall execute and deliver such consent(s) of collateral assignment and/or estoppel certificates in the form and substance reasonably required by Developer and/or such aforementioned interested parties for the Project, and if required by Developer and/or such aforementioned interest parties pursuant to the express terms of such collateral assignment form, the City will make payments under the Warrant directly to such interest parties.

The Paying Agent shall not be required to register or transfer any Warrant duly called for redemption (in whole or in part), during the period following the close of business of the Paying Agent's business on the forty-fifth (45th) day next preceding the date fixed for such redemption.

The Warrants may be transferred only to (i) an investment company registered under the Investment Company Act of 1940; (ii) a bank, as defined in Section 3(a)(2) of the Securities Act of 1933 (the "1933 Act"), whether acting in its individual or fiduciary capacity; (iii) an insurance company, as defined in Section 2(13) of the 1933 Act; (iv) a sophisticated investor possessing

sufficient knowledge and experience in financial and business matters, including the purchase and ownership of municipal and other tax-exempt obligations, to be able to evaluate the risks and merits of the investment represented by the purchase of the Warrants; or (v) Developer's lender(s), mortgagee(s), beneficiary(ies) under a deed of trust, equity investor(s), other parties holding interest in the Project or Project Site, or successor fee simple owners of the Project Site. Each transferee shall be required to execute and deliver to the City an investment letter in the form attached as **Exhibit B** hereto.

Section 13. Exchange of Warrants. Upon the request of the Holder of the Warrants, the City shall execute, and the Paying Agent shall register and deliver, upon surrender to the Paying Agent of such Warrant in exchange therefor, a Warrant in different Authorized Denominations of the same maturity and interest rate and together aggregating the same principal amount as the then unpaid principal of the Warrant so surrendered, all as may be requested by the person surrendering such Warrant or Warrants; provided that the Paying Agent shall not be required so to register and deliver any of the Warrants in exchange for others during the period following the close of the Paying Agent's business on the forty-fifth (45th) day next preceding the date fixed for redemption of such Warrant or Warrants.

The registration, transfer and exchange of Warrants (other than pursuant to Section 17 hereof) shall be without expense of the Holder or transferee. In every case involving any transfer, registration or exchange, such Holder shall pay all taxes and other governmental charges, if any, required to be paid in connection with such transfer, registration or exchange.

Section 14. Dating of Warrants. All Warrants shall be dated the date of their delivery.

Section 15. [Reserved]

Section 16. Persons Deemed Owners of Warrants. The City and the Paying Agent may deem and treat the person in whose name a Warrant is registered as the absolute owner thereof for all purposes; they shall not be affected by notice to the contrary; and all payments by any of them to the person in whose name a Warrant is registered shall to the extent thereof fully discharge and satisfy all liability for the same.

Section 17. Replacement of Mutilated, Lost, Stolen or Destroyed Warrants. In the event any Warrant is mutilated, lost, stolen or destroyed, the City may execute and deliver a new Warrant of like tenor as that mutilated, lost, stolen or destroyed Warrants, if there is first furnished to the City and the Paying Agent evidence of such loss, theft or destruction satisfactory to each of them, together with indemnity satisfactory to each of them. The City may charge the Holder with the expense of issuing any such new Warrant.

Section 18. General Provisions Respecting Redemption of Warrants. Any optional redemption of the Warrants pursuant to the Authorizing Ordinance shall be effected in the following manner:

(a) The City Council shall adopt a resolution in which it shall call for redemption, when they are by their terms subject to redemption, of the Warrants (and, in case less than the entire

outstanding principal amount of the Warrants is to be redeemed, the principal amount thereof to be redeemed).

(b) The City (or the Paying Agent on its behalf) shall also cause to be forwarded by United States registered or certified mail to the registered owner of each Warrant the principal of which is to be redeemed in whole or in part, at the address of such registered owner as such address appears on the registry books of the Paying Agent pertaining to the Warrants, a notice stating the following: the Warrants bearing stated numbers (and, in case less than the entire outstanding principal amount of any Warrant is to be redeemed, the principal amount thereof to be redeemed) have been called for redemption and will become due and payable at the specified redemption price on a specified redemption date. Such notice shall be so mailed not more than sixty (60) nor less than thirty (30) days prior to the date fixed for redemption, but Holders of the Warrants may waive by written notice the requirements of this subparagraph with respect to the Warrants held by them without affecting the validity of the call for redemption of any other Warrant.

(c) Not later than the date fixed for redemption, the City (i) shall deposit or cause to be deposited with, or otherwise make available to, the Paying Agent the total redemption price of the Warrants so called for redemption, and (ii) shall furnish to the Paying Agent a certified copy of the resolution referred to in the foregoing subparagraph (a) of this section.

When the provisions of the foregoing subparagraphs (a), (b) and (c) of this Section 18 have been complied with, the Warrants so called for redemption (or, in the case of the Warrants called for redemption in part, the portions thereof called for redemption) shall become due and payable (at the place or places at which the same shall be payable), at the redemption price and on the redemption date specified in such notice, anything herein or in the Warrants to the contrary notwithstanding, and the Holders of such Warrants shall then and there surrender them for redemption at the principal office of the Paying Agent in exchange for and conditioned upon one or more new Warrants in Authorized Denominations and in an aggregate principal amount equal to the unredeemed portion of the Warrant so surrendered, all as shall be requested by the Holder of such Warrant so called for partial redemption; and out of the moneys so deposited with it, the Paying Agent shall make provision for payment of the Warrants (or portions thereof) so called for redemption, at the redemption price and on the redemption date so specified.

Section 19. Special Pledged Taxes Account. There is hereby created an escrow account, the name of which shall be the "The Fortuna Hotel Project Special Pledged Taxes Account," which shall be maintained as long as any of the Warrants are outstanding and unpaid. The Paying Agent shall be the depository, custodian and disbursing agent for the Special Pledged Taxes Account. Upon request of Developer or a Holder, the City or Paying Agent shall from time to time provide reasonable documentation evidencing amounts held in the Special Pledged Taxes Account.

Moneys on deposit in the Special Pledged Taxes Account shall be held therein and transferred to other funds from time to time in accordance with the provisions of Section 23 hereof.

Section 20. Warrant Fund. There is hereby created a special escrow fund, the name of which shall be the "The Fortuna Hotel Project Warrant Debt Service Fund," for the purpose of

providing for the payment of the principal of the Warrants. The Warrant Fund shall be maintained until the principal of the Warrants shall have been paid in full, payment duly provided therefor in a manner which will cause the Warrants to be no longer outstanding, or the pledge of the Special Pledged Taxes has expired pursuant to the Project Development Agreement or the Authorizing Ordinance. The Paying Agent shall be the depository, custodian and disbursing agent for such fund. Upon request of Developer or a Holder, the City or Paying Agent shall from time to time provide reasonable documentation evidencing amounts held in the Warrant Fund. No transfer from the Warrant Fund to other City purposes shall occur until payment in full/defeasance of the Warrant or expiration of the pledge under this Ordinance.

Any moneys paid into the Warrant Fund shall be used solely for payment of the principal of the Warrants as the same mature and come due or the redemption price of Warrants as the same shall come due. All amounts deposited in the Warrant Fund shall be applied to the payment of principal of the Warrants within the timeframes specified in the Project Development Agreement.

Section 21. **[Reserved]**

Section 22. **[Reserved]**

Section 23. **Flow of Funds among Special Pledged Taxes Account and the Warrant Fund.** The moneys on deposit in the Special Pledged Taxes Account shall be paid into the Warrant Fund in an amount equal to the principal amount to be redeemed, in immediately available funds, on or before the applicable redemption date, until the Warrants are paid in full and at times and based on the schedule provided in this Ordinance and the Project Development Agreement.

Section 24. **[Reserved]**

Section 25. **Transfers or Payments Made through Transfers of Balances of Eligible Investments.** Whenever any provisions of this Authorizing Ordinance requires a transfer or payment of moneys to be made from any fund or account created under this Authorizing Ordinance to any other fund or account created under such ordinance, then, to the extent that the moneys held in the fund or account from which such transfer or payment is to be made are at the time invested in Eligible Investments, the Paying Agent may, in lieu of liquidating such Eligible Investments to obtain cash for making such payments or transfer, effect such payment or transfer by transferring, in its records, pertaining to such funds and accounts, Eligible Investments, or a portion thereof, in a principal amount equal to the amount of the required transfer or payment, provided that any required transfer or payment of moneys from one fund or account to another fund or account may be made by transferring principal amounts of Eligible Investments only if (i) such investments shall be authorized herein as investments for moneys held in the fund or account to which any principal amount of such investments shall be transferred and (ii) such investments shall mature, or be subject to redemption at the option of the Holder, on or before the date for which the required transfer or payment shall be needed in cash for the purposes of such fund or account.

Section 26. **Investment of Moneys in Funds and Accounts.** Subject to the right of the City specified below to direct the investment of moneys in the funds and accounts created hereunder, moneys held in any fund or account created hereunder shall be continuously invested

and reinvested by the Paying Agent in Eligible Investments which shall have the highest interest rate or profit potential among Eligible Investments reasonably known and available to the Paying Agent in the ordinary course of its business and which shall mature on such dates (or be subject to redemption at the option of the Holder thereof on such dates and at such stated prices) as will assure the availability of cash in each such fund or account to make any payments therefrom required by the provisions hereof. Subject to the provisions of Section 25 hereof, any Eligible Investments acquired by the Paying Agent pursuant to the provisions of this section shall be deemed at all times to constitute part of the fund or account from which the moneys were withdrawn to acquire such investments, and all income earned, profits realized and losses suffered by reason of the acquisition or disposition of such investments shall be credited or charged, as the case may be, to the particular fund or account to which such investment belongs except that earnings on investments in the Warrant Fund shall be deposited in the Special Pledged Taxes Account. In any determination of the amount of moneys at any time held in any trust fund or account created hereunder, all investments at any time forming a part thereof shall be valued at their then market value.

The Paying Agent may sell, redeem or otherwise convert into cash any Eligible Investments constituting a part of any of the funds or accounts created hereunder to the extent necessary (as the Paying Agent shall determine in the exercise of its sole discretion) to provide cash in such funds or accounts for any payments required by the provisions hereof to be made therefrom or to facilitate the transfers of moneys between various funds and accounts as may from time to time be required or permitted by the provisions hereof. Upon written request of an authorized representative of the City, the Paying Agent shall cause any investments constituting part of any of such funds or accounts to be sold, redeemed or otherwise converted into cash, but only if, in the case of investments constituting part of the Warrant Fund, such sale, redemption or other conversion into cash will not jeopardize the payment, when due, of the principal of the Warrants or the redemption price of any Warrants required to be redeemed.

In making any investment of moneys held in any of the funds or accounts created hereunder, the Paying Agent will follow such instructions as may be given to it by an authorized representative of the City, but only if and to the extent that such instructions are not inconsistent with the applicable provisions hereof. The Paying Agent shall not be liable for any losses incurred in connection with investments made or disposed of in accordance with the provisions of this section. Notwithstanding anything herein, the selection, holding, or disposition of any Eligible Investments (and any gain or loss thereon) shall not reduce, defer, or excuse the City's obligations to deposit Special Pledged Taxes into the Warrant Fund and to apply such amounts to Warrant payments in required amounts and when due.

Section 27. Commingling of Moneys in Separate Funds and Accounts. Any provisions of the Authorizing Ordinance to the contrary notwithstanding, moneys held in any fund or account created hereunder may be commingled and combined with moneys held in another fund or account for the purpose of making investments under the provisions of Section 26 hereof, subject to the following conditions:

- (a) all interest, income or profit realized from any such commingled investment shall be credited, and all losses resulting therefrom shall be charged, to each such fund or

account in the same respective proportions as the amount invested from each such fund or account bears to the total amount so invested; and

(b) no moneys forming a part of any such fund or account shall be invested in any investments other than such as are herein expressly authorized for such fund or account.

Section 28. Resignation of Paying Agent; Appointment of Successor. The Paying Agent may resign and be discharged from the duties hereby created by causing written notice specifying the effective date of such resignation to be forwarded by United States registered or certified mail, postage prepaid, to the City and to every registered owner of a Warrant. Unless the effective date of the Paying Agent's resignation shall coincide with the appointment of a successor Paying Agent by the registered owner of the Warrant as herein provided, such date shall be at least thirty (30) days after the date on which notice to the City and the registered owners of the Warrant shall have been mailed.

If the Paying Agent shall resign, be dissolved, be in course of dissolution or liquidation, or otherwise become incapable of acting hereunder, or in case it shall be taken under the control of any public officer or officers or of a receiver appointed by a court, a successor shall be appointed by the City. Every successor Paying Agent appointed pursuant to this section, unless it is the City acting through its officer or employee, shall be a trust company or bank authorized to administer trusts and having, at the time of its acceptance of such appointment, capital, surplus and undivided profits of not less than \$100,000,000, if there be such an institution willing, qualified and able to accept appointment as Paying Agent on reasonable and customary terms. The City shall provide Developer and any Holder reasonable written notice of any such events and reasonable documentation specifying the successor Paying Agent and shall, at City's sole costs and expense, pay all fees and charges in the connection with the replacement of the Paying Agent.

Section 29. Payment. When the Warrants shall have been paid and discharged in full, and there shall have been paid all fees and charges of the City and the Paying Agent due or to become due through the date on which the Warrant is retired, then the obligations of this Authorizing Ordinance and the Warrants, except as provided below, shall cease, terminate and become null and void, and thereupon the Trustee shall release this Indenture, including the cancellation and discharge of the lien hereof.

Section 30. Award of Warrants. The Warrants are awarded to the Developer in consideration of its undertakings as provided in the Project Development Agreement.

Section 31. Reporting; Project-Level Accounting; Confidentiality. The City shall provide monthly deposit reports and quarterly accountings of Special Pledged Taxes and Warrant Fund activity in reasonable detail available from City records and shall maintain reasonable account coding to track Project receipts where practicable. Confidential taxpayer data will be handled consistent with applicable law; non-public information furnished by Developer shall be treated as confidential to the maximum extent permitted by law.

Section 32. **Denominations of Warrants as Initially Issued and Initial Registered Owners.** The Warrants shall be initially issued as a single fully registered Warrant payable to the Developer in accordance with the schedule provided in this Ordinance and the Project Development Agreement.

Section 33. **Provisions for Payment at Par.** Each bank or office at which the Warrants shall at any time be payable by acceptance of its duties as paying agent therefor, shall be construed to have agreed thereby with the Holders of the Warrants that it will make, out of the funds supplied to it for that purpose, all remittances of principal on the Warrants in bankable funds at par without any deduction for exchange or other costs, fees or expense. The City agrees with the Holders of the Warrants that the City will pay all charges for fees and expenses which may be made by such bank in the making of remittances in bankable funds of the principal of the Warrants.

Section 34. **Assignments; Lender Protections; Direct Payment; Estoppel Certificates; Transfers.** Developer may assign or collaterally assign its rights under this Ordinance and the Warrant to any Lender or assignee in accordance with Sections 5.04, 6.06, and 8.06 of the Project Development Agreement or as otherwise permitted thereunder, and subject to the terms of the Investment Letter. The City shall execute consents/recognitions and estoppel certificates reasonably requested and, if directed in writing by Developer or Holder, shall make payments directly to such Lender/assignee. Any Lender/assignee shall have the right to cure Developer defaults within the same periods afforded to Developer after notice. Upon written request by Developer (or any designated purchaser, transferee, or Lender), the City shall within fifteen (15) days deliver an estoppel certificate in the form reasonably requested by Developer (customary contents), permitted to be relied upon by the addressee and its successors/assigns.

Section 35. **Creation of Contract.** The provisions of the Authorizing Ordinance shall constitute a contract between the City and each Holder of the Warrants.

Section 36. **Covenant by Developer.** The Developer acknowledges that the City has advised it that the City intends to redeem the Warrants on the earliest practicable date and to redeem them as sufficient funds are available from the Special Pledged Taxes Account from time-to-time. The Developer shall also provide the City's Executive Financial Director estimated construction commencement dates and estimated construction completion dates, as requested in writing by the said Executive Financial Director.

Section 37. **Notice.** All notices, demands, consents, certificates or other communications hereunder shall be in writing, shall be sufficiently given and shall be deemed given when delivered personally to the party or to an officer of the party to whom the same is directed, or mailed by registered or certified mail, postage prepaid, return receipt requested, or sent by overnight courier, addressed as follows:

(a) If to the Developer:

TFH Daphne 2026, LLC
c/o 68 Ventures
707 Belrose Ave.

Daphne, AL 36526
Attention: Nathan Cox; Caldwell Cunningham; Cameron Thatcher

with a copy to:

Byrd Campbell, P.A.
180 Park Avenue North, Suite 2A
Winter Park, FL 32789
Attention: James Campbell; James Wallace; Jake Paglialonga

(b) If to the Paying Agent:

City of Daphne, Alabama
Attention: Mayor
1705 Main Street
Daphne, Alabama 36526

with a copy to:

Adams and Reese, LLP
Attention: A. Patrick Dungan
11 North Water Street, Suite 23200
Mobile, Alabama 36602

Any party may change its address for receiving notice by giving notice of a new address in the manner provided herein.

Any such notice or other document shall be deemed to be received as of the date delivered, if delivered personally, or the next business day, if sent by overnight courier.

Section 38. **Provisions of Authorizing Ordinance Severable.** The provisions of the Authorizing Ordinance are hereby declared to be severable. In the event any provision hereof shall be held invalid by a court of competent jurisdiction, such invalidity shall not affect any other portion of the Authorizing Ordinance.

Section 39. **Closing.** The Mayor is authorized to take all actions which may be necessary or desirable to sell and close on the Warrants, including but not limited to signing the necessary documents, certificates and instruments relating to this Authorizing Ordinance, the Warrants and the Project Development Agreement on behalf of the City, and taking all other steps that the Mayor, in his sole discretion, may deem necessary. The Mayor and the City Clerk and City Treasurer are each authorized to take all actions and to execute all documents necessary to complete the issuance of the Warrants.

Section 40. **Validation Proceedings.** Subject to the terms of the Project Development Agreement, the Council hereby authorizes and directs Adams and Reese LLP, to file a complaint in the Circuit Court of Baldwin County, Alabama, commencing judicial proceedings for the

validation of the Warrant (including without limitation, validation of the issuance of the Warrant, the sources for the payment of the Warrant, and the proceedings authorizing the issuance of the Warrant) and to take such actions and follow such procedures as in their judgment shall be necessary for the successful prosecution of such suit. Such validation proceedings may present for judicial determination such issue or issues as such law firm may consider to be necessary and appropriate in order to address and resolve any legal uncertainties related to the issuance of the Warrant. Validation shall encompass this Ordinance, the Project Development Agreement, the Warrant, and the pledge of Special Pledged Taxes, to the extent required by applicable law.

Section 41. **Special Economic Development Grant and Project Development Agreement.** The Mayor and City Clerk are hereby authorized to execute and deliver on behalf of the City a Project Development Agreement in substantially the form attached hereto as **Exhibit C**, with any revisions thereto as may be approved by the Mayor of the City, with such execution and delivery to be conclusive proof of the Mayor's approval.

Section 42. **Repealing Clause.** All prior ordinances, orders, resolutions or proceedings of the City Council, in conflict with the provisions of this Ordinance, shall be, and the same are, hereby repealed, rescinded and set aside, but only to the extent of such conflict.

Section 43. **Governing Law.** This Authorizing Ordinance shall be governed by the laws of the State of Alabama.

[City Clerk signature page to follow]

ADOPTED this _____ day of _____, 2026.

[S E A L]

Robin LeJeune, Mayor

ATTEST:

Jessica Linne, Interim City Clerk

EXHIBIT A
Legal Notice
(See Attached)

EXHIBIT B

Form of Investment Letter

_____, 2026

City of Daphne, Alabama
1705 Main Street
Daphne, AL 36526

Re: Not exceeding \$8,000,000 City of Daphne, Alabama, Limited Obligation Project
Revenue Warrant (Fortuna Hotel Project), Series 2026

Ladies and Gentlemen:

The undersigned is the purchaser of the above-captioned issue of warrants (the "Warrants"), issued by the City of Daphne, Alabama (the "City") pursuant to that certain Authorizing Ordinance adopted by City Council of the City on February 2, 2026 (the "Authorizing Ordinance"). In connection with such purchase, the undersigned hereby represents, warrants, covenants, and agrees as follows:

1. The undersigned is: (i) an investment company registered under the Investment Company Act of 1940; (ii) a bank, as defined in Section 3(a)(2) of the Securities Act of 1933 (the "1933 Act"), whether acting in its individual or fiduciary capacity; (iii) an insurance company, as defined in Section 2(13) of the 1933 Act; or (iv) a sophisticated investor possessing sufficient knowledge and experience in financial and business matters, including the purchase and ownership of municipal and other tax-exempt obligations, to be able to evaluate the risks and merits of the investment represented by the purchase of the Warrants.

If the undersigned is an individual accredited investor (as defined in Rule 501(A)(5) or (6) under the Securities Act of 1933, then (check the applicable box(es)):

☐ A natural person whose individual net worth as of the date hereof (including the net worth of the Purchaser's spouse if the Purchaser is married) exceeds \$1,000,000. For purposes of this document, the term "net worth" shall not include the value of, or the amount of indebtedness secured by, the primary residence of the Purchaser; provided, however, if the primary residence is secured by indebtedness in an amount in excess of the value of such residence, such excess indebtedness shall be deducted from the Purchaser's net worth.

☐ A natural person who had an individual income that exceeded \$200,000 or joint income with his or her spouse in excess of \$300,000 in each of the two most recent years and reasonably expects that in the current year his or her or their income will reach the same level. For purposes of this document, the term "income" shall mean adjusted gross income, as reported or to be reported for Federal income tax purposes, less any income attributable to a spouse or to property owned by a spouse, increased by the following amounts (but not including any amounts attributable to a spouse or to property owned by a spouse): (i) amounts contributed to an Individual Retirement Account (as defined by the Internal Revenue Code (the "Code")) or Keough retirement

plan, (ii) any deductions for depletion (pursuant to Section 611 et seq. of the Code), (iii) the amount of any tax-exempt interest (pursuant to Section 103 of the Code) received, (iv) any losses claimed as a limited partner of a limited partnership (as reported in Schedule E of Form 1040); (v) alimony paid; and (vi) any elective contributions to a cash or deferred arrangement under Section 401(k) of the Code.

2. The undersigned is purchasing the Warrants for investment for its own account and is not purchasing the Warrants for resale, distribution, or other disposition, and the undersigned has no present intention to resell, distribute, or otherwise dispose of all or any part of the Warrants. Nevertheless, if the undersigned resells or otherwise disposes of all or any part of the Warrants (or any legal or beneficial interest therein), it will resell or otherwise dispose of the Warrants only to (i) an investment company registered under the Investment Company Act of 1940; (ii) a bank, as defined in Section 3(a)(2) of the Securities Act of 1933 (the “1933 Act”), whether acting in its individual or fiduciary capacity; (iii) an insurance company, as defined in Section 2(13) of the 1933 Act; or (iv) a sophisticated investor possessing sufficient knowledge and experience in financial and business matters, including the purchase and ownership of municipal and other tax-exempt obligations, to be able to evaluate the risks and merits of the investment represented by the purchase of the Warrants. The undersigned further agrees that it will not sell, transfer, assign, or otherwise dispose of the Warrants or any legal or beneficial interest therein except in compliance with the 1933 Act, the Securities Exchange Act of 1934, any rules and regulations promulgated under either of such Acts, and the applicable securities laws of any state or other jurisdiction. The undersigned acknowledges that the Warrants: (a) are not being registered under the 1933 Act and are not being registered or otherwise qualified for sale under the securities or “Blue Sky” laws of any state; (b) are being sold to the undersigned in reliance upon certain exemptions from registration and in reliance upon the representations and warranties of the undersigned set forth herein; (c) will not be listed on any stock or other securities exchange; (d) will not be rated by Standard & Poor's Corporation, Moody's Investors Service, Inc., or any other similar rating service; and (e) may not be readily marketable.

3. The undersigned has investigated the Project financed by the Warrants as more particularly set forth in the Special Economic Development Grant and Project Development Agreement dated February 2, 2026 (the “Project Development Agreement”) by and between the City and TFH DAPHNE 2026, LLC (the “Developer”) and has investigated the Developer. The undersigned acknowledges that it has been furnished with or has been given access to all of the underlying documents in connection with this transaction, the Project and the Developer, as well as such other information as it deems necessary or appropriate as a prudent and knowledgeable investor in evaluating the purchase of the Warrants. The undersigned acknowledges that the Developer has made available to it and its representatives the opportunity to obtain additional information and the opportunity to ask questions of and receive satisfactory answers from the Developer concerning the Project and the Developer and that the undersigned has not relied upon the City in connection with such inquiry and analysis. The undersigned acknowledges that the Warrants do not constitute an obligation, general or special, debt, liability, or moral obligation of the State of Alabama or any political subdivision thereof, other than the City, within the meaning of any constitutional or statutory provision whatsoever and that neither the faith and credit nor the taxing power of the State of Alabama or any political subdivision thereof, other than the City, is pledged to the payment of the principal of the Warrants. The undersigned acknowledges that the

Warrants are not a general obligation of the City, but are limited and special revenue obligations of the City payable solely from the Special Pledged Taxes (as defined in the Authorizing Ordinance). The undersigned acknowledges that no covenant, stipulation, obligation, or agreement contained in the Authorizing Ordinance or the Warrants shall be deemed to be a covenant, stipulation, obligation, or agreement of any present or future trustee, officer, agent, or employee of the City in his or her individual capacity. The undersigned acknowledges that neither the State of Alabama nor any political subdivision thereof, other than the City, shall in any manner be liable for the performance of any agreement or covenant of any kind which may be undertaken by the City and that no breach thereof by the City shall create any obligation upon the State of Alabama or any political subdivision thereof.

In reaching the conclusion that it desires to acquire the Warrants, the undersigned has carefully evaluated all risks associated with this investment and acknowledges that it is able to bear the economic risk of this investment. The undersigned, by reasons of its knowledge and experience in financial and business matters, is capable of evaluating the merits and risks of the investment in the Warrants.

4. The undersigned acknowledges that no official statement, prospectus or offering circular containing information with respect to the City, the Warrants (including the security therefor), the Project, or the Developer has been or will be prepared and that it has made its own inquiry and analysis with respect to the City, the Warrants (including the security therefor), the Project, the Developer, and the other material factors affecting the security and payment of the Warrants and that the undersigned has in no way relied upon the City or Bond Counsel (as defined in the Authorizing Ordinance) in connection with such inquiry or analysis.

5. The undersigned acknowledges that it has either been supplied with or has had access to all information, including financial statements and other financial information, to which a reasonable investor would attach significance in making investment decisions, and that it has had the opportunity to ask questions and receive answers from knowledgeable individuals concerning the City, the Developer, the Project, and the Warrants, including the security therefor, so that as a reasonable investor it has been able to make its decision to purchase the above-stated principal amount of the Warrants.

6. The form, terms and provisions of the Authorizing Ordinance, the issuance, sale and delivery of the Warrants, the maturities, redemption terms and sale price of the Warrants, and the sale of the Warrants to be used for the cost of financing the Project, all as provided in the Authorizing Ordinance and the Warrants, are hereby in all respects approved.

[signature page follows]

This Investment Letter shall be binding upon the undersigned.

Very truly yours,

[NAME OF PURCHASER]

By: _____

Name: _____

Title: _____

EXHIBIT C

Project Development Agreement

(See Attached)

SPECIAL ECONOMIC DEVELOPMENT GRANT AND PROJECT AGREEMENT

This SPECIAL ECONOMIC DEVELOPMENT GRANT AND PROJECT AGREEMENT (this “Agreement”) is made and entered as of February 2, 2026 (the “Effective Date”), by and between the CITY OF DAPHNE, ALABAMA, an Alabama municipal corporation (the “City”), and TFH DAPHNE 2026, LLC, an Alabama limited liability company (including its successors and permitted assigns, collectively, the “Developer”). City and Developer are each at times referred to herein as a “Party” and collectively the “Parties.”

Recitals

WHEREAS, the Developer controls certain real property owned by an affiliate of the Developer, consisting of approximately 2.00± acres, located within the City of Daphne, as more particularly described in Exhibit A attached hereto (the “Project Site”);

WHEREAS, the Developer intends to develop a boutique hotel project known as the “The Fortuna Hotel” on the Project Site, which will consist of the construction and operation of a 70-room (approximate, no less than 65 rooms) boutique hotel with a high-end restaurant (on a relative basis), bar, gym, courtyard, and event space meeting the requirements of this Agreement, including without limitation Section 4.01 of this Agreement (the “Project”) all of which are anticipated to generate significant economic activity and tax revenue for the City;

WHEREAS, the City has determined that providing economic incentives to support the Project will further the economic development goals of the City and promote the prosperity and welfare of its residents;

WHEREAS, pursuant to Amendment No. 750/772 of the Constitution of Alabama of 1901, as amended, (the “Enabling Law”) and other applicable law, the City is authorized to provide certain incentives to promote economic development;

WHEREAS, the City hereby finds and determines that the provision of the financial incentives for the Project set forth in this Agreement, being generally amounts equal to a portion of certain City-levied taxes at the Project and City-charged fees in relation to the Project, will further the economic development and prosperity of and employment opportunities within the City;

WHEREAS, the City hereby determines that the expenditure of public funds for the Project will serve a valid and sufficient public purpose, notwithstanding any incidental benefit accruing to the Developer; namely, augmentation of the tax base of the City; and the provision of valuable employment opportunities for residents of the City;

WHEREAS, the City shall take all steps required by Enabling Law, including public notice(s) and meeting(s), and shall cause the Warrant (as defined herein) and related obligations to be validated in the Circuit Court of Baldwin County, Alabama; and

WHEREAS, the City, acting pursuant to Enabling Law, finds and determines that waiving certain municipal permitting, application, plan review, inspection, development, business licensing and other municipal fees and charges related to the development, construction and operation of the Project serves a valid and sufficient public purpose and constitutes a lawful grant of a thing of value in support of economic development in accordance with Enabling Law; and the City agrees to waive such City Fees (as defined below) to the maximum extent permitted by law as further set forth herein.

Agreement

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants and agreements herein contained, the City and the Developer hereby agree as follows:

ARTICLE 1

RECITALS AND DEFINITIONS

The Parties hereby acknowledge and agree that the Recitals set forth above are true and correct in all material respects and are incorporated into and made a part of this Agreement by this reference as if fully set forth herein.

In addition to the terms defined elsewhere in this Agreement, for purposes of this Agreement, the following terms shall have the following meanings:

“Agreement” means this Special Economic Development Grant and Project Agreement.

“Annual Term” means the period from January 1 to December 31 of the applicable calendar year.

“City” means the City of Daphne, Alabama.

“City Fee” means any and all municipal fees and charges imposed or collected by the City (or its departments) in connection with the approval, development, construction, commissioning, fit-out and operation of the Project, including permit, application, plan review, inspection, development /connection, building permit, right-of-way, sign, zoning/land use, certificate of occupancy, business license/tax receipt and other municipal fees and charges; excluding only (i) impact fees, if applicable and in effect, (ii) third-party pass-through charges imposed by another governmental entity or utility and required by non-waivable state law, and (iii) true user rates for ongoing utility consumption.

“City Fee Waiver” means the waiver of City Fees granted pursuant to Enabling Law and this Agreement.

“Commence Construction” or **“Commencement of Construction”** shall mean the first date that any physical site work is being performed, using appropriate equipment and manpower,

to develop and equip the Project and install necessary infrastructure to accomplish the objectives of the Project, including without limitation clearing, grading, demolition, excavation, installation of utilities, placement of footings or foundations, or other on-site construction activity.

“Commence Operations” or **“Commencement of Operations”** or **“Commencing Operations”** shall mean the first date that each of (a) the building(s) constructed for the Project has been issued a permanent or temporary certificate of occupancy following application therefor by the Developer from the appropriate governmental authority, (b) the Developer is operating the building(s) as the Project and (c) the Developer delivers to the City an officer’s certificate, in a form and substance satisfactory to the City, certifying that the Minimum Investment has occurred.

“Developer” means TFH Daphne 2026, LLC, and its successors and permitted assigns, including, without limitation, any affiliate of Developer, any lender, mortgagee, or beneficiary of a deed of trust, that acquires Developer’s interest in the Project, Project Site, or this Agreement by foreclosure, deed in lieu, assignment, or other transfer.

“Enabling Law” means Amendment No. 750/772 of the Constitution of Alabama of 1901, as amended.

“Incentive Commencement Date” means the first day of the calendar month following the month in which Commencement of Operations occurs.

“Minimum Investment” has the meaning set forth in Section 4.01 of this Agreement.

“Project” has the meaning set forth in the Recitals.

“Project Site” has the meaning set forth in the Recitals.

“Special Pledged Taxes” means seventy-five percent (75%) of the sales and use tax, lodgings tax, and ad valorem tax levied by and paid to the City from business conducted in relation to the Project, or due to property owned, in the Project Site after Commencement of Operations through the Maturity Date (as defined in the Warrants), excluding any lodging tax levied by and paid to the City that is calculated on a dollar amount per night per room basis (but not excluding any lodging tax based on a percentage of the charge of such room, rooms, lodgings, or accommodations, including the charge for use or rental of personal property and services furnished in relation to such rooms).

“Termination Date” means the earlier of (i) the twenty-fifth (25th) anniversary of the Incentive Commencement Date or (ii) the date on which the City has paid the Developer the full amount of \$8,000,000 in Special Pledged Taxes.

ARTICLE 2
REPRESENTATIONS AND WARRANTIES

SECTION 2.01 The City

The City is duly organized as a municipal corporation under the laws of the State of Alabama. The City represents that the City has the power and authority to enter into this Agreement, pursuant to the Enabling Law, and to carry out its obligations hereunder and by proper action the City has duly authorized the execution, delivery, and performance of this Agreement. The City has or shall perform all acts required by Enabling Law, including without limitation notice and public meeting requirement, to enter into this Agreement and validate this Agreement and the Warrant. Neither the authorization, execution and delivery of, nor the performance of, this Agreement by City, violates, constitutes a default under or a breach of (a) any agreement, instrument, contract, mortgage, ordinance, resolution or indenture to which the City is a party or to which the City or its assets or properties are subject; or (b) any law, judgment, decree, order, resolution, rule, regulation, consent or ordinance applicable to the City or any of its assets or properties. There is not now pending nor, to the knowledge of the City, threatened, any litigation affecting the City which questions (i) the validity or organization of the City, (ii) the members, titles or positions of the members of the governing body or the manner in which the officers of the City are selected or (iii) the subject matter of this Agreement. Except for approvals, resolutions, notices, ordinances or other actions or waiting periods already obtained, maintained or observed, as the case may be, no approval, resolution, hearing, notice, ordinance or other action or waiting period is required in order for the Agreement to constitute the legally binding obligation of the City. This Agreement, upon its execution and delivery, shall become the legally binding obligation of the City enforceable in accordance with its terms.

SECTION 2.02 The Developer

The Developer hereby represents as follows:

- (a) The Developer is duly organized and validly existing as a limited liability company in good standing under the laws of the State of Alabama and is duly qualified to do business in the State of Alabama.
- (b) The Developer has the limited liability company power and authority to enter into this Agreement and to carry out its obligations hereunder and by proper limited liability company action the Developer has duly authorized the execution, delivery and performance of this Agreement.
- (c) No consent or approval by, or filing with, any governmental authority in the State of Alabama is required for the execution or delivery of this Agreement by the Developer or for the full effectiveness or enforceability thereof under the laws of the State of Alabama.

(d) Except as otherwise disclosed in writing to City by Developer as of the date hereof and from time to time hereafter, there is no action, suit, proceeding, inquiry or investigation pending before any court or governmental authority, or threatened in writing against or affecting the Developer, which involves the consummation of the transactions contemplated by, or the validity of, this Agreement.

ARTICLE 3

DURATION OF AGREEMENT

SECTION 3.01 General

This Agreement and the obligations of the City and the Developer herein shall become effective as of the Effective Date and shall remain in effect until the Termination Date, except with respect to any provision or term herein which expressly survives termination of this Agreement and remains in effect from and after the Termination Date.

SECTION 3.02 Early Termination by the City

The City shall have the right to terminate this Agreement early if the Developer fails to Commence Operations on or prior to August 1, 2030; provided, however, such deadline shall be extended automatically to the extent that the Developer is prevented or hindered from Commencing Operations due to any of the following causes beyond the Developer's reasonable control: (1) acts of God, storm, hurricane, tropical storm/depression, tornado, earthquake, or other natural disaster or extreme weather event, epidemic, pandemic, or other public health emergency, (2) flood, fire or explosion, (3) war, invasion, riot or other civil unrest, (4) governmental order or law, (5) actions, embargoes or blockades in effect on or after the date of this Agreement, (6) action by any governmental authority, (7) national or regional emergency, (8) strikes, labor stoppages or slowdowns or other industrial disturbances, (9) shortage of adequate power or transportation facilities, failure of power, interruption of utilities, or other infrastructure outages, or (10) any third-party challenge, protest, appeal, or litigation relating to the Project's land-use or development approvals, permits, or other governmental authorizations, or any action, proceeding, or litigation challenging this Agreement, its validation, and/or the issuance or validity of the Warrants. (a "Force Majeure Event"). Upon a Force Majeure Event, the affected Party shall provide written notice of the occurrence of the Force Majeure Event to the other Party and shall be entitled to an extension of any applicable deadlines under this Agreement for the period of delay actually caused thereby, with such deadline automatically extended in increments of thirty (30) days for as long as the Force Majeure Event continues or prevents or hinders performance by the Party. In no event shall a Force Majeure Event (i) constitute a default by Developer, (ii) serve as a basis for City's termination of this Agreement or reduction, suspension, or recapture of incentives, or (iii) shorten or otherwise impair the incentive term, incentive commencement, or any payment obligation of the City.

ARTICLE 4
AGREEMENTS AND OBLIGATIONS OF THE DEVELOPER

SECTION 4.01 Agreements of the Developer Regarding City Special Economic Development Grant Funds and City Fees

The Developer covenants and agrees with the City that Developer shall:

(a) Pay or provide for the costs of the Project and cause the Project to be constructed pursuant to the requirements of this Agreement. The Project will include a minimum investment (including without limitation amounts attributable the Project Site and/or land for the Project, soft costs, professional services costs, attorneys fees, financing or loan costs, insurance costs, development and construction costs, personal property costs, operational costs, and other costs or expenditures of Developer or its affiliates/principals associated with the Project, whether or not such amounts are financed, borrowed, advanced, or considered equity expenditures) by Developer in capital improvements and related Project costs of approximately Thirty Million Dollars (\$30,000,000) (the “Minimum Investment”). The Developer will Commence Construction of the Project by August 1, 2028, and will Commence Operations on or before August 1, 2030, subject to any extensions for one or more Force Majeure Event. An officer of the Developer will certify to the City, prior to receiving payment on the Warrant, that it has met the Minimum Investment and that Commencement of Operations has occurred. Notwithstanding the foregoing or anything herein to the contrary, in the event Developer provides reasonable documents or materials to the City to evidence the Minimum Investment has occurred in the approximate amount stated herein, such shall be conclusive evidence that Developer has made the Minimum Investment, and in any event, the City shall have no right to audit Developer’s records, financials, or materials related to the Minimum Investment.

(b) In the construction of the Project, comply with all regulations, rules and ordinances of the City with respect thereto.

(c) The Developer shall proceed with the development of the Project in a commercially reasonable manner and shall proceed on a commercially reasonable schedule as economic conditions allow or as otherwise determined by Developer in its reasonable discretion. For clarification purposes, the requirements for Commencement of Construction in Section 4.01(a), for Commencement of Operations in Section 4.01(a) and any other requirements for timing in this Agreement will control, subject to any extensions for one or more Force Majeure Event.

(d) In the development and operation of the Project, have The Fortuna Hotel as the anchor hotel of the Project. Notwithstanding the foregoing or anything herein to the contrary, Developer shall have the right, in its sole and absolute discretion at any time and from time to time, to enter into, modify, replace, or terminate any franchise, branding, licensing, soft-brand, or management arrangement and re-franchise, re-brand, or re-flag the Project without City consent or approval and without affecting City’s obligations or incentives, so long as the Project continues

to include a full-service hotel and the resulting brand or franchisor is reasonably comparable to or better than the prior brand (deemed satisfied if the resulting brand or franchisor is within the Smith Travel Research upscale (4th level) chain scale, equivalent thereto, or higher). A temporary unbranded transition period of up to twelve (12) months is permitted for any change.

(e) The Developer shall be responsible for all costs incident to the Project, other than the City's costs and City Fees pursuant to the City Fee Waiver, including costs for acquisition and preparation of the Property for design, development, financing, construction, acquisition and installation costs of the Project, and for payment of its own fees with respect to the development of the Project, including, but not limited to, legal, accounting, engineering, surveying, title work, architectural, construction and environmental services.

(f) Reimburse the City for (i) the costs and legal fees relating to this Agreement and the Warrant and validation proceedings, if any, relating to the same, and (ii) any and all reasonable costs (including reasonable attorneys' fees and expenses) arising out of or resulting from any challenge to this Agreement, the Project, or the Warrant in any validation proceedings or Amendment 750/772 proceedings relating to the same, or litigation challenging the City's authority to enter into the same. Developer shall reimburse the City for its costs and legal fees incurred to date within thirty (30) days following execution of this Agreement, and shall reimburse the City for the balance of its costs and legal fees related to validation within thirty (30) days of a final ruling in the validation proceedings. The City may pursue an appeal of any adverse final ruling in the validation proceedings; provided, however, that Developer shall not be required to reimburse the City for any costs or legal fees incurred in connection with such appeal unless Developer has consented in writing to the appeal. The City shall provide Developer with reasonable documentation, bills, and/or invoices evidencing amounts to be reimbursed under this subsection. Upon written request of Developer, City or City's legal counsel shall provide reasonable documentation and information concerning the validation proceedings, and the City shall provide Developer prompt written notice if this Agreement is challenged in any validation proceedings or any materially adverse events occur in relation to the validation proceedings. The agreements and covenants of this Section 4.01 (f) shall survive the expiration or termination of this Agreement.

(g) Comply, and cause its officers, agents, contractors and employees to comply, with all applicable federal, state, and local statutes, regulations, rules, ordinances and other laws applicable to the Project.

(h) The plans and specifications for the Project shall be subject to the reasonable approval of the City. The City agrees that its approval will not be unreasonably withheld, conditioned, or delayed and the City acknowledges that the plans and specifications of the Project may change numerous times and from time to time as leases and other contracts are executed for the Project and as may be reasonably required throughout the development of the Project. Such approval shall not amount to an approval of the Project's conformity with applicable building codes and other usual inspection approvals by the City applicable to any new construction in the

City, which such approval process shall proceed in the normal course, provided that, to the extent reasonably possible, the City shall expedite its review in the permitting, licensing, approvals, and certificates of occupancy processes to permit development, construction, Commencement of Construction and the Commencement of Operations for the Project to proceed on an expedited basis. The City covenants not to intentionally and/or wrongfully delay or fail to issue any permits, licenses, approvals, certificates of occupancy or other consents applicable in the Project in the ordinary course of business of the City.

SECTION 4.02 Special Agreements of Developer

The Developer covenants and agrees with the City:

The Developer agrees to defend, protect, indemnify, and hold harmless the City, its agents, employees, and members of its governing body, from and against all claims or demands, including actions or proceedings brought thereon, and all costs, expenses, and liabilities of any kind relating thereto, including reasonable attorney's fees and costs of suit, arising out of or resulting from any of the following, provided, however, that the foregoing indemnity will not extend to the gross negligence or willful misconduct of the City, its agents, employees, and members of its governing body: (i) this Agreement, (ii) any construction activity performed by Developer, or anyone claiming by through, or under Developer; and (iii) any loss of life, personal injury, or damage to property arising from or in relation to the entry upon, construction, use, operation or occupancy of the Project, including, without limitation, tenants, customers and invitees of the Project and/or Developer. The agreements and covenants in this Section 4.02 shall survive the termination of this Agreement.

SECTION 4.03 City Fee Waiver Cooperation of Developer

Developer shall (a) identify applicable City Fees and provide reasonable supporting information for City's waiver and administration thereof; (b) ensure applicants reference the City Fee Waiver and any City Fee Waiver certificate/letter when applying for permits, licenses, approvals or other items with an associated City Fee; and (c) promptly notify the City of any inadvertently assessed or paid City Fees so that refund/credit may be processed as provided in this Agreement.

ARTICLE 5

AGREEMENTS AND OBLIGATIONS OF THE CITY

SECTION 5.01 Agreement of City Regarding Special Economic Development Grant Funds

The City covenants and agrees with the Developer that:

(a) In order to provide economic incentives to and to reimburse the Developer for capital expenditures and related Project costs incurred in the development, construction, and

operation of the Project, the City shall issue a warrant to the Developer as further provided in Article 6 hereof (the “Warrant”) in accordance with (i) (A) the Enabling Law, (B) Section 11-47-2 of the Code of Alabama (1975) and (C) other constitutional and statutory authority supplemental thereto ((A), (B) and (C), collectively the “Warrant Act”), and (ii) an ordinance to be duly adopted by the City authorizing the issuance of the Warrant in the principal amount of not to exceed Eight Million and NO/100 Dollars (\$8,000,000) (the “Warrant Ordinance”).

(b) [Intentionally Deleted.]

(c) Notwithstanding anything in this Agreement to the contrary, the City shall have no obligation to pay any Special Pledged Taxes or any other payment which may otherwise accrue hereunder at any time that an Event of Default by the Developer has occurred and is continuing, provided that such obligation of the City shall recommence upon Developer’s cure of such an Event of Default. The City shall be entitled to offset any payments due to the Developer under this Agreement against documented amounts owed to the City by the Developer.

(d) The City shall provide for the coordination and submission of the Amendment 750/772 Resolution of the City, the Warrant Ordinance and the issuance of the Warrant, and procedures and requirements related thereto, and, upon issuance of the Warrant, the City shall establish a segregated Warrant Fund (as defined in the Warrant Ordinance) to receive and pay out all Special Pledged Taxes to Developer, to be administered by the Paying Agent .

(e) The City, in cooperation with Developer and its legal counsel (if any), shall cause the obligations of the City under this Agreement, the Warrant Ordinance and the Warrant to be validated and confirmed by a judgment to be entered by the Circuit Court of Baldwin County, Alabama, in accordance with Section 6-6-755 of the Code of Alabama (1975), or other applicable statutes or authority, and the obligations and covenants of the City under this Agreement, the Warrant Ordinance and the Warrant, including, without limitation, adoption of appropriate proceedings, execution of pleadings and providing such documentary and testimonial evidence as shall be reasonably required in furtherance of such validation proceeding. In the event this Agreement is challenged during the validation proceedings and such challenge(s) results in an adverse ruling, the City and Developer shall reasonably and in good faith confer to determine the basis for such adverse ruling and, to the extent permitted by law, cooperate to amend, modify, or supplement this Agreement, the Warrant Ordinance, and the Warrant as necessary to cure or address the matters giving rise to the adverse ruling, and to resubmit the amended documents for validation or approval in a manner that is intended to permit the issuance of a favorable validation judgment. Pending such efforts, all performance deadlines shall be tolled, and neither party shall be deemed in default solely by reason of an adverse ruling in validation proceedings.

(f) The City acknowledges and agrees that Developer and/or successor owner of the Project Site may engage a third-party or affiliated management company to manage the Project’s day-to-day operations and that branding, trademarks, intellectual property, trade dress, logos, and other intellectual property used at or in relation to the Project may be owned or controlled by such management company and/or a hotel franchisor or brand. The use of a management company,

franchisor, and/or the ownership or control of branding or IP by such party shall not constitute an Event of Default, shall not require City consent or approval, and shall not be deemed an assignment of this Agreement, the Warrant Ordinance, or the Warrant. For the avoidance of doubt, Developer remains liable for all obligations hereunder, and any change in management or brand shall not diminish the City's rights or the Developer obligations under this Agreement.

SECTION 5.02 Agreement of City Regarding City Fee Waiver

The City covenants and agrees with the Developer that:

(a) Acting pursuant to Enabling Law, and as part of the City's special economic development support for the Project, the City hereby grants a City Fee Waiver of all City Fees with respect to the permitting, approval, development, construction, commissioning, fit-out and operation of the Project to the maximum extent permitted by applicable law. This Agreement shall constitute the City's Fee Waiver and be sufficient evidence of the City's Fee Waiver; Developer's presentation of this Agreement to any City department, official, employee, or agent shall constitute sufficient evidence for the City and such city personnel to waive a City Fee.

(b) The City shall (i) direct all City departments to recognize the City Fee Waiver and to issue permits, approvals and licenses without assessing City Fees; (ii) issue to Developer a Fee Waiver Certificate/Letter for presentation with applications; and (iii) designate a City administrator to coordinate and resolve fee-related questions promptly.

(c) If any City Fees are inadvertently assessed against or paid by Developer, the City shall, within thirty (30) days after written notice, refund such amounts or credit them against other amounts (if any) otherwise payable by Developer to the City.

(d) The City Fee Waiver applies only to municipal fees within the City's control and does not waive: (i) charges that state law expressly prohibits a municipality from waiving; (ii) levies imposed by non-City entities; or (iii) pass-through fees collected solely on behalf of another governmental entity or utility.

(e) The City Fee Waiver is a binding obligation of the City granted pursuant to Enabling Law and this Agreement, and shall not be offset against amounts payable under the Warrant or otherwise reduce the City's obligations regarding the Warrant Fund or Special Pledged Taxes. The City shall not repeal or materially impair the City Fee Waiver as applied to the Project after the Effective Date of this Agreement, except to the extent required by a change in applicable law of general application.

SECTION 5.04 Developer's Rights Under the Warrant and City Fee Waivers

The Parties acknowledge and agree that Developer's lender(s), mortgagee(s), beneficiary(ies) under a deed of trust, equity investor(s), or other parties holding interest in the Project or Developer may require a collateral assignment of the Developer's rights under this Agreement and/or the Warrant. In the event that any such collateral assignment is required, Developer shall have the right to collaterally assign its rights under this Agreement and/or the Warrant, whether at the closing of a construction loan or another time and from time to time. As a component of such collateral assignment of Developer's rights under this Agreement and/or the Warrant, the City shall execute and deliver such consent(s) of collateral assignment and/or estoppel certificates in the form and substance reasonably required by Developer and/or such aforementioned interested parties for the Project, and if required by Developer and/or such aforementioned interest parties pursuant to the express terms of such collateral assignment form, the City shall provide the benefits, abatements, and waivers under this Agreement and/or the Warrant directly to such interest parties. Furthermore, the Parties acknowledge and agree that Developer shall have the right to transfer Developer's rights, benefits, and obligations under this Agreement, the Warrant, and/or Warrant Ordinance as provided in Section 8.06(c) hereof.

ARTICLE 6 **THE WARRANT**

SECTION 6.01 Warrant Provisions

The City covenants and agrees to promptly conduct appropriate proceedings and satisfy necessary requirements to adopt the Warrant Ordinance and issue the Warrant. The Warrant, in accordance with the Warrant Ordinance and the Warrant Act, shall:

- (a) have a maturity date on the twenty-fifth (25th) anniversary of the Incentive Commencement Date, which is a maturity date not exceeding thirty (30) years from the date of issuance thereof pursuant to the Warrant Act;
- (b) not bear interest;
- (c) to the extent permissible under applicable law, be evidenced and structured so as to be exempt under Alabama law from the constitutional debt limit of the City;
- (d) be payable only if the Developer is in compliance with its obligations under this Agreement; and
- (e) be payable monthly on the last day of each month following the Incentive Commencement Date solely from, and secured solely by, the Special Pledged Taxes, and shall not constitute a general obligation, or charge against the general credit or taxing power, of the City.

SECTION 6.02 Repayment

The Warrant Ordinance shall provide that the Special Pledged Taxes shall be applied to the payment of the debt service on the Warrant until the earlier of (i) the date that is twenty-five (25) years from the Incentive Commencement Date or (ii) the Warrant is paid in full (i.e., \$8,000,000.00), and that any all other taxes or revenues relating to the Project Site shall be retained by the City to be used for any lawful purposes.

SECTION 6.03 Costs of Issuance

If not otherwise reimbursed to the City or paid directly by Developer pursuant to the terms of this Agreement, the costs of issuance of the Warrant shall be withheld by the City from the Special Pledged Taxes prior to repayment of amounts owed under the Warrant to the Developer.

SECTION 6.04 Conditions

The conditions on which the funds under the Warrant will be drawn by the Developer will be set forth in detail in the Warrant Ordinance.

SECTION 6.05 [Intentionally Deleted.]

SECTION 6.06 Developer's Rights Under the Warrant

The Parties acknowledge and agree that Developer's lender(s), mortgagee(s), beneficiary(ies) under a deed of trust, equity investor(s), or other parties holding interest in the Project or Developer may require a collateral assignment of the Developer's rights under this Agreement, Warrant, and/or Warrant Ordinance. In the event that any such collateral assignment is required, Developer shall have the right to collaterally assign its rights under this Agreement, Warrant, and/or Warrant Ordinance, whether at the closing of a construction loan or another time and from time to time. As a component of such collateral assignment of Developer's rights under this Agreement, the Warrant, and/or the Warrant Ordinance, the City shall execute and deliver such consent(s) of collateral assignment and/or estoppel certificates in the form and substance reasonably required by Developer and/or such aforementioned interested parties for the Project, and if required by Developer and/or such aforementioned interest parties pursuant to the express terms of such collateral assignment form, the City will make payments under the Warrant directly to such interest parties.

ARTICLE 7

EVENTS OF DEFAULT AND REMEDIES

SECTION 7.01 Events of Default

Any one or more of the following shall constitute an event of default by the City or the Developer hereunder (an "Event of Default") under this Agreement:

(a) default in the performance, or breach, by the City of any covenant or warranty of the City in this Agreement (including without limitation the City's failure to make any payment or reimbursement to Developer when due under this Agreement, the Warrant, and/or the Warrant Ordinance; provided, however, that such a payment or reimbursement will be considered timely made if made within ten (10) business days of the due date thereof), and the continuance of such default or breach for a period of 30 days after there has been given, by registered or certified mail, to the City by the Developer a written notice specifying such default or breach and requiring it to be remedied and stating that such notice is a "notice of default" hereunder, provided that if such default is of a kind which cannot reasonably be cured within such thirty-day period (e.g., excluding a default in City's obligations to make payments to Developer), the City shall have a reasonable period of time within which to cure such default, not to exceed ninety (90) days, provided that it begins to cure the default promptly after its receipt of such written notice and proceeds in good faith, and with due diligence, to cure such default;

(b) default in the performance, or breach, by the Developer of any covenant or warranty of the Developer in this Agreement, and the continuance of such default or breach for a period of 30 days after there has been given, by registered or certified mail, to the Developer by the City a written notice specifying such default or breach and requiring it to be remedied and stating that such notice is a "notice of default" hereunder, provided, that if such default is of a kind which cannot reasonably be cured within such thirty-day period, the Developer shall have a reasonable period of time within which to cure such default, provided that it begins to cure the default promptly after its receipt of such written notice and proceeds in good faith, and with due diligence, to cure such default, provided that during any Developer Event of Default and prior to cure, the City shall continue to deposit Special Pledged Taxes into the Warrant Fund (as defined in the Warrant Ordinance) but may withhold disbursement; upon cure, the City shall release and payout all withheld amounts.; or

(c) initiation of bankruptcy, reorganization, liquidation, dissolution or receivership proceedings of the Developer, whether voluntary or involuntary, which are not withdrawn or dismissed within 60 days thereafter, or the Developer's making an assignment for the benefit of creditors (except as expressly contemplated in Section 6.05 hereof).

SECTION 7.02 Remedies

(a) Each party may, upon the occurrence of an Event of Default and the expiration of any cure or grace period therefor, by written notice to the other party, terminate this Agreement and the obligations thereof without recourse except with respect to such rights or obligations as shall have theretofore vested or which shall be set forth in agreements or provisions which by the express terms thereof survive such termination of this Agreement.

(b) Each party hereto may proceed to protect its rights and interests by suit in equity, action at law or other appropriate proceedings, provided that only Developer (and any successor

or permitted assignee) may seek specific performance; the City shall have no right to specific performance or mandatory injunctive relief against Developer, including any order to construct, complete, open, operate, maintain, brand, or make capital expenditures for the Project; otherwise, City and Developer may seek any remedy available at law or in equity, provided that the City shall not be entitled to and hereby waives any and all rights to seek and/or recover any punitive, incidental, or consequential damages, whether arising at law or in equity related to this Agreement, the Warrant, Warrant Ordinance, and/or the Project.

SECTION 7.03 Remedies Subject to Applicable Law

All rights, remedies and powers provided by this Agreement may be exercised only to the extent the exercise thereof does not violate any applicable provision of law in the premises, and all the provisions of this Article are intended to be subject to all applicable mandatory provisions of law which may be controlling in the premises and to be limited to the extent necessary so that the same will not render this Agreement invalid or unenforceable.

ARTICLE 8 **PROVISIONS OF GENERAL APPLICATION**

SECTION 8.01 Severability

If any provision of this Agreement or the application thereof to any person or circumstance shall, at any time or to any extent, be invalid or unenforceable, and the basis of the bargain between the parties hereto is not destroyed or rendered ineffective thereby, the remainder of this Agreement, or the application of such provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby.

SECTION 8.02 Prior Agreements Cancelled

This Agreement (including any agreements and exhibits referred to herein) constitutes the entire agreement among the parties hereto and supersedes any prior understandings, agreements or representations by or among the parties hereto, whether written or oral, to the extent they relate to the subject matter hereof. No stipulations, agreements or understandings of the parties hereto shall be valid or enforceable unless contained in this Agreement. None of the parties hereto shall hereafter have any rights under any of such prior agreements, but shall look to this Agreement for definition and determination of all of their respective rights, liabilities and responsibilities relating to the matters contained herein.

SECTION 8.03 Counterparts

This Agreement may be executed in counterparts, including electronic counterparts, each of which shall constitute but one and the same agreement and shall be deemed an original.

SECTION 8.04 Binding Effect; Governing Law

- (a) This Agreement shall inure to the benefit of, and shall be binding upon, the parties hereto and their respective permitted successors and assigns except as otherwise provided herein.
- (b) This Agreement shall be governed exclusively by the laws of the State of Alabama.
- (c) Any suit, action, or proceeding by any party hereto against any other party hereto arising out of or relating to this Agreement or any transaction contemplated hereby shall only be brought in the state courts in Baldwin County, Alabama, and each party hereto hereby submits to the exclusive jurisdiction of such courts for the purpose of any such suit, action, or proceeding.

SECTION 8.05 Notices

- (a) All notices, demands, consents, certificates or other communications hereunder shall be in writing, shall be sufficiently given and shall be deemed given when delivered personally to the party or to an officer of the party to whom the same is directed, or mailed by registered or certified mail, postage prepaid, return receipt requested, or sent by overnight courier, addressed as follows:

To City:

City of Daphne
1705 Main Street
Daphne, AL 36526
Attn: Mayor; Finance Director

To Developer:

TFH Daphne 2026, LLC
c/o 68 Ventures
707 Belrose Ave.
Daphne, AL 36526
Attn: Nathan Cox; Caldwell Cunningham;
Cameron Thatcher

With copy to:

Adams and Reese, LLP
11 North Water Street, Suite 23200
Mobile, Alabama 36602
Attn: Jay Ross; Patrick Dungan

With copy to:

Byrd Campbell, P.A.
180 Park Avenue North, Suite 2A
Winter Park, FL 32789
Attn: James Campbell; James Wallace; Jake
Paglialonga

Any party may change its address for receiving notice by giving notice of a new address in the manner provided herein.

- (b) Any such notice or other document shall be deemed to be received as of (i) the date delivered, if delivered personally, (ii) the date delivered, as evidenced by the signed return receipt, if delivered by registered or certified mail, or (iii) the next business day, if sent by overnight courier.

SECTION 8.06 Delegation and Assignment of this Agreement; Transfer of the Project

(a) Except as otherwise provided in Section 6.06 or 8.06(c) of this Agreement, the Developer shall not have the authority or power to, and shall not, assign, hypothecate, pledge, or transfer any interest or right of the Developer in or to this Agreement, or assign, delegate or transfer any duty or obligation of the Developer to observe or perform any agreement, covenant or obligation of the Developer under this Agreement, to any person or entity except upon the prior written consent of the City as set forth in a resolution of the governing body of the City with respect thereto. Notwithstanding the foregoing or anything herein to the contrary, Developer shall have the right, without the consent or other approval of City, to assign or otherwise transfer Developer's interests in or to the Project or any portions thereof, and in, to, or under this Agreement, the Warrant, and/or Warrant Ordinance to an affiliate of Developer. Additionally, notwithstanding anything in this Agreement to the contrary, Developer shall have the right, without the consent or other approval of City, to lease, re-lease, sublease, assign, or transfer restaurant portions of the Project and related operational duties and responsibilities to a third-party, provided that such third-party shall operate a high-end restaurant (on a relative basis) at the Project.

(b) The City shall not have the authority or power to, and shall not, assign, delegate or transfer any duty or obligation of the City to observe or perform any agreement, covenant or obligation of the City under this Agreement except upon the prior written consent of the Developer, or any successor or assign thereof approved by the City to the extent required under Section 8.06(a).

(c) Notwithstanding anything in this Agreement, the Warrant, and/or Warrant Ordinance to the contrary, Developer may sell, convey, or otherwise transfer all or any portion of the Project and/or its ownership interests in the Project or Developer without City consent, provided that Developer has achieved the Commencement of Operations and operated the Project for a period of four (4) years from the date of Commencement of Operations. In the event of such permitted transfer, Developer will deliver to City not less than thirty (30) days' prior written notice identifying the transferee (and if requested by City, reasonable documentation supporting the satisfaction of the foregoing condition) and the contemplated date that such transfer will be consummated, and at or prior to such consummation, the transferee will execute and deliver to the City a written assumption of Developer's obligations under this Agreement, the Warrant, and/or Warrant Ordinance (to the extent of the interests being transferred). Upon such delivery, all of Developer's rights (including the right to receive City Fee Waivers and reimbursements/payments under the Warrant) and obligations with respect to the interests transferred shall automatically run to and be binding upon the transferee (to the extent of the interests transferred), and Developer shall be released from obligations accruing after the transfer with respect to the interests transferred (but shall remain responsible for any accrued and uncured obligations as of the date of consummation). Any subsequent transfer(s) may occur on the same terms or as otherwise expressly allowed under this Agreement. City shall update its records and the Warrant register to reflect any such transfer upon receipt of customary documentation in accordance with the Warrant Ordinance.

SECTION 8.07 Amendments, Modification and Non-Waiver

This Agreement may be amended or supplemented only by an instrument in writing duly authorized, executed and delivered by each Party hereto. No waiver by any Party of any breach or default of any term, condition, or provision hereof shall be deemed a waiver of any other or subsequent breaches or defaults of any kind, character, or description under any circumstance. No waiver of any breach or default of any term, condition, or provision hereof shall be implied from any action of either Party and any such waiver, to be effective, shall be set out in a written instrument signed by the waiving Party.

SECTION 8.08 Limitation of Liability

Other than the liability for failure to issue and pay the Warrant pursuant to the terms of this Agreement, the City shall not be liable to Developer for any commercial loss, inconvenience, loss of use, time, data, goodwill, revenues, profits or savings, or other loss; or other special, indirect, consequential or incidental damages which, in any manner directly or indirectly, is connected with or arises out of the agreements or obligations of Developer contemplated by this Agreement, or is connected with or arises out of any of the obligations of the City, or arises out of the failure of the City to perform any of the obligations made by and imposed under this Agreement, regardless of whether such special, indirect, consequential or incidental damage is contended, or ultimately shown or held, to be caused, in whole or in part, by the acts or omissions of the City. This limitation of liability shall survive the expiration or termination of this Agreement.

SECTION 8.09 Relationship of the Parties

The City and Developer agree that nothing contained in this Agreement, nor any act of Developer or any act of the City shall be deemed or construed by either of the parties hereto, or by third persons, to create any relationship of a third party beneficiary hereof, or of principal and agent, or of a limited or a general partnership or of a joint venture or of any association or relationship between Developer and the City other than as independent contractors in a contract entered into at arm's length. Notwithstanding any of the provisions of this Agreement, it is agreed that the City has no investment or equity interest in the business of Developer and shall not be liable for any debts of Developer, nor shall the City be deemed or construed to be a partner, joint venturer or otherwise interested in the assets of Developer, nor shall Developer at any time or times use the name or credit of the City in purchasing or attempting to purchase any equipment or supplies or other things whatsoever.

SECTION 8.10 Estoppel Certificates

Upon written request from Developer (with respect to any purchaser, transferee, or lender for the Project, as designated by Developer), the City shall, within fifteen (15) days, execute and deliver an estoppel certificate in the form and substance reasonably requested by Developer, addressing such customary matters as Developer reasonably specifies, and permitting reliance by

the addressee and its successors and assigns. If the City fails to deliver within such period, then at Developer's election, the City shall be deemed to have certified that (i) this Agreement and the Warrant Ordinance (including the Warrant) are in full force and effect with no written notice of any uncured Developer Event of Default, and (ii) the City asserts no offsets or defenses to payment under the Warrant as of that date. The City shall not unreasonably withhold, condition, or delay any such estoppel certificate.

[Signature Page to Follow]

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

CITY:

CITY OF DAPHNE, ALABAMA

By: _____
Robin LeJeune, Mayor

{SEAL}

ATTEST:

Jessica Linne, Interim City Clerk

DEVELOPER:

TFH DAPHNE 2026, LLC

By: _____
Name: _____
Its: _____

STATE OF _____

COUNTY OF _____

I, _____, a Notary Public in and for the State and County aforesaid, hereby certify that _____, whose name as _____ of TFH DAPHNE 2026, LLC, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of such instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said company.

Given under my hand and official seal on this ____ day of _____, 2026.

Notary Public
My commission expires: _____

[SEAL]

EXHIBIT A

OVERALL SURVEYED LANDS DESCRIPTION:

BEGIN AT A 1 INCH CRIMP TOP IRON FOUND ON THE SOUTHWEST CORNER OF PARCEL A, LITTLE BETHEL BAPTIST/OLDE TOWNE REPLAT, AS SHOWN IN MAP OR PLAT THEREOF RECORDED IN SLIDE 2705-E, PROBATE RECORDS, BALDWIN COUNTY, ALABAMA; THENCE RUN S00°20'25"W, A DISTANCE OF 10.22 FEET TO A 5/8 INCH CAPPED REBAR FOUND (CA-1109-LS) ON THE NORTH RIGHT-OF-WAY OF BALDWIN COUNTY HIGHWAY NO. 64; THENCE RUN N89°39'42"W, ALONG SAID NORTH RIGHT-OF-WAY, A DISTANCE OF 75.00 FEET TO A 1 INCH OPEN END PIPE FOUND; THENCE RUN N00°18'18"E, DEPARTING SAID NORTH RIGHT-OF-WAY, A DISTANCE OF 157.00 FEET TO A 1/2 INCH REBAR FOUND; THENCE RUN S89°25'34"E, A DISTANCE OF 75.10 FEET TO A 1 INCH CRIMP TOP IRON FOUND; THENCE RUN N88°18'46"E, A DISTANCE OF 8.92 FEET TO A 1/2 INCH REBAR FOUND; THENCE RUN N05°30'51"E, A DISTANCE OF 77.64 FEET TO A 1/2 INCH CAPPED REBAR FOUND (FAIRHOPE); THENCE RUN N00°25'21"E, A DISTANCE OF 155.69 FEET TO A 5/8 INCH CAPPED REBAR FOUND (CA-1109-LS); THENCE RUN S89°44'56"E, A DISTANCE OF 59.25 FEET TO A 1 INCH CRIMP TOP IRON FOUND; THENCE RUN S89°37'07"E, A DISTANCE OF 131.79 FEET TO A 1 INCH CRIMP TOP IRON FOUND; THENCE RUN S00°20'05"W, A DISTANCE OF 379.47 FEET TO A 5/8 INCH CAPPED REBAR FOUND (CA-1109-LS) ON THE NORTH RIGHT-OF-WAY OF BALDWIN COUNTY HIGHWAY NO. 64; THENCE RUN N89°39'42"W, ALONG SAID NORTH RIGHT-OF-WAY, A DISTANCE OF 207.22 FEET TO THE POINT OF BEGINNING

LANDS CONTAINING 2.00 ACRES, MORE OR LESS, AND LYING IN SECTION 17, TOWNSHIP 5 SOUTH, RANGE 2 EAST, BALDWIN COUNTY, ALABAMA.

(DESCRIPTION COMPOSED FROM PROBATE RECORDS AND FIELD SURVEY)