

**INTERLOCAL AGREEMENT BETWEEN THE CITY OF LAKE WORTH BEACH AND
THE LAKE WORTH BEACH COMMUNITY REDEVELOPMENT AGENCY FOR
TRANSFER OF REAL PROPERTY AND LEASE BACK FOR THE DEVELOPMENT
OF THE SOUTH “K” STREET PARKING GARAGE**

THIS INTERLOCAL AGREEMENT (“Agreement”) is dated as of the ___ day of _____, 2025 (“**Effective Date**”) and is made by and between **LAKE WORTH BEACH COMMUNITY REDEVELOPMENT AGENCY (“CRA”)**, a Florida public body, corporate and politic created pursuant to Chapter 163, Florida Statutes, and the **CITY OF LAKE WORTH BEACH (“City”)**, a Florida municipal corporation. The CRA and the City are jointly referred to herein as the “**Parties.**”

RECITALS

WHEREAS, Section 163.01, Florida Statutes, known as the “Florida Interlocal Cooperation Act of 1969”, authorizes local governmental units to make the most efficient use of their powers by enabling them to cooperate with other localities on a basis of mutual advantage and thereby to provide services and facilities in a manner pursuant to forms of governmental organization that will accord best with geographic, economic, population and other factors influencing the need and development of local communities; and

WHEREAS, on or about October 29, 2024, the City, CRA, and Sunshine Lake Worth Development LLC (“SLWD”) entered a Development Agreement for the development of a mixed use project in downtown Lake Worth Beach generally referred to as the “WMODA Project” with SLWD as the developer; and

WHEREAS, on or about October 29, 2024, pursuant to section 255.065, Florida Statutes, the City determined that SLWD’s unsolicited proposal to develop a parking garage at South K Street as part of the WMODA Project was in the public’s interest and approved the CRA, the City, and SLWD moving forward with preparation of the agreements to implement all components of the WMODA Project including the South K Street parking garage as a P3 component of the WMODA Project; and

WHEREAS, on April 3, 2025, the CRA, the City, and SLWD entered into a Comprehensive Agreement for the development of the South K Street Parking Garage (“**Parking Garage**”) with SLWD as the developer; and

WHEREAS, SLWD is to develop the Parking Garage on the City’s real property located at 13 S. K Street and 19 South K Street and the CRA’s real property located at 704 and 710 1st Avenue South and 25 South K Street (“**Property**”), which Property is further described in **Exhibit “A”** attached hereto and incorporated herein; and

WHEREAS, once SLWD completes the development of the Parking Garage, the City will own, operate and maintain the Parking Garage for downtown public parking including public parking for the WMODA Project museum; and

WHEREAS, the City and CRA are contributing funding for the development of the Parking Garage, which funding includes the CRA's issuance of a financial instrument to SLWD in the amount of THREE MILLION FIVE HUNDRED THOUSAND and NO/100 DOLLARS (\$3,500,000.00) ("**Capital Improvement Revenue Note**"); and

WHEREAS, to secure the City's obligation to operate, repair, and maintain the Parking Garage once SLWD completes development, the CRA will transfer ownership of 704 and 710 1st Avenue South and 25 South K Street to the City by no later than December 16, 2025; and

WHEREAS, to secure the CRA's ability to utilize the funding from the Capital Improvement Revenue Note for the development of the Parking Garage by SLWD, the City will lease back the Property to the CRA; and

WHEREAS, to secure the repayment of the Capital Improvement Revenue Note by the City and CRA, the City and CRA have established a repayment plan as set forth herein; and

WHEREAS, the City and CRA find that entering this Agreement for the overall purpose of developing the Parking Garage serves a valid public purpose and is in the best interests of the residents and guests of the City of Lake Worth Beach and the Lake Worth Beach Redevelopment Area.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the CRA and the City hereby enter into this Agreement on the terms and conditions set forth herein.

ARTICLE 1 - RECITALS

1.1 **Recitals.** The foregoing recitals are incorporated into this Agreement as true and correct statements of the City and CRA.

ARTICLE 2 - TRANSFER OF REAL PROPERTY

2.1 Subject to the provisions of this Agreement, the CRA hereby agrees to transfer to the City via statutory warranty deed, and City hereby agrees to accept from CRA, the real property generally described as 704 and 710 1st Avenue South and 25 South K Street ("**CRA Property**") as further described in **Exhibit "A"** upon and subject to the terms and conditions hereinafter set forth. The transfer of the CRA Property from the CRA to the City shall occur no later than December 16, 2025.

2.2 At all times from the Effective Date until the transfer to the City, the CRA shall keep the CRA Property free and clear of any mechanic's or materialmen's liens for work or materials furnished to or contracted for, by or on behalf of CRA prior to the transfer to the City.

2.3 CRA has no actual knowledge nor has CRA received any notice of any litigation, claim, action or proceeding, actual or threatened, against CRA or the CRA Property by any organization, person, individual or governmental agency which would affect (as to any threatened litigation, claim, action or proceeding, in a materially adverse fashion) the use, occupancy or value of the CRA Property or any part thereof or which would otherwise relate to the CRA Property.

2.4 CRA has full power and authority to enter into this Agreement and to assume and perform CRA's obligations hereunder in this Agreement. CRA does not and will not conflict with or result in the breach of any condition or provision, or constitute a default under, or result in the creation or imposition of any lien, charge, or encumbrance upon any of the CRA Property or assets of the CRA by reason of the terms of any contract, mortgage, lien, lease, agreement, indenture, instrument or judgment to which the CRA or which affects the CRA; no action by any federal, state or municipal or other governmental department, agency, board, bureau or instrumentality is necessary to make this Agreement a valid instrument binding upon the CRA in accordance with its terms.

2.5 CRA represents that CRA will not, between the date of this Agreement and the transfer of the CRA Property to the City, without the City's prior written consent, which consent shall not be unreasonably withheld or delayed, except in the ordinary course of business, create by CRA's consent any encumbrances on the CRA Property. For purposes of this provision the term "encumbrances" shall mean any liens, claims, options, or other encumbrances, encroachments, rights-of-way, leases, easements, covenants, conditions or restrictions.

2.6 CRA represents that there are no parties other than CRA in possession of the CRA Property or any portion of the CRA Property as a lessee.

2.7 CRA represents that CRA has no actual knowledge nor has CRA received any notice that the CRA Property has been, is presently or is contemplated to be utilized as a reservoir of hazardous material. As used herein, the term "Hazardous Material" shall mean any substance, water or material which has been determined by any state, federal or local government authority to be capable of posing a risk of injury to health, safety and property, including, but not limited to, all of those materials, wastes and substances designated as hazardous or toxic by the U.S. Environmental Protection Agency, the U.S. Department of Labor, the U.S. Department of Transportation, and/or any other state or local governmental agency now or hereafter authorized to regulate materials and substances in the environment (collectively "Governmental Authority(ies)").

2.8 CRA is transferring the CRA Property to the City in its "AS IS, WHERE IS, WITH ALL FAULTS" condition with no representations or warranties except as specifically stated herein. CITY hereby acknowledges and agrees with the CRA that, except as otherwise expressly provided in the Development Agreement, the Comprehensive Agreement, the Revenue Note, and this Agreement: (i) the CITY is expressly acquiring the CRA Property in its existing condition "AS IS, WHERE IS, AND WITH ALL FAULTS" with respect to all facts, circumstances, conditions and defects; (ii) the CITY has

undertaken all such inspections and investigations of the CRA Property as the CITY deems necessary or appropriate under the circumstances as to the condition of the CRA Property; (iii) the CRA is not making and has not made any warranty or representation with respect to any materials or other data provided by the CRA (whether prepared by or for the CITY or others) except as otherwise set forth herein; and (iv) by reason of all the foregoing, the CITY assumes the full risk of any loss or damage occasioned by any fact, circumstance, condition or defect pertaining to the CRA Property. EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THIS AGREEMENT, THE CRA HEREBY DISCLAIMS ALL WARRANTIES OF ANY KIND OR NATURE WHATSOEVER (INCLUDING WARRANTIES OF HABITABILITY AND FITNESS FOR PARTICULAR PURPOSES), WHETHER EXPRESSED OR IMPLIED. CITY FURTHER ACKNOWLEDGES THAT CITY IS ACQUIRING THE CRA PROPERTY "AS IS" AND IN ITS PRESENT CONDITION AND THAT EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THIS AGREEMENT, THE CITY IS NOT RELYING UPON ANY REPRESENTATION OF ANY KIND OR NATURE MADE BY THE CRA, OR ANY OF ITS EMPLOYEES OR AGENTS WITH RESPECT TO THE CRA PROPERTY, AND THAT, IN FACT, NO SUCH REPRESENTATIONS WERE MADE EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT.

2.9 Prior to transferring the Property to the CITY, the CRA shall provide the CITY with a copy of all previous inspection reports, environmental assessments, or other studies conducted on the Property by the CRA or in the CRA's possession.

ARTICLE 3 - LEASE BACK OF PROPERTY

3.1 Upon receipt of the CRA Property from the CRA, the City agrees to lease to the CRA the Property for the Term hereof and under the terms and conditions stated herein. The obligations of the City and CRA to perform and observe any and all of the other covenants and agreements on their part contained herein, shall be absolute and unconditional irrespective of any defense or any rights of setoff, recoupment, or counterclaim which either Party may otherwise have against the other Party.

3.2 Lease Back Conditions. The CRA takes and leases from the City the Property subject to the following:

- A. Conditions, restrictions, easements, reservations, and limitations, if any, now appearing of record;
- B. City, County, and other Federal, State, or local government ordinances and regulations now existing or which may hereafter exist during the Term of this Agreement; and,
- C. All the terms, covenants, and conditions contained in this Agreement, the Comprehensive Agreement, and the Development Agreement.

3.3 As-Is. CRA hereby acknowledges and agrees with the City that, except as otherwise expressly provided in this Agreement, the Development Agreement, or the Comprehensive Agreement: (i) the CRA is expressly leasing the Property in its existing

condition "AS IS, WHERE IS, AND WITH ALL FAULTS" with respect to all facts, circumstances, conditions and defects; (ii) the CRA has undertaken all such inspections and investigations of the Property as the CRA deems necessary or appropriate under the circumstances as to the condition of the Property; (iii) the City is not making and has not made any warranty or representation with respect to any materials or other data provided by the City (whether prepared by or for the CRA or others) except otherwise set forth herein; and (iv) by reason of all the foregoing, the CRA assumes the full risk of any loss or damage occasioned by any fact, circumstance, condition or defect pertaining to the CRA's lease of the Property, provided, however, that the CRA shall have no obligation to rebuild improvements or reimburse the CITY in connection with any such loss.

3.4 No Warranties. EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THIS AGREEMENT, THE CITY HEREBY DISCLAIMS ALL WARRANTIES OF ANY KIND OR NATURE WHATSOEVER (INCLUDING WARRANTIES OF HABITABILITY AND FITNESS FOR PARTICULAR PURPOSES), WHETHER EXPRESSED OR IMPLIED. CRA FURTHER ACKNOWLEDGES THAT CRA IS LEASING THE PROPERTY "AS IS" AND IN ITS PRESENT CONDITION AND THAT EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THIS AGREEMENT, THE CRA IS NOT RELYING UPON ANY REPRESENTATION OF ANY KIND OR NATURE MADE BY THE CITY, OR ANY OF ITS EMPLOYEES OR AGENTS WITH RESPECT TO THE PROPERTY, AND THAT, IN FACT, NO SUCH REPRESENTATIONS WERE MADE EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT.

3.5 No Subordination. Unless agreed in writing by the City, the City's fee estate shall not be subordinate to the CRA's lease of the Property or the CRA's leasehold interest. However, the City's fee estate will be subject to the City's grant of lease herein and the CRA's leasehold interest.

3.6 Title to Leased Property. In no event, and regardless of the Term, shall the CRA assert that the lease granted herein grants or conveys to the CRA a fee simple interest in the Property.

3.7 Annual Base Rent. The CRA covenants and agrees to pay to the City an annual rent in an amount equal to ten dollars (\$10.00) each annual anniversary ("**Annual Base Rent**") payable within ten (10) days of each annual anniversary.

3.8 Reimbursement of the City. The CRA shall promptly pay any and all reasonable costs and expenses (including reasonable attorneys' fees), as such costs and expenses accrue, which may be reasonably incurred by, or judgments which may be rendered against the City or any of its commissioners, officers, employees, or agents at any time or times during or subsequent to the Term for: (a) in enforcing any of the terms, covenants, conditions, or provisions of this Agreement or (b) in defending any claim, action, suit, or proceeding brought against the City or any of its commissioners, officers, employees, or agents as a result of: (i) the CRA's violation of, or failure to comply with, any present or future Federal, State, or municipal law, ordinance, regulation, order or other laws ("**Laws**"); (ii) the CRA's default under the Capital Improvement Revenue Note,

Comprehensive Agreement or Development Agreement; or, (iii) any default on the part of the CRA that is not timely cured.

3.9 CITY has no actual knowledge nor has CITY received any notice of any litigation, claim, action or proceeding, actual or threatened, against CITY or the Property by any organization, person, individual or governmental agency which would affect (as to any threatened litigation, claim, action or proceeding, in a materially adverse fashion) the use, occupancy or value of the Property or any part thereof or which would otherwise relate to the Property.

3.10 CITY has full power and authority to enter into this Agreement and to assume and perform CITY's obligations hereunder in this Agreement. CITY is not aware of any federal, state or municipal or other governmental department, agency, board, bureau or instrumentality that is necessary to make this Agreement a valid instrument binding upon the CITY in accordance with its terms.

3.11 EXCEPT FOR CONDITIONS WHICH EXISTED PRIOR TO THE COMMENCEMENT OF THE TERM OF THIS AGREEMENT AND EXCEPT AS OTHERWISE PROVIDED IN THE DEVELOPMENT AGREEMENT, THE COMPREHENSIVE AGREEMENT AND THIS AGREEMENT, THE CRA SHALL HAVE NO LIABILITY WHATSOEVER IN CONNECTION WITH THE OPERATION OF THE PROPERTY..

ARTICLE 4 - TAXES; OPERATING EXPENSES

4.1 Taxes. Except as such taxes may directly arise from or relate to the CRA's lease of the Property, the Revenue Note, or other matter within the CRA's direct control, to the extent applicable, the CITY will pay or cause to be paid any taxes which are assessed against the Property by any taxing authority during the Term, including, without limitation, non-ad-valorem taxes. The CITY will pay or cause to be paid all real estate recordation taxes incident to this Agreement, if any. Notwithstanding anything contained herein to the contrary, the CITY shall have the right to contest all taxes assessed against the Property, or any portion thereof, so long as the CITY is diligently and in good faith pursuing its objection to the same by appropriate administrative or legal proceedings, which actions shall operate to prevent the enforcement or collection of the same. While such contest is proceeding, failure to pay such taxes shall not be an Event of Default hereunder.

4.2 Operating Expenses. Except as provided in the Comprehensive Agreement, the Development Agreement and this Agreement, the City will pay or cause to be paid all costs and expenses attributable to or incurred in connection with the operation, maintenance, and repair of the Parking Garage and the Property (collectively, the "Operating Expenses").

4.3 Utilities. As part of the Operating Expenses, the City at its sole cost and expense shall obtain and promptly pay for all utility services furnished to or consumed on the

Property, including, but not limited to, electricity, gas, water, sewer, heat, telephone, garbage collection, and all charges related to any of these services.

ARTICLE 5 - TERM

5.1 The term of this Agreement (“**Term**”) shall be for a period commencing upon the Effective Date and ending five (5) years after the Commencement Date of the Capital Improvement Revenue Note, subject to earlier termination as contemplated herein.

ARTICLE 6 – CAPITAL IMPROVEMENT REVENUE NOTE AND LACK OF APPROPRIATIONS

6.1 Funding for the Parking Garage; Capital Improvement Revenue Note.

- A. The City and the CRA agree to jointly fund the development of the Parking Garage (in part) via the Capital Improvement Revenue Note in accordance with the payment schedule set forth in **Exhibit “B”** attached hereto and incorporated herein.
- B. Within thirty (30) days after execution of this Agreement, to secure funding for the purpose of financing the costs associated with the development of the Parking Garage, the CRA shall issue the Capital Improvement Revenue Note to SLWD. The “**Commencement Date of the Capital Improvement Revenue Note**” is the actual date of issuance by the CRA. The Capital Improvement Revenue Note shall bear interest at a fixed interest rate of four percent (4%), to be paid annually in equal principal and interest payments commencing on October 1, 2026, in accordance with the amortization schedule attached hereto as **Exhibit “C”** and incorporated herein.

6.2 Based upon the timeframes set forth in this Agreement, the City and CRA agree to propose in each applicable fiscal year budget an amount to cover each of parties financial obligations as stated herein commencing with the Fiscal Year 2025-2026 budget; however, the City’s and the CRA’s funding of their obligations as stated herein are all subject to each party’s annual budgeting and appropriation process. Accordingly, each party’s funding of its obligations hereunder are payable exclusively from duly appropriated or otherwise legally available funds and shall not be construed to be debt, liability or obligation within the meaning of any applicable constitutional or statutory limitation or requirement.

ARTICLE 7 - INSURANCE; INDEMNIFICATION

7.1 Insurance. Without waiving the right to sovereign immunity, the parties acknowledge that they are self-insured for commercial general liability and automobile liability in the amounts specified in Florida Statutes Section 768.28, as may be amended from time to time. In the event either party maintains third-party commercial general liability or business automobile liability insurance in lieu of exclusive reliance on self-

insurance, the party maintaining the third-party insurance shall maintain limits of not less than One Million Dollars (\$1,000,000) combined single limit for bodily injury or property damage. The parties agree to maintain or to be self-insured for worker's compensation and employer's liability insurance in accordance with Chapter 440, Florida Statutes, as may be amended from time to time. Each party agrees to provide the other party with an affidavit or certificate of insurance evidencing insurance, self-insurance and/or sovereign immunity status, which the parties agree to recognize as acceptable for the above-referenced coverages. Compliance with the requirements of this paragraph shall not relieve the parties of their liability and obligations under this Agreement.

7.2 Indemnification. Subject to and without waiving the City's rights of sovereign immunity under the law including, but not limited to, the monetary limits set forth in section 768.28, Florida Statutes, the City shall indemnify, defend, and save harmless the CRA, its commissioners, employees, and agents ("Indemnified Parties") against, any and all claims, demands, liabilities, losses, damages, costs and expenses (including reasonable attorneys' fees and expenses of litigation) which arise from or relate to the negligence of the City, or its Commissioners, employees, or agents. The foregoing shall not be construed as the City's consent to be sued nor as an agreement by the City to defend, indemnify, or save harmless any of the Indemnified Parties or any third party from their own negligence, gross negligence, misconduct, or intentional acts or omissions.

ARTICLE 8 - PERMITTED USE; LEGAL REQUIREMENTS; ENVIRONMENTAL CONDITIONS

8.1 Permitted Use. The City and CRA shall use of the Property solely to accommodate SWLD's development of the Parking Garage. Once SLWD completes development of the Parking Garage, the City shall operate, maintain, and repair the Parking Garage and the City and CRA may utilize the Parking Garage for its intended purposes including any reasonable uses incidental thereto.

8.2 Compliance with Laws. Except as provided in the Development Agreement, the Comprehensive Agreement or this Agreement, during the Term, the City shall comply with and cause the Property to be in compliance with (i) all Laws applicable to the Property or the uses conducted on the Property from time to time, (ii) the provisions of any insurance policies required to be maintained by the City with respect to the Property, and (iii) the terms of any easements, covenants, conditions and restrictions affecting the Property.

8.3 Hazardous Materials. Neither the City nor the CRA shall cause or permit any Hazardous Materials (as herein defined) to be brought, kept or used in or about the Property by themselves, their subtenants, agents, employees, contractors, or invitees except in commercial quantities similar to those quantities usually kept on similar premises by others in the same business or profession. After development of the Parking Garage is completed by SLWD, the City may store, use and dispose of such Hazardous Materials in compliance with all laws of applicable Governmental Authority(ies). If any Hazardous Materials which is found, kept or brought on, in or under the Property during

the Term of this Agreement, suspected to be released or otherwise results in any contamination of the Property or any adjoining property or the air, soil, surface water or ground water, the responsible party shall promptly take all actions, at its/their sole expense, as are necessary to return the affected area(s) to the condition existing prior to the introduction of any such Hazardous Materials, including, without limitation, any investigation or monitoring of site conditions or any clean up, remediation, response, removal, encapsulation, containment or restoration work required because of the presence of any such Hazardous Materials on, in or under the Property or any release or suspected release or threat of release of any such Hazardous Materials in the air, soil, surface water or ground water (collectively, the "Remedial Work"). The responsible party shall also obtain all necessary licenses, manifests, permits and approvals to perform the Remedial Work and the Remedial Work shall be performed in accordance with all regulations of applicable Governmental Authority(ies). Notwithstanding the foregoing, if a third party is responsible for any Hazardous Materials on the Property during the Term, the City and CRA shall work to together to ensure the third party is held responsible and is required to perform and pay for all Remedial Work.

8.4 Pursuit of Approvals. Except as provided in the Development Agreement, the Comprehensive Agreement, or this Agreement, the City shall be solely responsible for filing and processing all necessary applications for the development of the Parking Garage from all applicable governmental agencies. The CRA shall have no obligation whatsoever to file or process any development applications and shall not be responsible to make any payments in connection with the development of the Parking Garage beyond those required under the Capital Improvement Revenue Note, the Development Agreement, the Comprehensive Agreement or this Agreement.

ARTICLE 9 - ASSIGNMENTS, SUBAGREEMENTS AND TRANSFERS

9.1 Written Consent Required. The CRA shall not, without the City's prior written consent, sublease or assign this Agreement or any interest therein to any party.

9.2 Any person to whom any transfer is attempted without such consent shall have no claim, right or remedy whatsoever hereunder against the City, and the City shall have no duty to recognize any person claiming under or through the same.

9.3 Transfer by the City. Except as otherwise provided herein, the City shall not transfer all or any portion of its interest in the Property without the prior written consent of the CRA if the same would cause the Property to no longer be exempt from ad valorem taxes, and/or result in the conveyance or encumbrance of title to the Property or any portion thereof.

ARTICLE 10 - CASUALTY, CONDEMNATION

10.1 In the event of any fire, earthquake, act of God or other casualty to or in connection with the Property and the Parking Garage or any portion thereof (each, a "Casualty") and/or, by exercise of the right of eminent domain or by conveyance made in response to the threat of the exercise of such right (in either case a "Taking") during the

Term, except as provided in the Development Agreement, the Comprehensive Agreement, the Revenue Note, or this Agreement, the CRA shall have no liability whatsoever arising from any such Casualty and shall have no liability for or any rights to any proceeds from a Taking.

ARTICLE 11- DEFAULT, LIMITATION OF LIABILITY, TERMINATION AND REMEDIES

11.1 An Event of Default shall occur if a party hereto fails to abide by the terms and conditions of this Agreement. Upon the occurrence of an Event of Default, which Event of Default shall continue unremedied for twenty (20) calendar days after written notice thereof from the non-defaulting party; provided, however, that if such failure is capable of cure but cannot reasonably be cured within twenty (20) calendar days, such failure shall not constitute an Event of Default, so long as the defaulting party provides the non-defaulting party with written notice within five (5) calendar days of receipt of the default notice advising the non-defaulting party that the default cannot be reasonably cured within twenty (20) calendar days and specifying the reasons therefore and, within the twenty (20) calendar day period, commences and thereafter is in good faith proceeding diligently and continuously to remedy such failure, but in no event shall any additional time to cure granted hereunder exceed ninety (90) calendar days in the aggregate after receipt of the original written default notice, the non-defaulting party shall have the right to require specific performance of this Agreement in addition to any other lawful remedies. If the non-defaulting party commences litigation for specific performance and prevails, the non-defaulting party shall be entitled to all of its reasonable costs and attorney's fees in seeking such specific performance.

11.2 If the City or the CRA has an Event of Default, which is due to a lack of appropriation, the City or the CRA shall utilize its best efforts to obtain the funding necessary to cure its Event of Default as soon as reasonably possible. Either party reserves the right to cure the other party's Event of Default if not timely cured after notice. In such case, any cost or expense incurred by the non-defaulting party to cure the Event of Default shall be a liability of the defaulting party to the non-defaulting party and promptly paid within thirty (30) days of notice of the amount due.

11.3 In no event shall either party be liable to the other for any indirect, incidental, consequential, special, or punitive damages, including but not limited to loss of profits, revenue, or business opportunities, arising out of or relating to this Agreement, regardless of the form of action, whether in contract, tort (including negligence), strict liability, or otherwise, even if such party has been advised of the possibility of such damages.

11.4 Termination. This Agreement shall automatically terminate upon the occurrence of the earlier of the following events:

- A. Failure of the WMODA Project to obtain the Entitlements or Permits as defined in the Development Agreement necessary to develop the WMODA Project.
- B. Failure of the CRA to issue the Capital Improvement Revenue Note.

C. The repayment of the Capital Improvement Revenue Note.

11.5 No right or remedy conferred upon or reserved to the parties in this Agreement is intended to be exclusive of any other right or remedy. Each and every right and remedy shall be cumulative and in addition to any other right or remedy given under this Agreement or existing at law or in equity to the extent provided for herein.

ARTICLE 12 - MISCELLANEOUS

12.1 The CRA and the City each represents and warrants to the other that it has not dealt with any broker or finder with regard to the Property or this Agreement.

12.2 Time of Essence. Time is of the essence of each and every provision of this Agreement, provided, however, that any time deadline or limitation shall be subject to extension for any delay that arises from unforeseeable causes beyond the reasonable control and without the fault or negligence of the City or the CRA. Examples of such causes include (a) acts of God, or public enemy, (b) acts or failure to act of a contractor in the performance of a contract with the City or the CRA, provided that the party hereunder seeking such action by the contractor properly requests same in a timely manner and thereafter diligently pursues same, (c) fires, (d) floods, (e) epidemics, (f) quarantine restrictions, (g) strikes or labor disputes, (h) freight embargoes, (i) unusually severe weather, (j) delays of subcontractors or suppliers at any tier arising from unforeseeable causes beyond the reasonable control and without the fault or negligence of the City or the CRA, as applicable, and (k) unusual disruptions in financial markets.

12.3 No Waiver. No waiver of any condition or agreement in this Agreement by either the CRA or the City will imply or constitute a further waiver by such party of the same or any other condition or agreement.

12.4 Captions, Gender, Etc. The captions are inserted in this Agreement only for convenience of reference and do not define, limit, or describe the scope or intent of any provisions of this Agreement. Unless the context clearly requires otherwise, the singular includes the plural, and vice versa, and the masculine, feminine, and neuter adjectives include one another.

12.5 Entire Agreement. Except for those that are specifically set forth in this Agreement, no representations, warranties, or agreements have been made by the CRA or the City to one another with respect to this Agreement.

12.6 Amendment. This Agreement may only be amended by mutual agreement of the CRA and the City, provided that all amendments must be in writing and signed by both.

12.7 Severability. If any provision of this Agreement is found by a court of competent jurisdiction to be illegal, invalid, or unenforceable, the remainder of this Agreement will not be affected, and in lieu of each provision which is found to be illegal, invalid, or unenforceable, there will be added as a part of this Agreement a provision as similar to

such illegal, invalid, or unenforceable provision as may be possible and be legal, valid, and enforceable, provided such severability does not materially affect the basic understanding of the parties hereto as reflected in this Agreement.

12.8 Notices. Any notice, request, demand, consent, approval, or other communication required or permitted under this Agreement shall be in writing and shall be deemed given when (i) received, if delivered by hand, (ii) sent by registered or certified mail, return receipt requested, or (iii) sent by recognized overnight delivery service such as Federal Express, addressed as follows:

If to the CITY:

City of Lake Worth Beach, Florida
Attn: Jaime Brown , Interim City Manager
7 N. Dixie Highway
Lake Worth Beach, Florida 33460

With copies to:

Torcivia, Donlon, Goddeau, and Rubin, PA
Attn: Christy Goddeau, Esq.
701 Northpoint Parkway, 209
West Palm Beach, FL 33407
Via Email: christy@torcivialaw.com

If to the CRA:

Lake Worth Beach Community
Redevelopment Agency
Joan Oliva, Executive Director
1121 Lucerne Avenue
Lake Worth Beach, FL 33460

With copies to:

Weiss, Serota, Helfman, Cole, and Bierman
Attn: David N. Tolces, Esq.
2255 Glades Road, Suite 200 E
Boca Raton, FL 33431
Via email to: DTolces@wsh-law.com

A party may change its address or to whom a copy should be sent by giving written notice to the other parties as specified herein.

12.9 Waiver of Jury Trial. To encourage prompt and equitable resolution of any litigation, the CRA and the City waive trial by jury, in any action, proceeding or counterclaim brought by either of them against the other on all matters arising out of this Agreement or the use and occupancy of the Property.

12.10 Cooperation and Public Records. The CRA and the City agree that they will cooperate with one another in all respects in furtherance of the redevelopment of the Property. Each party also recognizes that they are subject to Florida's Public Records Laws and shall comply with the same.

12.11 Estoppel Certificates. When requested by either party, the other party shall execute, acknowledge and deliver to such requesting party a written estoppel certificate certifying, as of the date of such estoppel certificate, the following: (a) that this Agreement is unmodified and in full force and effect (or if modified, that the Agreement is in full force and effect as modified and setting forth such modifications); (b) that the Term has commenced (and setting forth the Commencement Date for the Capital Improvement Revenue Note); (c) the amounts of Annual Base Rent currently due and payable by the City; (d) that there are no existing set-offs, charges, liens, claims or defenses against the enforcement of any right hereunder (or, if alleged, specifying the same in detail); (e) that the certifying party has no knowledge of any then uncured default by the requesting party of its obligations under this Agreement (or, if the certifying Party has such knowledge, specifying the same in detail); (f) any other certifications consistent with this Agreement being requested, with any qualifications to such certifications that are needed for accuracy.

12.12 Counterparts. This Agreement may be executed electronically or digitally by the CRA and the City and in one or more counterparts, each of which shall be an original, but all of which together shall constitute one and the same instrument.

12.13 Governing Law. This Agreement will be governed by and construed in accordance with the internal laws of the State of Florida, without regard to principles of conflicts of laws. Each of the parties irrevocably submits to the exclusive jurisdiction of any Florida State or Federal court sitting in Palm Beach County, Florida, in any action or proceeding arising out of or relating to this Agreement.

12.14 PALM BEACH COUNTY OFFICE OF THE INSPECTOR GENERAL. Palm Beach County has established the Office of Inspector General in Palm Beach County Code, Section 2-421 - 2-440, as may be amended. The Inspector General's authority includes, but is not limited to, the power to review past, present and proposed City contracts, transactions, accounts and records, to require the production of records, and to audit, investigate, monitor, and inspect the activities of the City and its agents in order to ensure compliance with contract requirements and detect corruption and fraud. Failure to cooperate with the Inspector General or interfering with or impeding any investigation shall be a breach of this Agreement and may result in termination of this Agreement or other sanctions or penalties as set forth in the Palm Beach County Code.

12.15 No Permit. This Agreement is not and shall not be construed as a development agreement under Chapter 163, Florida Statutes, nor a development permit, government approval or authorization to commence development.

12.16 Third Party Rights. The provisions of this Agreement are for the exclusive benefit of the parties to this Agreement and no other party (including without limitation, SLWD and any creditor of the City, CRA, or SLWD) shall have any right or claim against the City or the CRA by reason of those provisions or be entitled to enforce any of those provisions against the City or the CRA.

[END OF THIS PAGE - SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the CRA and City shall by their duly authorized officers, have caused this Agreement to be executed in each of its name for proper recording in the public records.

CRA:

LAKE WORTH BEACH COMMUNITY REDEVELOPMENT AGENCY, a public body corporate and politic under the laws of the State of Florida

By: 
Joan Oliva, Executive Director

STATE OF FLORIDA)
)
)
COUNTY OF PALM BEACH)

Before me, EMILY THEODOSSAKOS, a Notary Public of said County and State, personally appeared Joan Oliva with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged herself to be Executive Director of LAKE WORTH BEACH COMMUNITY REDEVELOPMENT AGENCY, a public body corporate and politic under the laws of the State of Florida and that she as such Executive Director executed the foregoing instrument for the purposes therein contained, by signing the name of LAKE WORTH BEACH COMMUNITY REDEVELOPMENT AGENCY by herself as Executive Director.

Witness my hand and seal, at Office in Lake Worth Beach this 12 day of August, 2025.

Notary Seal:


Notary Public



EXHIBIT "A"
LEGAL DESCRIPTION OF PROPERTY

1. 704 1st Avenue South 1:

PCN: 38-43-44-21-15-019-0301

The East 85 feet of Lots 30 and 31, Block 19, The Palm Beach Farms Company Plat No. 2, The Townsite of Lucerne (now known as Lake Worth), according to the map of plat thereof, as recorded in Plat Book 2, Page 29, of the Public Records of Palm Beach County, Florida.

2. 710 1st Avenue South:

PCN: 38-43-44-21-15-019-0302

The West 50 feet of Lots 30 and 31, Block 19, The Palm Beach Farms Company Plat No. 2, The Townsite of Lucerne (now known as Lake Worth), according to the map of plat thereof, as recorded in Plat Book 2, Page 29, of the Public Records of Palm Beach County, Florida.

3. 25 South "K" Street:

PCN: 38-43-44-21-15-019-0290

Lot 29, Block 19, The Palm Beach Farms Company Plant No. 2, The Townsite of Lucerne (now known as Lake Worth), according to the map or plat thereof as recorded in Plat Book 2, Page 29, of the Public Records of Palm Beach County, Florida.

EXHIBIT "B"

PAYMENT SCHEDULE

Payment Schedule:

Payment Milestones	Responsible Party	Amount
45 Days from Guaranteed Maximum Price - City, CRA, and SLWD Deadline to fund initial (1st) construction Draw	City of Lake Worth Beach	\$2,500,000.00
	City of Lake Worth Beach - Community Redevelopment Agency	\$1,500,000.00
	Sunshine Lake Worth Development, LLC	** Balance of: \$1,000,000.00
Second Construction Draw due at Start of the Precast Structure Erection, other construction methodology that achieves guaranteed max price.	City of Lake Worth Beach - Community Redevelopment Agency	\$1,575,000.00*
Third Construction Draw due at Top out of the Structure	City of Lake Worth Beach - Community Redevelopment Agency	\$1,575,000.00
Final (4th) Construction Draw due upon Substantial Completion/Temporary Certificate of Occupancy	City of Lake Worth Beach - Community Redevelopment Agency	\$350,000.00
Total Proposed Cost		\$8,500,000.00

***NOTE – of the \$3.5M to be paid to the SLWD, the City of Lake Worth Beach is required to transfer up to \$1.5M to the CRA before the second draw. The CRA is only responsible to pay up to \$2.5M towards the remaining debt after the 1st construction draw is completed.**

EXHIBIT "C"
AMORTIZATION

Parking Garage Financing by WMODA							
Maturity (Years)	5	Interest Rate	4%				
Number of Payments	5						
Principal	\$ 3,500,000	Annual Payment	\$786,194.90				
Payment period	Principal	Interest	Principal paid	Payment	Payee		Balance
					CRA	City	
Yr1	3,500,000.00	140,000.00	646,194.90	\$786,194.90	\$625,000.00	\$161,194.90	2,853,805.10
Yr2	2,853,805.10	114,152.20	672,042.69	\$786,194.90	\$625,000.00	\$161,194.90	2,181,762.41
Yr3	2,181,762.41	87,270.50	698,924.40	\$786,194.90	\$625,000.00	\$161,194.90	1,482,838.01
Yr4	1,482,838.01	59,313.52	726,881.38	\$786,194.90	\$555,974.00	\$230,220.90	755,956.63
Yr5	755,956.63	30,238.27	755,956.63	\$786,194.90	\$0.00	\$786,194.90	-
		430,974.49	3,500,000.00	\$3,930,974.49	\$2,430,974.00	\$1,500,000.49	