

**EXCLUSIVE RIGHTS TO NEGOTIATE  
DEVELOPMENT AGREEMENTS FOR THE EUSTIS DOWNTOWN AND EAST TOWN  
REDEVELOPMENT AGENCY FORMER WATERMAN HOSPITAL SITE**

This Exclusive Right to Negotiate a Development Agreement for the FORMER WATERMAN HOSPITAL SITE ("Agreement") is made and entered into on this \_\_\_ day of \_\_\_\_\_, 202\_ (the "Effective Date") by and between the Eustis Downtown and East Town Redevelopment Agency ("CRA") and G3C2 (the "DEVELOPER").

**RECITALS**

**WHEREAS**, in September 2020, the CRA purchased approximately 4.8 acres of real property located in its downtown district bounded on the North by Clifford Avenue, on the East by Grove Street, on the South by Magnolia Avenue, and on the West by Bay Street; and

**WHEREAS**, said real property is commonly referred to as the Former Waterman Hospital Site (the "Site") and is comprised of three (3) lots identified by the following Lake County Property Appraiser Parcel ID Numbers:

Lot #1: 11-19-26-0100-035-00100

Lot #2: 11-19-26-0100-030-00000

Lot #3: 11-19-26-0100-031-00101

**WHEREAS**, the attached Exhibit "A" includes a complete legal description for the Site; and

**WHEREAS**, while respecting the character and design of its built environment, the CRA seeks to continue the revitalization of its downtown area by increasing the vibrancy and vitality of the area, adding lodging units, increasing business and commercial activity, providing additional public parking, and improving community connectivity, among other endeavors; and

**WHEREAS**, the CRA advertised a Request for Qualifications for the redevelopment of the Site and the DEVELOPER responded demonstrating extensive experience in downtown development that aligns with the CRA's objectives; and

**WHEREAS**, the CITY and the DEVELOPER wish to enter into this Agreement to create a Development Project for the Site (hereafter "Project"); and

**WHEREAS**, the CRA requires the DEVELOPER to present concepts of proposed development prior to the formulation of a funding plan; and

**WHEREAS**, the CRA may appoint a committee to work with the Developer to structure a series of formal and binding legal documents ("Contracts") that are necessary to move the Project into full development. The Contracts may include, but are not limited to:

- a) Development Agreement
- b) Pre-Development and Site Due Diligence Agreement
- c) Operating Agreement
- d) Other agreements required to carry out the objectives of the proposal; and

**WHEREAS**, as the first step to entering into such Development Agreement, the parties wish to set forth the basic business team and their respective undertakings and commitments to one another in this Agreement.

**NOW, THEREFORE**, in consideration of the foregoing promises, the CRA and the DEVELOPER do hereby agree as follows:

1. Governing Laws

This Agreement shall be construed and enforced in accordance with, and governed by, the laws of the State of Florida. Any litigation that arises under this Agreement shall be brought in the court of Lake County, Florida.

2. Non-Binding Agreement

This Agreement is nonbinding and constitutes an indication of intent only and creates no liability or obligation of any nature whatsoever among the parties hereto with respect to any contemplated transaction or any other matter or action described or referred to herein. Legally binding obligations with respect to the contemplated transaction will only arise upon execution of a definitive agreement and related agreements with respect to the transaction.

3. Good Faith

The parties agree to negotiate in good faith.

4. Term

The parties agree that they will each use good faith efforts to complete the Development Agreement consistent with the conditions of this Agreement as soon as possible, but no later than six (6) months ("Term") from the Effective Date. Any decision to extend this time period will be subject to mutual written agreement by the parties.

5. Exclusivity of Negotiations

Until the Development Agreement is fully executed or the Term of this Agreement expires, whichever comes first, the CRA agrees that it will not initiate, solicit, or participate in discussions, meetings or negotiations concerning the development rights and interests contemplated under this Agreement with any entity other than the Developer.

## 6. Project Team

The Developer's project team consists of one firm, G3C2, that is comprised of two partner companies:

- a) G3 Development: a development and construction management company.
- b) Construct Two Construction Managers, Inc.: a development and construction management company.

## 7. Initial Development Concepts

The Eustis Downtown Master Plan provides a guide for development of the Site, however, the DEVELOPER is encouraged to create a proposal that is market-driven, consistent with the CRA's vision and planning principles and that will create a vibrant town center.

## 8. Project

Subject to modifications agreed to by the parties in the Development Agreement, and as may be further modified through the review and approval processes, the Project shall consist of certain core components, the inclusion of which may depend on market conditions (collectively, "Approved Project"). These components are described in the Brief Scope of Work below:

### **BRIEF SCOPE OF WORK** **G3C2 will provide the following:**

On Project Site develop a mixed-use, multi-story development with office/retail space, public open spaces and residential uses, and hotel, with onsite surface parking, subject to site plan approval and other terms/conditions.

## 9. Project Schedule

The target for the start of construction of a component of the Approved Project will be twenty-four (24) months from the date the Development Agreement is fully executed (hereafter referred to as the "Closing Date"). The Developer will commence all work necessary and appropriate to enable the start of construction by the Closing Date immediately upon execution of the Development Agreement and will thereafter diligently proceed with such work.

- a) The CRA and the Developer will mutually establish milestones for the start and completion of the pre-development work (such as approvals, design, financing), and incorporate the same in the Contracts.
- b) The Developer and the CRA will further mutually agree upon the remedies the CRA will have if the Developer does not meet the Closing Date or the various milestones, taking into account that some of the milestones require the review and approval of the CRA, County, or other regulatory agencies, and incorporate the same into the Development Agreement.
- c) The CRA and the Developer will negotiate terms of any land use agreement prior the commencement of any construction on the Project Site.

10. Development Design, Financing, Construction and Management

The Developer will be solely responsible for the design, financing, construction, and management of the Project. The CRA will not be liable in any way for costs relating to design, financing, development, operations, maintenance, or management of the development. The CRA shall responsibly cooperate with the Developer in its efforts to obtain such financing and funding, provided that such cooperation does not create any financial obligations of other commitments by the CRA to the Developer or any third party.

11. Project Costs and Expenses

The developer shall be responsible for covering its own costs and expenses relating to the negotiation of the Development Agreement, including without limitation, the cost of its own attorneys, consultants, and advisors.

12. Notices

All notices, or other communications hereunder shall be in writing and shall be deemed to have been given when the same are (a) sent by U.S. registered or certified mail, return receipt requested, with postage prepaid (except in the event of a postal disruption, by strike or otherwise, in the United States), or (b) sent by personal delivery by a nationally recognized courier service for next day delivery, to the parties at the addresses set forth below or at such other addresses as such parties may designate by notice to the other parties:

If to City of Eustis/CRA	If to Developer
Tom Carrino, City Manager	Gerard G. Guenther, Jr.
10 North Grove Street	P.O. Box 1273
Eustis, Florida 32726	Mount Dora, FL 32757

13. Agent for Service of Process

- a) Developer will appoint a registered agent in the State of Florida.
- b) Venue: Subject to the dispute resolution provisions of this Agreement, venue for any litigation between the parties which relates to or arises out of this Agreement or its breach will be exclusively brought in the court in Lake County, Florida with the Developer expressly waiving any rights to begin, defend, or remove any such litigation in any other forum or venue.

14. Attorneys' Fees

In any lawsuit, arbitration, or injunctive proceeding between the parties concerning any part of this Agreement or the rights and duties of either party, each party shall bear their own respective attorneys' fees and costs.

15. Severability

Each part of this Agreement is intended to be severable. If an arbitration panel or court of competent jurisdiction finds any part of this Agreement to be unenforceable or invalid for any reason, that finding will not invalidate or adversely affect the rest of this Agreement. But if that finding would result in unjust enrichment or extreme hardship to either of the parties or make the performance of either party's obligations under this Agreement unreasonable or impossible, the remaining portions of this Agreement may be invalidated or modified, in whole or in part, as determined by the arbitration panel or the court of law.

16. Waiver; Consents

No consent or waiver to a Default may be deemed or construed to be a consent or waiver to any other Default.

17. Assignment

At Closing, the Developer may assign its rights and obligations to a "Special Purpose Entity" as long as the Developer has the City's written consent to said assignment.

18. Modification of Agreement

To be effective, any modification of this Agreement shall be in writing and signed by both parties.

19. Headings

The headings are inserted for convenience only. They may not affect the construction or meaning of anything in this Agreement.

## 20. Interpretation

"Include" and "including" each refers to all other items or matters that could reasonably fall within the broadest possible scope of the general statement, term, or matter appearing before it. All references to Articles, Sections, Paragraphs, Recitals, Preamble, and Exhibits mean designated parts of this Agreement.

## 21. Further Assistance

Each party will execute other documents and take other actions as may be reasonably required by the other party to carry out the purposes of this Agreement.

## 22. Counterparts

This Agreement may be executed in several counterparts, each of which shall be deemed to be an original copy and all of which together shall constitute one agreement binding on all parties hereto, notwithstanding that all the parties shall not have signed the same counterpart. Faxed, scanned, or photocopied signatures shall be deemed equivalent to original signatures.

## 23. Entire Agreement

This Agreement and its exhibits contain the entire agreement between the parties concerning its subject matter. Neither party nor its agents have made representations or promises concerning this Agreement except as expressly stated in this Agreement. No claim or liability may arise for any representations or promises not expressly stated in this Agreement.

## 24. Representations and Warranties

As a material inducement to the other party to enter into this Agreement and with the understanding that the other party shall be relying thereon hereunder, each party hereby represents and warrants to the other party as follows:

- a) Such party has all necessary corporate, limited liability company, board of trustee or other power and authority to execute and deliver this Agreement and to perform its obligations hereunder.
- b) This Agreement has been duly and validly authorized, executed and delivered by such party and assuming the due authorization, execution, and delivery by the other party to this Agreement, this Agreement constitutes the valid obligation of such party, enforceable against it in accordance with its terms.

c) Neither the execution nor delivery of this Agreement by such party or the performance by such party of its obligations hereunder will (i) conflict with or result in a breach of any provision of the organizational documents of such party, nor (ii) violate, in any material respect, any law or order of any governmental authority applicable to such party.

**IN WITNESS WHEREOF**, the parties have caused this Agreement to be duly executed as of the date first written above.

<b>Eustis Downtown and East Town Redevelopment Agency</b>	<b>G3C2, Inc.</b>
Signature: _____	Signature: _____
Name: Michael L. Holland	Name: Gerard G. Guenther, Jr.
Title: CRA Board Chair	Title: Partner

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**EXHIBIT "A"**

**LEGAL DESCRIPTION**

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# Legal Description of Former Waterman Hospital Site Parcels

## Lot Number 1

**Property Location:** North Grove St, Eustis, FL 32726  
**Parcel Number:** 11-19-26-0100-035-00100  
**Acres:** 1.60449

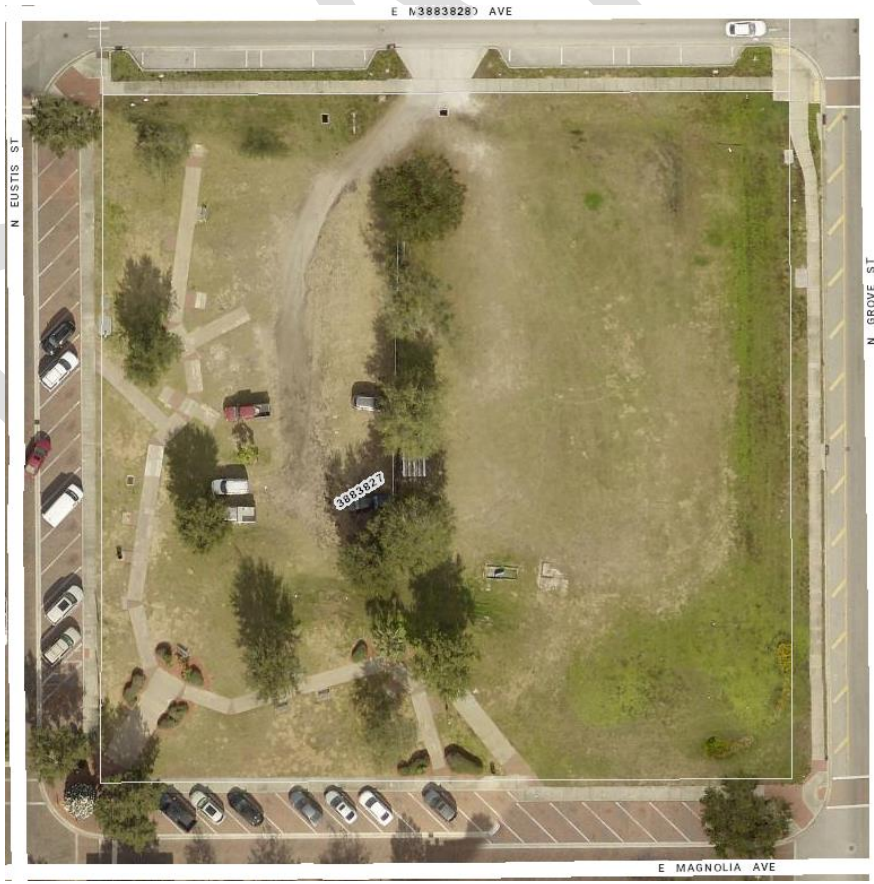
**Legal Description:** EUSTIS BLK 35 PB 1 PG 79 ORB 5540 PG 726  
All of Blocks 30 and 35, Official Map of Eustis, according to the map or plat thereof as recorded in Plat Book 1, Page 79, Public Records of Lake County, Florida.

And

The Easterly one foot portion of the Right-of-Way of Eustis Street from Magnolia Street to McDonald Avenue, in the City of Eustis, Lake County, Florida according to the Official Map of Eustis, as recorded in Plat Book 1, Page 79, Public Records of Lake County, Florida.

Less

That portion of closed McDonald Street lying between Eustis Street and Grove Street, Official Map Of The Town of Eustis, according to the map or plat thereof as recorded in Plat Book 1, Page 79, Public Records of Lake County, Florida.



**Lot Number 2**

**Property Location:** 201 N Eustis St, Eustis, FL 32726

**Parcel Number:** 11-19-26-0100-030-00000

**Acres:** 1.60593442

**Legal Description:** EUSTIS BLK 30 PB 1 PG 79 ORB 5540 PG 726

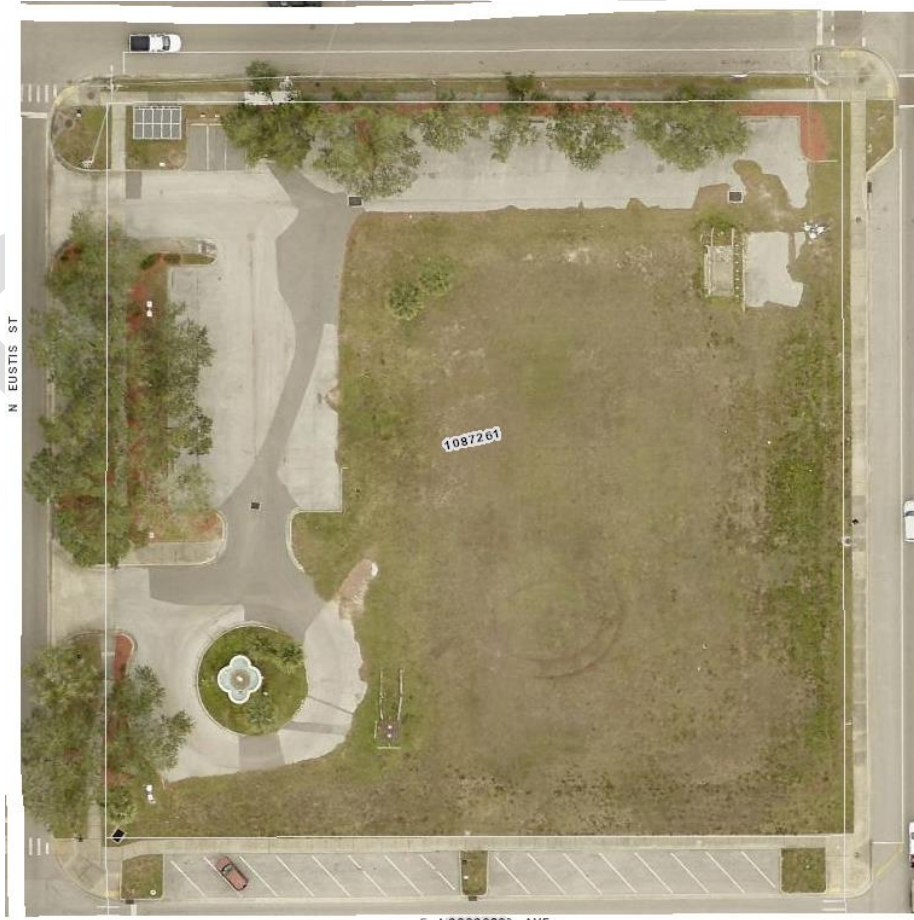
All of Blocks 30 and 35, Official Map of Eustis, according to the map or plat thereof as recorded in Plat Book 1, Page 79, Public Records of Lake County, Florida.

And

The Easterly one foot portion of the Right-of-Way of Eustis Street from Magnolia Street to McDonald Avenue, in the City of Eustis, Lake County, Florida according to the Official Map of Eustis, as recorded in Plat Book 1, Page 79, Public Records of Lake County, Florida.

Less

That portion of closed McDonald Street lying between Eustis Street and Grove Street, Official Map Of The Town of Eustis, according to the map or plat thereof as recorded in Plat Book 1, Page 79, Public Records of Lake County, Florida.



**Lot Number 3**

Property Location: East McDonald Ave, Eustis, FL 32726

Parcel Number: 11-19-26-0100-031-00101

Acres: 1.59999701

Legal Description: EUSTIS BLK 31 PB 1 PG 79 ORB 5540 PG 813

Block 31, Official Map of Eustis, according to the map or plat thereof as recorded in Plat Book 1, Page 79, Public Records of Lake County, Florida.

Subject to easements, restrictions, and reservations, of record, if any. However, this reference shall not serve to reimpose the same.

