



July 12, 2016

Mr. Nick Mimms
City Manager
City of Ft. Pierce

Dear Mr. Mimms,

As you know, the Museum has broken ground on our project. With a target reopening date of November 5, 2016 time is of the essence.

I recently received a letter from the Governor congratulating us on receipt of the grant. It is so exciting to see it in black and white. The State's \$300,000 was the final key to the project. I am in the process of complying with the State's requirements for their contract between the Museum and the Florida Department of Cultural Affairs. In addition to a large number of record keeping requirements and paperwork, there is a requirement for the leaseholder (The City of Fort Pierce) to sign a Restrictive Covenant.

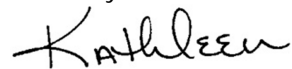
The Restrictive Covenant is a commitment by the property owner that the structure will be used as a cultural facility for at least ten years following receipt of the grant. It is not a requirement that the structure be used as a museum or by the A.E. Backus Museum, strictly that it be a cultural facility. Without a signed Restrictive Covenant, the state will not remit the \$300,000 for the project. I assume that you are familiar with this type of covenant being required for other past City owned projects. The Grant Contract refers to a possible purchase of a surety bond but it turns out that a surety bond has never actually been acquired in the history of the grant program and will removed from future contract outlines.

Since the City owns the land and the building, in the unexpected event that the Backus Museum should cease to exist, the City would still be able to use the building for a cultural venue. The definition of a cultural venue is quite broad. To quote the agreement, "Cultural Facility" is defined as a building which shall be used primarily for the programming, production, presentation, exhibition or any combination of the foregoing for any of the cultural disciplines listed in Section 265.283(7), Florida Statutes. These disciplines include, but are not limited to music, dance, theatre, creative writing, literature, architecture, painting, sculpture, folk arts, photography, crafts, media arts, visual arts, programs of museums, and other such allied, major art forms." Please keep in mind that the Backus Museum has been in the same place under the same organizational structure since 1960.

I spoke with Elsie Rogers, the State's Cultural Grant Administrator and she informs me that there are countless examples of Restrictive Covenants signed by municipalities to facilitate the funding of capital projects when the municipality owned building leased to a not for profit. I have attached her list to this email for your review.

I assume that an agreement of this sort will need the review of your legal department and a vote by the City Commission. I am attaching all the pertinent paperwork for your review. I will be going into the hospital for a double knee replacement on July 26, 2016. I expect to remain in the hospital and then a rehabilitation hospital for three weeks. I hope to resolve the Restrictive Covenant prior to that admission. The State of Florida will not fund the grant without it and the funds are essential to the project. Please contact me with any concerns. My personal cell number is 772-971-0559. While in the hospital I will only have my personal email address which is piowaty62@comcast.net

Sincerely,

A handwritten signature in black ink that reads "Kathleen". The signature is written in a cursive, flowing style.

Kathleen P. Fredrick
Executive Director