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CITY COUNTY AND LOCAL GOVERNMENT ATTORNEY

August 24, 2022

Via E-Mail Only

Mayor and Commissioners
City of Lake Worth Beach
7 N. Dixie Highway
Lake Worth Beach, FL 33460

RE: Economic Development Incentive Agreement with the Gulfstream Hotel

Dear Mayor and Commissioners:

This is a summary of the key provisions of the Economic Development Incentive Agreement with the Gulfstream Hotel.

1. Construction of the Hotel must commence within 180 days after the Agreement is approved or June 30, 2023 (paragraph 2(d)).
2. The project must be completed within 910 days after the commencement of construction (paragraph 2(f)).
3. The Gulfstream must comply with all of the conditions of approval and the City's code of ordinances, comprehensive plan, or other regulations (paragraph 5(a)(4)).
4. The City will make the following payments to the Gulfstream.

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:

Electric Utility: A total amount of up to One Hundred Eight Thousand, Seven Hundred Seven and 50/100 Dollars. (\$108,707.50);

Water & Sewer Utilities: A total amount of up to Twenty-One Thousand, Seven Hundred Nineteen and 76/100 Dollars (\$21,719.76); and

Stormwater Utility: A total amount of up to Eight Thousand Six Hundred Ninety-Six and 60/100 Dollars (\$8,696.60).

The above payments will be made approximately 3.5 years after the completion of the Project (paragraph 5(b)(i)).

5. The City is waiving 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 (paragraph 5(b)(2)(i)).

6. The City is waiving the payment of the fifty percent (50%) sustainable bonus fee if the Owner receives the proposed Florida Green Building Certification and installs the proposed public art. The estimated amount of the sustainable bonus fee that is being waived is approximately \$647,000 (paragraph 5(b)(2)(ii)).

7. The City shall provide up to \$20,000 for temporary power infrastructure and up to Fifty Thousand Dollars (\$50,000.00) towards a back-up transformer for the Project (paragraph 5(b)(iii and iv)).

8. 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 (Paragraph 7).

I trust that the above is of assistance.

Sincerely,

Glen J. Torcivia

Glen J. Torcivia
City Attorney

c: Carmen Davis
c: William Waters
c: Juan Ruiz
c: Melissa Coyne
c: Robert Sanders
c: Phil Hutchinson