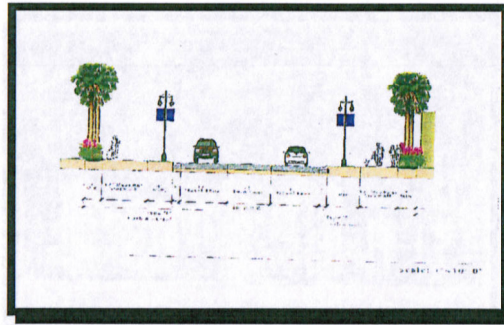




In 2006, the citizens of Daytona Beach Shores passed a referendum that authorized the City to borrow up to \$30 million for the dual purposes of burying overhead electric, utility and telecommunication lines and providing streetscape improvements on State Road A1A throughout the City. These streetscape improvements include new and/or enhanced sidewalks, new street signs, mast arm traffic signals, decorative and roadway lighting along with coordinating the improvements with the re-paving of State Road A1A. This bonded general obligation debt will be fully paid over the next 13 years.

As of April 2011, approximately 95% of the work is complete north of Dunlawton Avenue, with only a few lights left to install, small areas of sidewalk to be finished and the mast arm traffic signal to be constructed at Moore Avenue.

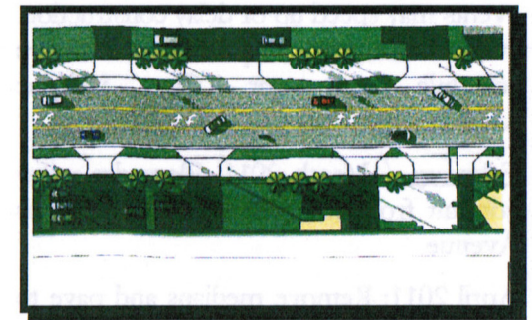


The remainder of the project along S. Atlantic Avenue from Dunlawton Avenue to the south city limits is under construction today. This section has an enhanced design which will allow for a combination of 12-foot and 8-foot multi-use trail / sidewalk. Decorative street lighting is also included along with upgrading the existing water and sewer lines.



The 12-foot multi-use trail will start at Dunlawton Avenue on the east side and extend south to Emilia Avenue. The trail will then cross to the west side of South Atlantic Avenue and connects to an 8 foot sidewalk continuing south to Marcelle Avenue, where it will eventually connect to the sidewalk in Ponce Inlet.

The existing 5-lanes from Phyllis Avenue to south of Dunlawton Avenue must be narrowed to three lanes to accommodate the new trail/sidewalk.



In addition to the new trail / sidewalk, a new storm drainage system is included in this project as well as a new water main and sewer laterals. Decorative street lighting will also be installed.

Once all the underground work is complete and the trail / sidewalk are constructed, S. Atlantic Avenue will be repaved from Emilia Avenue north to Dunlawton Avenue.