

ECONOMIC DEVELOPMENT INCENTIVE AGREEMENT
GULFSTREAM HOTEL

THIS ECONOMIC DEVELOPMENT INCENTIVE AGREEMENT (“Agreement”) is made and entered into by and between the **City of Lake Worth Beach, Florida**, a Florida municipal corporation (“City”), and **Gulfstream Owner, LLC**, a limited liability company authorized to do business in the State of Florida (“Owner”) effective as of the date the authorized representative for the City countersigns this Agreement (“Effective Date”).

RECITALS

WHEREAS, the Owner has a contract to purchase property generally located at 1 Lake Avenue, 11 Lake Avenue, 12 S. Lakeside Drive, 14 S. Lakeside Drive, 20 S. Lakeside Drive, 22 S. Lakeside Drive, and 24 S. Lakeside Drive, Lake Worth Beach, Florida, located within the corporate limits of the City of Lake Worth Beach, as more particularly described by the legal description attached hereto as **Exhibit “A”** (“**Property**”); and

WHEREAS, the Owner intends to restore the landmark, original historic Gulfstream hotel and construct a new annex hotel with 50 additional rooms, up to 85 apartments, a three level parking garage, and banquet/meeting facilities as well as gym, salon, and rooftop restaurant, which development project is further described in **Exhibit “B”** attached hereto and the Planned Development approved by the City on June 21, 2022 (“**Project Approvals**”), which is incorporated herein by reference (“**Project**”); and

WHEREAS, the City recognizes the positive impact that the Project will bring to the City through the timely redevelopment of the historic hotel along with additional hotel rooms, new apartments, and restaurants in the downtown area, which will provide a much needed revitalization to existing businesses and residences and attract new businesses and residents and stimulate growth and redevelopment within the historic core of the City; and

WHEREAS, the City agrees to enter into this Agreement with Owner to advance the public purposes of developing the Project to provide a new hotel, apartments, and restaurants for existing businesses and residents, and attract new businesses and residents to the City, stimulate growth and development within the historic core and cause an overall increase in the ad valorem and sales and use tax revenues and other revenues to the City; and

WHEREAS, in consideration of the aforementioned public purposes, the City and the Owner desire to enter into this Agreement as an economic development incentive for the Owner to finance, redevelop, and construct the Project; and

WHEREAS, to ensure that the incentives the City provides under this Agreement are utilized in a manner consistent with the aforementioned public purposes, Owner has agreed that its receipt of such incentives shall be conditioned upon its satisfaction of its obligations enumerated herein, including performance standards and timeframes relating to the construction of the Project; and

WHEREAS, the City and the Owner have determined and the City hereby finds that this Agreement promotes economic development in the City and, as such, is in the best interests of the City of Lake Worth Beach and serves a valid public purpose.

NOW, THEREFORE, in consideration of the promises and mutual agreements set forth herein, the sufficiency of which is acknowledged by both parties, the City and Owner agree as follows:

1. **RECITALS.** The foregoing Recitals are incorporated into this Agreement as true and correct statements and binding on the parties.

2. **DEFINITIONS.** The following words shall have the following meanings when used in this Agreement.

(a) **Agreement.** The word “Agreement” means this Economic Development Incentive Agreement, together with all exhibits attached hereto from time to time, if any.

(b) **As-Built Project Parameters.** The phrase “As-Built Project Parameters” shall mean the actual final, as-built Project Parameters at the time the Project is placed in-service.

(c) **City.** The word “City” means the City of Lake Worth Beach, Florida.

(d) **Commencement Date.** The phrase “Commencement Date” means the date by which construction of the Project shall commence, which is on or before the later of: (a) **180** calendar days after the Effective Date of this Agreement, or (b) June 30, 2023 (subject to both the Force Majeure clause set forth herein and the authority of the City Manager to extend such Date up to a maximum of 180 days).

(e) **Owner.** The word “Owner” means Gulfstream Owner, LLC, its successors, grantees, and permitted transferees and assignees.

(f) **Outside Completion Date.** The phrase “Outside Completion Date” means the date by which the Project has received all necessary temporary or final certificates of occupancy in order to be operational, which is on or before **910** calendar days after the Commencement Date (subject to both the Force Majeure clause set forth herein and the authority of the City Manager to extend such Date up to a maximum of 180 days).

(g) **Placed-In-Service.** The phrase “Placed-In-Service” shall mean the time when the City has received all required documentation from the Owner necessary to issue the final certificate(s) of occupancy, and certificate(s) of completion, and received the executed bill of sale and utility and maintenance/access easements (as applicable). The City shall be afforded thirty (30) days to independently verify Owner’s compliance with the foregoing.

(h) **Project.** The word “Project” is as defined in the Recitals and as shown in **Exhibit “B”**.

(i) **Project Approvals.** The phrase “Project Approvals” means the City Commission’s approval on June 21, 2022 of the Project via City Ordinance No. 2022-09.

(j) **Project Parameters.** The phrase “Project Parameters” means the proposed parameters of the Project which the City utilized to calculate the Utility Incentive Fund identified in this Agreement which is the total square footage under air condition for the Project.

(k) **Property.** The word “Property” is as defined in the Recitals and described in **Exhibit “A”**.

(l) **Utility Incentive Fund.** The phrase “Utility Incentive Fund” means **One Hundred Thirty-Nine Thousand, One Hundred Twenty-Three and 86/100 Dollars (\$139,123.86)**, which is based upon the City’s calculation of what should be a reasonable rate of return to the City for the estimated increased utility revenues from the Project Parameters and the City’s current rate schedules. The City’s calculations for the Utility Incentive Fund are shown in **Exhibit “C”**. If the As-Built Project

Parameters differ from the Project Parameters, the Utility Incentive Fund amount paid by the City to the Owner will be recalculated and the amount paid by the City will be the lesser of Utility Incentive Fund calculated in this Agreement or the recalculated amount based upon the As-Built Project Parameters.

3. GENERAL CONVENANTS.

(a) The parties hereto acknowledge and agree that this Agreement has been negotiated at arm's length. Each party has conferred, or has had the opportunity to confer, with their respective legal counsel. In the event any claim is made relating to any conflict, omission or ambiguity in this Agreement, no presumption, burden of proof, or persuasion shall be construed, interpreted or implied by virtue of the fact that this Agreement was drafted by or at the request of a particular party or its legal counsel.

(b) Owner represents, warrants and covenants to the City that:

1. It has all requisite corporate power to enter into this Agreement, and that its execution hereof has been duly authorized and does not and will not constitute a breach or violation of any of Owner's organizational documents, any applicable laws or regulations, or any agreements with third parties;

2. The individual executing this Agreement on behalf of Owner has full rights and ability and all necessary approvals to bind Owner to this Agreement;

(c) This Agreement is subject to review by the City's City Commission and shall not become effective until approved by the City Commission and executed by the Mayor and City Clerk.

4. TITLE TO PROPERTY MUST BE ESTABLISHED. The Owner represents and warrants that it currently has a contract to purchase the Property in fee simple. In order for the City to be obligated under this Agreement for the payment of any funds or any other City obligation herein, the Owner must close on the purchase of the Property and become the fee simple owner. The Owner shall provide the City with evidence of fee simple ownership of the Property by tender of a title policy indicating the Owner as fee simple owner of the Property. Such evidence shall be provided to the City within thirty (30) days following the Owner's financial closing for the Project.

5. OBLIGATIONS OF THE PARTIES.

(a) Obligations of Owner. In addition to the Owner's other obligations set forth in this Agreement, the Owner shall:

(1) Close on the Property purchase.

(2) Subject to the Force Majeure clause set forth herein, Owner shall commence construction of the Project on or before the later of (a) **180** calendar days after the Effective Date of this Agreement, or (b) June 30, 2023 (subject to both the Force Majeure clause set forth herein and the authority of the City Manager to extend such Date up to a maximum of 180 days). Independent of Force Majeure, the City Manager is authorized to extend the timeframes set forth herein by written amendment to this Agreement up to a maximum of 180 days. All further time extensions must be approved by the City Commission.

(3) Pay all necessary capacity and connection charges for the Electric, Water, and Sewer services and commence utility service to the Project.

(4) The Owner expressly acknowledges that by entering into this Agreement, the Owner, its successors, permitted assignees and transferees, vendors, grantees, and/or trustees, shall not construe any language contained herein or in any Exhibits attached hereto as waiving any of the requirements of the City's Code of Ordinances, Comprehensive Plan or other regulation, policy or rule applicable to the Project at the time of development except as may be expressly provided in paragraph 5(b) of this Agreement. The Owner shall comply with all conditions set forth in the Project Approvals, as are generally required of development projects in the City, including, but not limited to, returning disturbed and/or affected city infrastructure and/or right-of-way to a condition that is the same or better than prior to the commencement of construction

(5) The City shall have no obligation to provide any monetary support to the Owner or for the Project above or beyond the amounts specifically set forth herein unless otherwise provided for in a separate written agreement between the City and Owner.

(b) Obligations of City.

(1) Payment of the Utility Incentive Fund. Based upon the Project Parameters in this Agreement and the City's current utility rate schedules, the City has calculated a reasonable rate of return that it should receive as a result of the estimated increase in utility revenues and a portion of which return the City is willing to pay the Owner ("Utility Incentive Fund"). The total Utility Incentive Fund amount to be paid by the City to the Owner is **One Hundred Thirty-Nine Thousand, One Hundred Twenty-Three and 86/100 Dollars (\$139,123.86)** and is further broken down by utility as follows:

- i. Electric Utility: A total amount of up to **One Hundred Eight Thousand, Seven Hundred Seven and 50/100 Dollars. (\$108,707.50).**
- ii. Water & Sewer Utilities: A total amount of up to **Twenty-One Thousand, Seven Hundred Nineteen and 76/100 Dollars (\$21,719.76).**
- iii. Stormwater Utility: A total amount of up to **Eight Thousand Six Hundred Ninety-Six and 60/100 Dollars (\$8,696.60).**

The detailed calculations for the Utility Incentive Amount are attached hereto as **Exhibit "C"** and incorporated herein. The actual payment of the Utility Incentive Fund shall be a one-time payment made by the City at the three (3) year anniversary of when the Project is deemed to have been Placed-In-Service. The maximum amount to be paid by the City to the Owner is the total Utility Incentive Fund set forth in this Agreement; however, if the Project Parameters change from those set forth in this Agreement and when the Project is deemed to have been Placed-In-Service, the City's actual payment shall be the lesser of the total Utility Incentive Fund set forth in this Agreement or a re-calculation of the Utility Incentive Fund based upon the actual As-Built Project Parameters. Within 90 days of the three (3) year anniversary of when the Project is deemed to have been Placed-In-Service, the Owner shall submit a written request to the City for the disbursement of the Utility Incentive Fund and identify in its request to whom and where payment shall be made by the City. Within ninety (90) days of the City's receipt of the Owner's written request for the disbursement of the Utility Incentive Fund, the City shall re-calculate the Utility Incentive Fund based on the As-Built Project Parameters ("Re-Calculated Amount"). The City shall then pay the lesser of the total Utility Incentive Fund as set forth in this Agreement or the Re-Calculated Amount to the Owner.

(2) City Waivers and Contributions. In consideration of the beneficial aspect of the Project to the City, the City by and through the City Commission agrees to the following:

- i. The City hereby waives the Land Development Application Fee (Entitlement Fee) of **Twelve Thousand Eight Hundred Twenty-Five Dollars (\$12,825)** upon the Owner submitting the application for the Project building permits and payment of fifty percent (50%) of the applicable building permit fees.
- ii. As identified in the conditions for the Project Approvals, the City waives the payment to the City of the fifty percent (50%) sustainable bonus fee if the Owner receives the proposed Florida Green Building Certification and installs the proposed public art. If the Owner fails to obtain the Florida Green Building Certification and install the proposed public art within twelve (12) months of the Owner's receipt of the final certificates of occupancy from the City for the Project (unless any approvals that may be required by the Plan Approval for Owner's proposed public art are pending or denied within such twelve (12) month period) , the Owner shall be required to pay the City the fifty percent (50%) sustainable bonus fee within thirty (30) days of receipt of written notice from the City. If the Owner fails to pay the fifty percent (50%) sustainable bonus fee within thirty (30) days of receipt of written notice from the City, the City shall have the right to withhold the Utility Incentive Fund payment from the Owner and pursue a code compliance case for the Owner's failure to satisfy all conditions of approval for the Project.
- iii. City shall provide through the Electric Utility up to **Twenty Thousand Dollars (\$20,000.00)** in temporary power assistance upon the Owner submitting the application for the Project building permits and payment of fifty percent (50%) of the applicable building permit fees. This amount is only to be used for the installation of temporary power infrastructure up to the meter and will not be used for the electricity nor installation of equipment on the Owner's side of the meter.
- iv. City shall provide through the Electric Utility up to **Fifty Thousand Dollars (\$50,000.00)** towards a back-up transformer for the Project upon the Owner submitting the application for the Project building permits and payment of fifty percent (50%) of the applicable building permit fees. Due to the likely unique size and type of transformer required for the Project, this amount will be used to cover the cost of a spare back-up transformer for the Project, which will be purchased by the City and owned by the City. The City will retain the right to utilize the purchased transformer in its sole and absolute discretion.

(3) Budget and Appropriation. Based upon the timeframes set forth in this Agreement, the City agrees to propose in each applicable fiscal year budget an amount to cover the City's obligations as stated herein commencing with the Fiscal Year 2022-2023 budget; however, the City's funding obligations as stated herein are all subject to the City's annual budgeting and appropriation process. The Owner understands and agrees that the City's funding 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. Neither the City nor the State of Florida nor any political subdivision or agency thereof has pledged any of its full faith and credit or its taxing power to make any

payments under this Agreement.

6. NON-DISCRIMINATION POLICY. The Owner warrants and represents that all of its employees, subconsultants and subcontractors are treated equally during selection, employment and/or engagement without regard to race, color, religion, disability, sex, age, national origin, ancestry, political affiliation, marital status, handicap, or sexual orientation. Further, the Owner shall not discriminate or permit discrimination against any employee or an applicant for employment on the basis of race, color, sex, religion, political affiliation, natural origin, ancestry, marital status, sexual orientation or handicap.

7. OPPORTUNITIES FOR CITY OF LAKE WORTH BEACH RESIDENTS AND BUSINESSES. The Owner has communicated its good faith intent to make commercially reasonable efforts consistent with applicable law to provide City of Lake Worth Beach residents with opportunities for training and employment in connection with the Project, similar to those opportunities provided at other hotel projects operated by Owner or its affiliates, subject to market forces. The Owner also has communicated its good faith intent to make commercially reasonable efforts consistent with applicable law to provide City of Lake Worth Beach business concerns with opportunities in connection with the Project, including the utilization of local and small business, veteran owned-business enterprises, and minority/women-owned business enterprises, similar to those opportunities provided at other hotel projects operated by Owner or its affiliates, subject to market forces.

8. CONFLICT OF INTEREST. The Owner represents that it presently has no interest and shall acquire no interest, either direct or indirect, which would conflict in any manner with its performance required hereunder, as provided for in Chapter 112, Part III, Florida Statutes, and Palm Beach County's Code of Ethics.

9. TIME OF PERFORMANCE. The effective date of this Agreement shall be the date this Agreement is approved by the City's City Commission and executed by the Mayor and City Clerk ("Effective Date"). Subject to Force Majeure, time is of the essence for the performance of all obligations under this Agreement. Unless otherwise agreed in a written amendment to this Agreement or as a consequence of Force Majeure, this Agreement will expire if construction has not started by the Commencement Date. Independent of the occurrence of any Force Majeure events, the timeframes set forth herein for the Owner's obligations may be extended in writing by the City Manager up to a maximum of 180 calendar days. Beyond 180 calendar days, a written amendment to this Agreement with City Commission approval will be required.

10. TERMINATION AND SUSPENSION.

- (a) 30-day Termination. If, through any cause, Owner fails to fulfill any of its obligations with regards to closing on the Property, or fails to timely reach the Commencement Date or the Outside Completion Date set forth in this Agreement (including any extensions as a result of Force Majeure or as otherwise authorized under this Agreement), the City may in its sole discretion provide the Owner with a thirty day notice of termination and identify the ground(s) for termination consistent with this section. The City may also, in its sole discretion, suspend the performance of any City obligation herein, in whole or part, upon sending the 30-day notice of termination. If the Owner fails to cure the ground(s) for termination within thirty (30) days after the receipt of the City's notice, this Agreement will terminate thirty (30) days after the receipt of the notice from the City without any further action by either party. The notice from the City under this provision may be provided by the City Manager.

- (b) 60-day Termination. If, through any cause, Owner shall default on its obligations under this Agreement (including those in section 10 (a) above should the City decide not to send a 30-day notice of termination), the City shall thereupon have the right to terminate this Agreement and/or, in its sole discretion, suspend performance of any City obligation herein, in whole or part, by giving 60 days' written notice to Owner of such termination and/or suspension. The notice from the City under this provision may be provided by the City Manager and shall state the ground(s) for termination. The Owner shall then have 60 days to cure the ground(s) for termination upon receipt of the City's notice. If the ground(s) for termination cannot reasonably be cured within 60 days, the City shall reasonably extend the time for termination if the Owner makes a request for an extension of time within the 60 day timeframe and promptly takes reasonable action to remedy the ground(s) for termination and continues with such reasonable action for the extended timeframe granted by the City. The Owner shall provide the City with a detailed written explanation of all reasonable action to be taken to remedy the ground(s) for termination and timeframes to achieve the same in order to be eligible for an extension of the time for termination. If the extension of time is granted, the City will provide the Owner with a reasonable new time for termination based on the Owner's detailed written explanation.

11. FORCE MAJEURE. If by reason of Force Majeure, it is impossible for the Owner in whole or in part, despite commercially reasonable efforts, to carry out any of its obligations contained herein, the Owner shall not be deemed in breach of its obligations during the continuance of such Force Majeure event. Such Force Majeure event does not affect any obligations of the Owner other than the timing of performance of such obligations. The term "Force Majeure" as used herein means any of the following events or conditions or any combination thereof: acts of God, acts of the public enemy, riot, insurrection, war, act of terrorism, pestilence, archaeological excavations required by law, unavailability of materials, epidemics (including, without limitation, cases of illness or condition, communicable or non-communicable, caused by bioterrorism, pandemic influenza, or novel and highly infectious viruses, agents or biological toxins), pandemics, disease, quarantine restrictions, freight embargoes, fire, lightning, hurricanes, earthquakes, tornadoes, floods, abnormal and highly unusual inclement weather (as indicated by the records of the local weather bureau for a five-year period preceding the Effective Date), strikes or labor disturbances, restoration in connection with any of the foregoing, and acts of any Governmental Authority (except that acts of the City shall not constitute a Force Majeure event with respect to performance by the City); and, which events or conditions or any combination thereof are beyond the reasonable control of the Owner and cause delays in the performance or prosecution of the Owner's obligations. The Owner agrees, however, to use commercially reasonable efforts to remedy the cause or causes preventing the Owner from timely carrying out its obligations. The Owner shall provide the City with written notice of any Force Majeure event within one hundred twenty (120) days of Owner's knowledge of the occurrence of such event; provided that notwithstanding anything to the contrary, such "written notice" may be satisfied by Owner or its contractor emailing to the City's Community Sustainability Director or designee within such 120 days a report that gives a construction progress update (full construction schedule) and that identifies whether a particular Force Majeure event (from the list above or other) has occurred within the prior 120 days—the attached checklist with items indicated is adequate. . Failure to timely and properly notice the City will result in the Owner's waiver of the Force Majeure event as cause for delay in the Owner's performance of its obligations herein until written notice is provided to the City.

12. SEVERABILITY OF PROVISIONS. If any provision of this Agreement is held invalid, the remainder of this Agreement shall not be affected thereby if such remainder would then continue to conform to the terms and requirements of applicable law.

13. BINDING NATURE AND NON-ASSIGNMENT. The Owner shall not assign or transfer this Agreement in whole or in part without the prior written consent of City Commission. Notwithstanding the foregoing, the Owner may assign this Agreement to any affiliated entity authorized to do business in the

State of Florida, provided, however, that prior notice of such assignment shall be given by the Owner to the City. Owner shall have the right to collaterally assign its rights and obligations under this Agreement to a lender (s) or investor(s) financing the Project provided, however that notice of such assignment shall be given by the Owner to the City upon the City's request from time to time. Lender shall be notified at such address as may be designated in writing by Lender from time to time of any default under this Agreement which would entitle the City to revoke or terminate this Agreement or the funding obligations of the City hereunder. The City agrees that, notwithstanding any provisions of this Agreement to the contrary, no such revocation or termination will be effective against Lender unless Lender is afforded the same notice as provided herein and right to cure as Owner.

14. GOVERNING LAW, VENUE AND WAIVER OF JURY TRIAL. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida. Each of the Parties exclusively and irrevocably submits to the jurisdiction of any Florida State or Federal court sitting in Palm Beach County, Florida, in any and all action or proceeding arising out of or relating to this Agreement. The Parties hereby each exclusively and irrevocably agree that all claims in respect of any such action or proceeding may be heard and determined in any such Florida State court or in such Federal court and irrevocably waive, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of any such action or proceeding. EACH PARTY WAIVES ANY RIGHTS THAT EACH OF THEM MAY HAVE TO A TRIAL BY JURY FOR ANY DISPUTE WHICH ARISES OUT OF OR IS RELATED TO THIS AGREEMENT BETWEEN THE PARTIES.

15. NOTICES. All notices required to be given under this Agreement shall be sufficient when sent by certified mail (return receipt requested) or by nationally recognized overnight courier or by hand-delivery with a signed receipt and addressed as follows:

For the City:

City of Lake Worth Beach
Attn: City Manager
7 N. Dixie Highway
Lake Worth Beach, FL 33460

With copy to:

City of Lake Worth Beach
Attn: City Attorney
7 N. Dixie Highway
Lake Worth Beach, FL 33460

For Owner:

Restoration St. Louis, Inc.
4240 Manchester Ave.
St. Louis, MO 63143
Attn: Amrit Gill

With copy to:

Restoration St. Louis, Inc.
4240 Manchester Ave.
St. Louis, MO 63143
Attn: General Counsel

Either party may amend this provision by written notice to the other party. Notice will be deemed received on the fifth day after mailing if sent by certified mail or the next day after mailing if sent by overnight courier or if by hand delivery.

16. INDEPENDENT CONTRACTOR. The Owner agrees that, in all matters relating to this Agreement, it will be acting as an independent contractor with exclusive control of the manner and means of performing its obligations and tasks in accordance with the requirements of this Agreement. The Owner has no authority to act or make any agreements or representations on behalf of the City. This Agreement is not intended, and shall not be construed to create, between the City and the Owner, the relationship of principal and agent, joint-venturers, co-partners or any other such relationship, the existence of which is hereby expressly denied. No employee or agent of Owner shall be, or shall be deemed to be, an employee or agent of City.

17. NO FORFEITURE OR WAIVER. The rights of the City and the Owner under this Agreement shall be cumulative and failure on the part of the City or the Owner to promptly exercise or enforcement any rights given hereunder shall not operate to forfeit or waive any of the City's or Owner's rights, respectively.

18. PUBLIC ENTITY CRIMES. As provided in section 287.133, Florida Statutes, by entering into this Agreement or performing any of its obligations and tasks in furtherance hereof, Owner certifies that it, its affiliates, suppliers, subcontractors and consultants who will perform hereunder, have not been placed on the convicted vendor list maintained by the State of Florida Department of Management Services within the thirty-six (36) months immediately preceding the date hereof. This notice is required by section 287.133 (3)(a), Florida Statutes. Owner is under a continuing obligation for the term of this Agreement to immediately notify the City of any violation of this provision.

19. 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.

20. EXCLUSION OF THIRD PARTY BENEFICIARIES. No provision of this Agreement is intended to, or shall be construed to, create any third party beneficiary or to provide any rights to any person or entity not a party to this Agreement, including but not limited to any citizens, residents or employees of the City or Owner.

21. INCORPORATION BY REFERENCE. Exhibits attached hereto and referenced herein shall be deemed to be incorporated into this Agreement by reference.

22. COUNTERPARTS OF THE AGREEMENT. This Agreement, which include the Exhibits referenced herein, shall be executed in counterparts, each of which shall be deemed to be an original, and such counterparts will constitute one and the same instrument. This Agreement may be signed digitally or electronically by either Party and exchanged via facsimile or e-mail. Each electronic signature or digital signature shall be considered an original of that party.

23. ENTIRE UNDERSTANDING. This Agreement and its provisions merge any prior agreements, including without limitation the Letter of Intent dated May 25, 2021 between the parties hereto with respect

to the City's provision of an economic investment incentive and infrastructure investment incentive for the Project and constitute the entire understanding thereof. The parties hereby acknowledge that there have been and are no representations, warranties, covenants, or undertakings other than those expressly set forth herein with respect to the City's provision of an economic investment incentive and infrastructure investment incentive for the Project.

24. PUBLIC RECORDS. Both the Owner and City shall comply with Florida's Public Records Act, Chapter 119, Florida Statutes, to the extent applicable to any public records related to or arising from this Agreement.

25. CONFIDENTIAL INFORMATION. If during the term of this Agreement, either party is provided access to any records or other information that is confidential or proprietary in nature, the other party shall maintain the confidentiality of such information consistent with Florida's Public Records laws including, but not limited to, any building plans or GIS information provided to or by the Owner, its contractors, subcontractors, consultants or agents.

IN WITNESS our Hands and Seals on this ____ day of _____, 2022 to this ECONOMIC DEVELOPMENT INCENTIVE AGREEMENT (Gulfstream Hotel).

ATTEST:

CITY OF LAKE WORTH BEACH

By: _____
Melissa Ann Coyne, City Clerk

By: _____
Betty Resch, Mayor

Approved for legal sufficiency:

Approved for financial sufficiency:

By: _____
Glen J. Torcivia, City Attorney

By: _____
Bruce T. Miller, Financial Services Director

OWNER: GULFSTREAM OWNER, LLC

By: _____

Print Name: _____

Title: _____

[Corporate Seal]

STATE OF _____)
COUNTY OF _____)

THE FOREGOING instrument was acknowledged before me by means of • physical presence or • online notarization on this ____ day of _____ 2022, by _____, as the _____ [title] of _____, a Florida limited liability company, who is personally known to me or who has produced _____ as identification, and who did take an oath that he or she is duly authorized to execute the foregoing instrument and bind the Owner, to the same.

Notary Seal:

Notary Public Signature

EXHIBIT "A"
PROPERTY LEGAL DESCRIPTION

The land referred to herein below is situated in the County of Palm Beach, State of Florida, and is described as follows:

The Land referred to herein below is situated in the County of Palm Beach, State of Florida, and is described as follows:

PARCEL 1

LOTS 9, 10, 11 AND THE NORTHERLY 24.50 FEET OF LOT 12, BLOCK 33, THE PALM BEACH FARMS CO. PLAT NO. 2, LUCERNE TOWNSITE, ACCORDING TO THE PLAT THEREOF, AS RECORDED IN PLAT BOOK 2, PAGES 29 THROUGH 40, OF THE PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA, SAID LAND LYING IN THE LUCERNE TOWNSITE, PALM BEACH COUNTY, FLORIDA.

AND

LOTS 7 AND 8, BLOCK 33, THE PALM BEACH FARMS CO. PLAT NO. 2, LUCERNE TOWNSITE, ACCORDING TO THE PLAT THEREOF, AS RECORDED IN PLAT BOOK 2, PAGES 29 THROUGH 40, INCLUSIVE, OF THE PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA, SAID LAND LYING IN THE LUCERNE TOWNSITE, PALM BEACH COUNTY, FLORIDA.

AND

LOTS 1 THROUGH 6, BLOCK 33, THE PALM BEACH FARMS CO. PLAT NO. 2, LUCERNE TOWNSITE, ACCORDING TO THE PLAT THEREOF, AS RECORDED IN PLAT BOOK 2, PAGES 29 THROUGH 40, INCLUSIVE, OF THE PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA, SAID LANDS LYING IN THE LUCERNE TOWNSITE, PALM BEACH COUNTY, FLORIDA.

AND

PARCEL 2

THAT CERTAIN 10 FOOT WIDE STRIP OF LAND LYING WEST OF AND ADJACENT TO THE FOLLOWING DESCRIBED PARCEL:

LOTS 9, 10, 11 AND THE NORTHERLY 24.50 FEET OF LOT 12, BLOCK 33, THE PALM BEACH FARMS CO. PLAT NO. 2, LUCERNE TOWNSITE, (NOW KNOWN AS LAKE WORTH), ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 2, PAGES 29 THROUGH 40 OF THE PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA, SAID LAND LYING IN THE LUCERNE TOWNSITE, PALM BEACH COUNTY, FLORIDA.

EXHIBIT “B”
PROJECT DESCRIPTION

Project Description:

The Project includes the restoration of the landmark, original historic hotel with 90 rooms, a restaurant and a rear addition to provide back of house operations. It also involves the construction of a new annex hotel with 50 additional rooms, up to 85 apartments, at three-level parking garage, and banquet/meeting facilities as well as a gym, salon, and rooftop restaurant and pool. Specifically, the Project was approved as:

1. Mixed Use Urban Planned Development to renovate an existing 59,100 sf hotel building (90 hotel rooms), build a rear addition of 4,700 sf, and construct a new mixed use (hotel & multifamily) building with +/- 164,985 sf, including a maximum of 85 residential units, 50 new hotel rooms and a parking garage (283 spaces).
2. Major Site Plan for the development of a mixed-use development in excess of 7,500 square feet.
3. Development of Significant Impact (DSI) to construct a mixed-use development in excess of 100,000 sf.
4. Conditional Use Permit to establish hotel and multi-family residential uses greater than 7,500 square feet.
5. Sustainable Bonus Incentive Program for additional density, intensity and height.

At the time of entering this Agreement, it is anticipated that the Project will provide 217,415 of under air conditioned space.

* At its meeting of April 27, 2022, the Lake Worth Beach Historic Resources Preservation Board voted to recommend approval to the City Commission for the Project known as The Gulfstream Hotel. The Project was heard on June 7, 2022 and June 21, 2022 before the City Commission and the Planned Development for the Project received approval with conditions.

EXHIBIT “C”
Calculations for Utility Incentive Fund

Utility revenue incentives are based on the Project’s total sq. ft. of under air condition, which is currently estimated to be 217,415 sq. ft. Final incentives will be based on entitled, approved project total sq. ft under air condition.

1. Water and Sewer Calculation:

Water/Sewer – \$0.0999 per sq. ft. (based on the projected Water/Sewer Utility revenues from the Project Transaction of **\$21,719.76** in aggregate for the first three years, each beginning on the date of issue of Certificate of Occupancy of the residential unit project and commercial unit).

2. Stormwater Calculation:

Stormwater - \$0.04 per sq. ft. (based on projected Stormwater Utility revenues from the Project Transaction of **\$8,696.60** in aggregate for the first three years, each beginning on the date of issue of Certificate of Occupancy of the residential unit project and commercial unit).

3. Electric Utility Calculation:

Electric – \$0.50 per sq. ft. (based on projected Electric Utility revenues from the Project Transaction of **\$108,707.50** in aggregate for the first three years, each beginning on the date of issue of Certificate of Occupancy of the residential unit project and commercial unit).

(rates set forth above are per City Resolution No. 70-2021 adopted for FY 2021-2022)

Form of checklist for Section 11

The Gulfstream Hotel Project – Progress Checklist

Restoration St. Louis

Construction Schedule Checklist

Submission Date -

Reporting Period -

Month/Year to Month/Year

Percent of Project Completion –

Force Majeure Event(s) Occurring During Reporting Period – Please circle all that may apply.

Provide explanation/description of occurrence as an attachment for each circled.

Acts of God

Acts of the public enemy, riot, insurrection, and/or war

Acts of terrorism

Pestilence

Archaeological excavations required by law

Unavailability of materials

Epidemics (including, without limitation, cases of illness or condition, communicable or non-communicable, caused by bioterrorism, pandemic influenza, or novel and highly infectious viruses, agents or biological toxins)

Pandemics, disease, and/or quarantine restrictions

Freight embargoes

Fire

Lightning

Hurricanes

Earthquakes

Tornadoes

Floods

Abnormal and highly unusual inclement weather (as indicated by the records of the local weather bureau for a five-year period preceding the Effective Date)

Strikes or labor disturbances

Restoration in connection with any of the foregoing

Acts of any Governmental Authority

Other events or conditions or any combination thereof are beyond the reasonable control of the Owner and cause delays in the performance or prosecution of the Owner's obligations

Reporting Party -

Signature -

Title -

Date -
