<table>
<thead>
<tr>
<th>Title</th>
<th>Page No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>DRI Status Report – December 2012</td>
<td>1</td>
</tr>
<tr>
<td>- Hobe Grove</td>
<td></td>
</tr>
</tbody>
</table>
PROJECT NAME:  **Hobe Grove**

APPLICANT:  Becker B-14 Grove, Ltd.

JURISDICTION:  Martin County

SIZE:  2,823 acres

LOCATION:  Adjacent to the west side of the Florida Turnpike south of Bridge Road (CR 708)

POPULATION:  9,604

EMPLOYMENT:  10,500

USES:
- Residential  4,300 DU
- Town Center  650,000 SF
- Mixed Use Research, Office, Education  3,900,000 SF
- Hotel  180 Rooms

STATUS:  Preapplication meeting held on February 16, 2011.
Application for Development Approval submitted on May 27, 2011 and found insufficient on June 24, 2011.

Submittal of the sufficiency response was received on August 19, 2011 and found insufficient on September 15, 2011.

Letter dated January 5, 2012 from the applicant requesting a time extension to submit a response to questions contained in Council’s Determination of Informational Sufficiency dated September 15, 2011.

Letter sent to the applicant on January 10, 2012 agreeing to extend the time for response to December 1, 2012.

Letter dated November 6, 2012 from the applicant requesting a time extension to submit a response to questions contained in Council’s Determination of Informational Sufficiency dated September 15, 2011.

Letter sent to the applicant on November 26, 2012 agreeing to extend the time for response to June 1, 2013.

BUILDOUT DATE:  2031
PHASES: 4 phases as described in the following table:

<table>
<thead>
<tr>
<th>Phase</th>
<th>Years</th>
<th>Residential (DU)</th>
<th>Town Center (SF)</th>
<th>Mixed Use Research, Office, Education (SF)</th>
<th>Hotel (Rooms)</th>
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<tbody>
<tr>
<td>1</td>
<td>2012-2016</td>
<td>1,100</td>
<td>300,000</td>
<td>1,290,000</td>
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<tr>
<td>2</td>
<td>2017-2021</td>
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<td>975,000</td>
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<tr>
<td>3</td>
<td>2022-2026</td>
<td>1,050</td>
<td>125,000</td>
<td>975,000</td>
<td>80</td>
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<td>2027-2031</td>
<td>1,050</td>
<td>0</td>
<td>660,000</td>
<td>0</td>
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<tr>
<td>Total</td>
<td>2012-2031</td>
<td>4,300</td>
<td>650,000</td>
<td>3,900,000</td>
<td>180</td>
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</tbody>
</table>
November 26, 2012

Mr. Robert Asselbergs, President
Midbrook 1st Realty Corp.
c/o Coventry Development Corporation
1041 Third Avenue
New York, NY 10065

Subject: Hobe Grove Development of Regional Impact – Time Extension

Dear Mr. Asselbergs:

Council has received your letter of November 6, 2012 requesting a 6 month time extension to submit a response to questions contained in Council’s Determination of Informational Sufficiency dated September 15, 2011. Council agrees to extend the time for response to June 1, 2013. However, based on the response at that time, Council may request an additional pre-application meeting to ensure all application information is updated and that all local governments, agencies, and interested parties have the opportunity to ask questions and provide comments on the plan of development.

If you have any questions please call me.

Sincerely,

Michael J. Busha, AICP
Executive Director

MJB:lg
cc: Kevin J. Foley, TCRPC Chairman  
Warren W. Wilson, Coventry Development Corporation  
Thomas Hurley, Becker Holding Corp.  
Rick Hurley, Becker Holding Corp.  
Scott Hurley, Becker Holding, Corp.  
Tom Lindsey, Becker Holding, Corp.  
Rick Melchiori, Becker Holding, Corp.  
Bruce Barkett, Collins, Brown, Caldwell, Barkett  
Joseph Capra, P.E., Captec Engineering, Inc.  
Crystal Lucas, Resident  
Ed Weinberg, EW Consultants  
Tammy Simoneau, Economic Council  
Chad Kennedy, Florida Department of Environmental Protection  
Dianne Hughes, Florida Department of Environmental Protection  
Lee Hoefer, Florida Department of Environmental Protection  
Larry Hymanowitz, Florida Department of Transportation  
Ernie Cox, Family Lands Remembered  
Gustavo Schmidt, Florida Department of Transportation  
Chon Wong, Florida Department of Transportation  
James Stansbury, Florida Department of Economic Opportunity  
Laura Regalado, Florida Department of Economic Opportunity  
Jane Chabre, Florida Fish & Wildlife Conservation Commission  
Jennifer Goff, Florida Fish & Wildlife Conservation Commission  
Ben Shepherd, Florida Fish & Wildlife Conservation Commission  
Kim Samson, Florida Turnpike Enterprise  
Laura Kammerer, Florida Department of State  
Nick Blount, Florida Power & Light Company  
Samantha Saucier, Florida Power & Light Company  
Barbara Clowdus, Hobe Sound Current  
John Sickler, Town of Jupiter  
C. J. Lan, Town of Jupiter  
David Kemp, Town of Jupiter  
Gene Rauth, Town of Jupiter Island  
Wayne Bergman, Town of Jupiter Island  
Jackie Williams, Jupiter Island News  
Thomas J. Baird, Jones, Foster, Johnston & Stubbs, PA  
Thuha Lycew, Kittelson & Associates  
Morris Crady, Lucido & Associates  
Susan Kennedy, Loxahatchee River Coalition  
Andrew Dolhart, Miami Economic Assoc. Inc.  
Marge Ketter, Resident of Martin County  
Boyd Lawrence, Martin County School District  
J. Angel, Martin County School District  
Sarah Heard, Martin County Commissioner  
Anne Scott, Martin County Commissioner  
Ed Fielding, Martin County Commissioner  
Nicki Van Vonno, Martin County
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Clyde Dulin, Martin County  
Robert Steiner, Martin County  
Samantha Horowitz, Martin County  
Don Donaldson, Martin County  
Harry King, Martin County  
Jim Christ, Martin County  
Joseph Banfi, Martin County  
Kevin Kryzda, Martin County  
Krista Storey, Martin County  
Lisa Wichser, Martin County  
Beth Beltran, Martin County  
Doug Killane, Martin County Fire Rescue  
Daniel Wouters, Martin County Fire Rescue  
Donna Melzer, Martin County Conservation Alliance  
Mike Woolsey  
Maria M. Tejera, MTP Group  
Tom McNicholas, McNicholas & Associates  
Maureen Saltzer, McNicholas & Associates  
Allan Ennis, Palm Beach County Traffic  
Bryce Van Horn, Palm Beach County  
Lorenzo Aghemo, Palm Beach County  
Randy Whitfield, Palm Beach MPO  
Sally Swartz, Palm Beach Post  
George Andreassi, The Stuart News  
Jim Turner, Scripps  
Justin Fay, Sasaki Associates  
Richard F. Galehouse, Sasaki Associates  
Herman Schlosman, Sasaki Associates  
Terese Manning, South Florida Water Management District  
Rod Braun, South Florida Water Management District  
Jayne Bergstrom, South Florida Water Management District  
Paul Nicoletti, City of Stuart  
Terry O’Neil, City of Stuart  
Tom Reetz, City of Stuart  
Robert Kellogg, Town of Sewall’s Point  
Stuart Trent, South Martin Regional Utility  
Robert Raynes, Gunster Yoakley  
Susan O’Rourke, Susan E. O’Rourke, PE, Inc.  
Thomas Kenny, Harmony Ranch Development Company  
Carol Thompson, TBE Consultants  
Kristin Bennett, Tetra Tech  
U.S. Environmental Protection Agency  
Alisa Zarbo, U.S. Army Corps of Engineers  
Kristi Yanchis, U. S. Fish and Wildlife Service
"What is the Fiscal Cliff?"

By Thomas Kenny, About.com Guide

The Fiscal Cliff Explained

“Fiscal cliff” is the popular shorthand term used to describe the conundrum that the U.S. government will face at the end of 2012, when the terms of the Budget Control Act of 2011 are scheduled to go into effect.

Among the laws set to change at midnight on December 31, 2012, are the end of last year’s temporary payroll tax cuts (resulting in a 2% tax increase for workers), the end of certain tax breaks for businesses, shifts in the alternative minimum tax that would take a larger bite, the end of the tax cuts from 2001-2003, and the beginning of taxes related to President Obama’s health care law. At the same time, the spending cuts agreed upon as part of the debt ceiling deal of 2011 will begin to go into effect. According to Barron’s, over 1,000 government programs - including the defense budget and Medicare are in line for "deep, automatic cuts."

In dealing with the fiscal cliff, U.S. lawmakers have a choice among three options, none of which are particularly attractive:

- They can let the current policy scheduled for the beginning of 2013 – which features a number of tax increases and spending cuts that are expected to weigh heavily on growth and possibly drive the economy back into a recession – go into effect. The plus side: the deficit, as a percentage of GDP, would be cut in half.
- They can cancel some or all of the scheduled tax increases and spending cuts, which would add to the deficit and increase the odds that the United States could face a crisis similar to that which is occurring in Europe. The flip side of this, of course, is that the United States’ debt will continue to grow.
- They could take a middle course, opting for an approach that would address the budget issues to a limited extent, but that would have a more modest impact on growth.

Can a Compromise be Reached?

The oncoming fiscal cliff is a concern for investors since the highly partisan nature of the current political environment could make a compromise difficult to reach. This problem isn’t new, after all: lawmakers have had three years to address this issue, but Congress – mired in political gridlock – has largely put off the search for a solution rather than seeking to solve the problem directly. Republicans want to cut spending and avoid raising taxes, while Democrats are looking for a combination of spending cuts and tax increases. Although both parties want to avoid the fiscal cliff, compromise is seen as being difficult to achieve – particularly in an election year. There's a strong possibility that Congress won't act until the eleventh hour. Another potential obstacle is that the next Congress won't be sworn in until January 3, after the deadline.
The most likely outcome is another set of stop-gap measures that would delay a more permanent policy change until 2013 or later. Still, the non-partisan Congressional Budget Office (CBO) estimates that if Congress takes the middle ground – extending the Bush-era tax cuts but cancelling the automatic spending cuts – the result, in the short term, would be modest growth but no major economic hit.

**Possible Effects of the Fiscal Cliff**

If the current laws slated for 2013 go into effect, the impact on the economy could be dramatic. While the combination of higher taxes and spending cuts would reduce the deficit by an estimated $560 billion, the CBO estimates that the policies set to go into effect would cut gross domestic product (GDP) by four percentage points in 2013, sending the economy into a recession (i.e., negative growth). At the same time, it predicts unemployment would rise by almost a full percentage point, with a loss of about two million jobs. A Wall St. Journal article from May 16, 2012 estimates the following impact in dollar terms: “In all, according to an analysis by J.P. Morgan economist Michael Feroli, $280 billion would be pulled out of the economy by the sunsetting of the Bush tax cuts; $125 million from the expiration of the Obama payroll-tax holiday; $40 million from the expiration of emergency unemployment benefits; and $98 billion from Budget Control Act spending cuts. In all, the tax increases and spending cuts make up about 3.5% of GDP, with the Bush tax cuts making up about half of that, according to the J.P. Morgan report.” Amid an already-fragile recovery and elevated unemployment, the economy is not in a position to avoid this type of shock.

The cost of indecision is likely to have an effect on the economy before 2013 even begins. The CBO anticipates that a lack of resolution will cause households and businesses to begin changing their spending in anticipation of the changes, possible reducing GDP before 2012 is even over.

Having said this, it's important to keep in mind that while the term “cliff” indicates an immediate disaster at the beginning of 2013, the impact of the changes - while destructive over a full year - will be gradual at first. What's more, Congress can act to change laws retroactively after the deadline. As a result, the fiscal cliff won't necessarily be an impediment to growth even if Congress doesn't address the issue until after 2013 has already begun.