



LAKE WORTH BEACH COMMUNITY REDEVELOPMENT AGENCY

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MEMORANDUM

TO: Chair, Vice-Chair and Members of the Board

FROM: Joan C. Oliva, Executive Director

DATE: August 12, 2025

SUBJECT: Interlocal Agreement between the CRA and the City of Lake Worth Beach for transfer of real property and lease-back for the Development of the City "K" Street Garage

EXPLANATION:

In October of 2024, the City of Lake Worth Beach, the CRA, and Sunshine Lake Worth Development, LLC ("SLWD") entered into an agreement for the development of a mixed-use project in downtown called the WMODA project. In April of 2025, the City, CRA, and SLWD entered into a comprehensive agreement for the development of a City-owned parking garage.

SLWD will be designing and constructing and paying for a portion of the City garage. The new garage will be located on the properties located at 13 South "K" Street, 19 South "K" Street, 704 and 710 1st Avenue South, and 25 South "K" Street. The latter three sites are owned by the CRA, while the other two properties are owned by the City. All three entities will be contributing funding to the development of the City Garage. The CRA's contribution includes an initial payment of \$1.5M and the issuance of a \$3.5M Capital Improvement Note, of which, the CRA will be responsible for \$2.5M of the \$3.5M instrument. The CRA will have five years to pay off their portion of the Note.

In order for SLWD to build the City Garage, the CRA will convey 704 and 710 1st Ave. South and 25 S. "K" Street to the City before construction begins. To secure the CRA's ability to utilize the funding from the Capital Improvement Revenue Note, the City will then lease back the property to the CRA. Both entities have an established repayment schedule that is included in the Interlocal Agreement.

This interlocal agreement allows the City to use the property to accommodate the development of a City Garage by SWLD. Once SWLD completes the development of the garage, the CRA will transfer all properties to the City so they will own, operate and maintain the garage. The City shall be solely responsible for filing and processing all necessary applications for the construction of the City Parking Garage from all applicable governmental agencies.

RECOMMENDATION:

Staff recommends the Board review and execute the Interlocal Agreement between the City of Lake Worth Beach and the Lake Worth Beach Community Redevelopment Agency.