

CITY OF FORT LAUDERDALE
WORKFORCE HOUSING INCENTIVE AGREEMENT

This Workforce Housing Incentive Agreement ("Agreement") is made this 9 day of December, 2024 (the "Effective Date"), by and between the **CITY OF FORT LAUDERDALE**, a Florida municipal corporation ("City"), and **1055 N FEDERAL, LLC**, a Florida limited liability company ("Owner"), and any successor or assign thereof.

W I T N E S S E T H:

WHEREAS, Owner owns certain real property with street addresses of 1055 N Federal Hwy (Parcel ID # 494236090030) and NE 18 Ave (Parcel ID # 494236090191) all located in the City of Fort Lauderdale, Florida, within the corporate limits of the City, as more particularly described on Exhibit "A" attached hereto and made a part hereof (the "Property"); and

WHEREAS, to facilitate the development of affordable housing the City of Fort Lauderdale offers a variety of regulatory and financial incentives such as density bonuses, height increases, parking reductions, expedited plan review, housing trust fund, city-owned land, and community redevelopment agency funding; and

WHEREAS, on October 3, 2023, the City Commission of the City of Fort Lauderdale adopted Resolution 23-231 adopting and approving the Affordable/Workforce Housing Tax Reimbursement Program to facilitate the development of affordable housing by providing an addition incentive to affordable and workforce housing developments that do not align with the available incentives but may provide significant public benefit, mix of affordable and workforce housing options and new private capital investment may be eligible for a reimbursement of new ad valorem taxes. A copy of the Tax Reimbursement Program Application is attached as Exhibit "B" (the "Application").

WHEREAS, the purpose of this Agreement is to set forth the agreement of the City to provide certain financial incentives to facilitate development of a mixed-use, mixed-income project containing approximately 376 rental units (the "Total Dwelling Units"), ground level commercial and amenity space, a parking garage, and other improvements as depicted on the preliminary Site Plan attached hereto as Exhibit "C" (the "Project") to assist in alleviating the shortage of affordable housing in the City; and

WHEREAS, the Application indicates that the appraised value of the Property estimated at \$148,658,107 upon completion of the Project; and

WHEREAS, the City estimates that the taxable value of the Project will yield approximately \$382,000.00 in ad valorem tax increment revenue for the City in the first year after the Project Completion Date, as further defined herein; and

WHEREAS, in order to help facilitate the development of the Project and to provide additional capital resources which shall be used by the Owner to fund such development, the City agrees to reimburse for a period of time and in such amounts as set forth in this Agreement, an amount equal to 100% of the City's real property ad valorem tax increment revenue generated by the Project, pursuant to the terms of this Agreement as further set forth herein (the "Tax Incentives"); and

WHEREAS, without such Tax Incentives, development of the Project may not be financially feasible for the Owner or similar entities, or would take considerably longer to complete and would prolong the affordable housing crisis within the City; and

NOW, THEREFORE, in consideration of the Tax Incentives provided by the City pursuant to the terms of this Agreement and the sum of Ten and No/100 Dollars (\$10.00) each to the other in hand paid, the receipt and sufficiency of which is hereby acknowledged, Owner and City agree as follows:

ARTICLE 1 DEFINITIONS.

1.01 Definitions. The terms defined in this Section 1.01 shall have the following meanings, except as herein otherwise expressly provided:

(a) "Affidavit" means a report certifying that the Project is in compliance with the Workforce Housing Requirements pursuant to Article 4 hereof.

(b) "AMI" or "Area Median Income" means the Broward County Area Median Income as set forth each year by the Department of Housing and Urban Development ("HUD").

(c) "Approvals" means any and all required site plan, zoning and land use approvals necessary by the applicable Governmental Authority to construct the Project on the Property.

(d) "City" means the City of Fort Lauderdale, Florida, a Florida municipal corporation, and any successors or assigns thereto.

(e) "City Manager" means the administrative head of Fort Lauderdale appointed by the City Commission.

(f) "City Commission" means the governing board of Fort Lauderdale.

(g) "City Tax Reimbursement" is defined in Section 5.01.

(h) “Construction Documents” means the plans and specifications for the Project, and any part thereof, in sufficient detail and specificity to be filed with the Owner’s application for a Permit and used for construction of the Project.

(i) “County” means Broward County, Florida, a political subdivision of the State of Florida.

(j) “Exhibits” means those agreements, diagrams, drawings, specifications, instruments, forms of instruments, and other documents attached hereto and designated as exhibits to, and incorporated in and made a part of, this Agreement, including any changed, revised, supplemental or replacement versions thereof.

(k) “Expiration Date” means the date on which this Agreement expires, which shall be the date that all obligations of each party have been fully performed.

(l) “First Mortgage Lender” means any first mortgage lender providing construction, bridge or permanent financing for the Project, which may be secured by a first priority mortgage, security instrument, pledge, lien or other encumbrance.

(m) “Governmental Authority” means the City, or other governmental entity having regulatory authority over the Project as it relates to all Approvals and Permits.

(n) “Increment Revenues” means the difference in the City’s share of the ad valorem tax revenue generated by the Property from the period beginning on the Project Commencement Date and ending with the Project Completion Date.

(o) “Permits” means all zoning, variances, approvals and consents required to be granted, awarded, issued, or given by any Governmental Authority in order for construction of the Project, or any part thereof, to commence, continue, or be completed or to allow occupancy and use.

(p) “Project Approval Date” means the date that any and all required site plan, zoning and land use approvals necessary by the applicable Governmental Authority to construct the Project on the Property have been achieved and any appeal periods have expired.

(q) “Project Commencement Date” means the date on which construction of the Project commences. The Project Commencement Date shall occur on or before the fifth anniversary of the Project Approval Date or the Agreement shall terminate and neither party shall have any obligation to the other.

(r) “Project Completion Date” means the date on which construction of the Project is substantially complete as evidenced by the issuance of a certificate of occupancy allowing occupancy of the Workforce Units, which, for the avoidance of doubt, may be evidenced by a temporary certificate of occupancy.

(s) “Program” means the Affordable/Workforce Housing Tax Reimbursement Program adopted and approved by Resolution No. 23-231 by the City Commission on October 3, 2023.

(t) “Restricted Period” shall mean a period of time beginning on the Project Completion Date and continuing through and until the thirty (30) year anniversary thereof.

(u) “Site Plan” means the plans and specifications pertaining to the design, mass, elevation and exterior treatment of the Project, the initial version of which is attached hereto as Exhibit “C”, and as may be revised from time to time in connection with the Approvals.

(v) “Unavoidable Delay” means those events constituting excuse from timely performance by a party hereto from any of its obligations hereunder, as such events are defined in and subject to the conditions described in Article 6 hereof.

(w) “Workforce Housing Requirements” means the requirement to provide affordable workforce housing in the Project pursuant to Article 4 hereof.

1.02 Use of Words and Phrases. Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Unless the context shall otherwise indicate, the singular shall include the plural as well as the singular number, and the word “person” shall include corporations and associations, including public bodies, as well as natural persons. “Herein” “hereby” “hereunder” “hereof” “hereinbefore” “hereinafter” and other equivalent words refer to this Agreement and not solely to the particular portion thereof in which any such word is used.

1.03 Florida Statutes. All references herein to Florida Statutes are to Florida Statutes (2024), as amended from time to time.

1.04 Computation of Days. In the computation of any period of time expressed in day(s) in this Agreement, the day of the act, event or default from which the designated period of time begins to run shall not be included. The last day of the period so computed shall be included unless it is a Saturday, Sunday or legal holiday. When the period of time prescribed or allowed is less than seven (7) days, intermediate Saturdays, Sundays and legal holidays, including holidays for the City, shall be excluded in the computation. Any period of time that consists of thirty (30) or more days shall be computed on calendar days, and any period of time that consists of less than thirty (30) days shall be computed on business days.

ARTICLE 2 PURPOSE; FINDINGS; INTENT.

2.01 Purpose of Agreement. The purpose of this Agreement is to provide tax incentives to facilitate development of the Project for purposes of economic development and the creation of affordable workforce housing to improve the health, safety and welfare of individual residents and the City at large, all in accordance with and in furtherance of this public purpose as outlined in Section 163.335, Florida Statutes.

2.02 Findings.

(a) The recitals set forth above in the “Whereas” clauses are hereby approved by the parties and incorporated herein.

- (b) Owner intends to develop the Project on the Property.
- (c) The Project will enhance the quality of life for low, moderate and middle income residents.
- (d) The Project will improve the aesthetic and useful enjoyment of the Property through the eradication of conditions of blight.
- (e) The City finds that there is a need for Tax Incentives in order to make the Project economically feasible.
- (f) The Project will meet the Program's requirement that a minimum 30% of the available units developed and constructed are affordable/workforce.
- (g) The Project is unable to align with the available incentives but provides a significant public benefit.
- (h) Owner agrees to execute and record a restrictive covenant in the Public Records of Broward County, Florida, as more particularly set forth in Section 4.03 herein.

2.03 Intent; Cooperation.

- (a) It is the intent of the parties hereto to efficiently, effectively and economically cause the successful development of the Project.
- (b) The parties mutually recognize and acknowledge that the Owner will require Tax Incentives from the City in order to offer affordable workforce housing in the Project.
- (c) The parties hereto recognize and acknowledge that the successful development of the Project is dependent upon continued cooperation of the parties hereto, and each agrees that it shall: (i) act in a reasonable manner hereunder, (ii) provide the other party with complete and updated information from time to time, (iii) make its good faith reasonable efforts to ensure that such cooperation is continuous and (iv) carry out the purposes of this Agreement to the full extent contemplated hereby.

ARTICLE 3 CONDITIONS PRECEDENT

3.01 Conditions for payment of Tax Incentives. The following conditions (the "Conditions Precedent") shall be satisfied in order for the City Tax Reimbursement to be paid:

- (a) The Project Completion Date has occurred; and
- (b) The Owner has paid all ad valorem taxes on the Property as more particularly set forth in Section 5.01 hereof, and as evidenced by the Project appearing on the Broward County Property Appraiser's ad valorem tax roll.

(c) The City shall verify annually that at least 40% of the total Dwelling Units are rented to one or more natural persons or a family whose total adjusted gross household income does not exceed 120% of AMI, adjusted for family size.

ARTICLE 4 WORKFORCE HOUSING REQUIREMENTS

4.01 Incorporation of Workforce Units in the Project. Owner shall designate and set-aside at least forty percent (40%) of all dwelling units in the final Project as Workforce Units (as defined herein).

4.02 Criteria for Location, Integration, Character of Workforce Housing Units. The Project shall comply with the following criteria:

(a) The Workforce Units shall be mixed with, and not clustered together or segregated or separated in any way from market-rate units.

(b) The Workforce Units shall be developed concurrently with the market-rate units. No phasing plan shall provide that the workforce housing units built are the last units in an workforce housing development.

(c) The exterior appearance of the Workforce Units in the Project shall be similar to market-rate units in the Project by the provision of exterior building materials and finishes substantially the same in type and quality.

4.03 Restrictive Covenant. After the Project Completion Date or at such other time as may be required by Owner's lender(s), the Owner shall record a Restrictive Covenant with the Property in the Public Records of Broward County, in substantially similar form attached hereto as Exhibit "E", which shall remain in effect for a period of 30 years following the Project Completion Date (the "Restrictive Period") and contain the following requirements:

(a) 40% of the Total Dwelling Units shall be rented to one or more natural persons or a family whose total annual adjusted gross household income does not exceed 120% of AMI, adjusted for family size ("Workforce Units").

(b) The remaining Total Dwelling Units may be unrestricted.

(c) Notwithstanding anything in the foregoing to the contrary, the City Manager may adjust the percentage of the Workforce Units as may be reasonably required in order to maintain Project feasibility and based on the County's approval of similar incentives, provided that in no event shall the total Workforce Units for the Project be less than 40%.

(d) Owner shall ensure that the Workforce Units are occupied by eligible households at the time of initial occupancy by each new tenant during the Restricted Period. The maximum rent the Owner may charge for any one of the Workforce Units shall be governed by the rent limit amounts established annually by the Florida Housing Finance Corporation for the type and size of unit, for Broward County, Fort Lauderdale HUD Metro Fair Market Rent Area ("HMFA").

(e) While the City is the beneficiary of the Restrictive Covenant, it is acknowledged that the Workforce Units may be cross-utilized in a separate covenant recorded by any third party of this Agreement.

4.04 Compliance. By March 1st following the one-year anniversary of the Project Completion Date, and by March 1st of each proceeding year during the Restricted Period, Owner shall provide the City Manager with an annual report accompanied with the Affidavit certifying compliance of the Workforce Housing Requirements found in this section. The annual report to the City shall identify the following: (i) which units are Workforce Units; (ii) the monthly rent for each Workforce Unit; (iii) vacancy information for each year for the prior year; (iv) monthly income for tenants of each Workforce Unit; and (v) such other information as may be reasonably required by the City, while ensuring the privacy of the applicable tenants.

ARTICLE 5

CITY TAX REIMBURSEMENT

5.01 Percentage of City Tax Reimbursement. After satisfaction of the Conditions Precedent set forth in Article 3, the City shall transfer to Owner, on an annual basis, an amount equal to 100% of the Increment Revenue (based off of the increase in the assessed value of the Property over the assessed value of the Property as of the Effective Date of this Agreement) received by the City that is generated by the Project for a term of 15 years, provided that the total Increment Revenue reimbursed shall not to exceed \$8,832,340.

The City Tax Reimbursement is estimated to be as shown in **Exhibit “D”** and the parties agree to calculate the City Tax Reimbursement as shown in **Exhibit “D”**.

Year 1 shall be the first full year following the Project Completion Date and the Project has been reflected in the ad valorem tax rolls of the Broward County Property Appraiser. The City Tax Reimbursement shall be paid to the Owner as soon as available but in no event later than June 15th of each year provided that such taxes have previously been paid by Owner. By way of example only, if the Project Completion Date occurs in 2024, the improvements associated with the Project will appear on the tax roll in 2025, with the first City Tax Reimbursement to occur on or before June 15, 2026. Pursuant to the schedule above, the total term of the City Tax Reimbursement shall be 15 years with the first reimbursement beginning on June 15, 2026 and the last reimbursement occurring on June 15, 2055 (the “Tax Reimbursement Term”). After the Tax Reimbursement Term, neither party shall have any obligation towards each other.

5.02 Covenant to Budget. The City shall be obligated to make City Tax Reimbursement payments only from revenues generated specifically by the Property resulting from the completion of the Project. The City in no way guarantees the amount of the Tax Increment or resulting City Tax Reimbursement payment. The City in no way agrees to encumber its taxing authority as a result of this Agreement. The City covenants and agrees not to budget, appropriate or obligate tax revenues generated on the Property during the Tax Reimbursement Term for any other purpose than as provided herein, subject in all respects to the restrictions of Florida law.

5.03 Subordination. All of the terms and provisions of the Agreement (other than the provisions set forth in Section 5.02 above) shall be subordinate to the Project’s First Mortgage

Lender and the rights granted under the loan documents. The City Manager is hereby, authorized, without requiring the approval of the City Commission, and subject to any statutory provisions related to the use of public funds, to revise any provisions necessary in any of its documents entered into pursuant to this Agreement, if any, by amendment if necessary, in order to meet the reasonable requirements of the First Mortgage Lender or any other funding party.

ARTICLE 6 UNAVOIDABLE DELAY

6.01 Unavoidable Delay.

(a) “Unavoidable Delay” 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, epidemic or pandemic, archaeological excavations required by law, unavailability of materials after timely ordering of same, epidemics, quarantine restrictions, freight embargoes, fire, lightning, hurricanes, earthquakes, tornadoes, floods, extremely abnormal and excessively 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, delays due to proceedings under Chapters 73 and 74, Florida Statutes, restoration in connection with any of the foregoing or any other cause beyond the reasonable control of the party performing the obligation in question, including, without limitation, such causes as may arise from the act of the other party to this Agreement.

(b) The Owner shall be entitled to an extension of time for an Unavoidable Delay only for the number of days of delay due solely to the occurrence of the event or condition causing such Unavoidable Delay and only to the extent that any such occurrence actually delays that party from proceeding with its rights, duties and obligations under this Agreement affected by such occurrence.

ARTICLE 7 MAINTENANCE; FIRE OR OTHER CASUALTY

7.01 Loss or Damage to Project. In the event of any partial or total loss or damage by fire or other casualty or exercise of eminent domain to the Project, or any portion thereof, whereby the tenants of the Project are unable to occupy the Workforce Units and the Workforce Housing Requirements are not being met, the City shall have no further obligation to make the City Tax Reimbursement until such time as the Workforce Units are tenantable and the Workforce Housing Requirements are being met, at which time the City shall continue to make the City Tax Reimbursement payments. In furtherance of the foregoing, in the event of a partial loss or damage by fire or other casualty or exercise of eminent domain to a portion of the Project, whereby the tenants are unable to occupy a portion of the Workforce Units and the Workforce Housing Requirements are not being met, the City may proportionately reduce the amount of the City Tax Reimbursement with respect to the affected Workforce Units until such time as the Workforce Units are tenantable and the Workforce Housing Requirements are being met, at which time the City shall continue to make the full City Tax Reimbursement payments. Notwithstanding anything in the foregoing to the contrary, it is expressly acknowledged and agreed that Owner shall have no

obligation to restore or rebuild the Project in the event of any partial or total loss or damage by fire or other casualty or exercise of eminent domain to the Project, or any portion thereof.

7.02 Maintenance.

(a) During construction of the Project, the Owner shall, at its sole cost and expense, keep the Project and the Property in good and clean order and condition, and in compliance with all applicable statutes, codes, regulations and ordinances. All construction will be completed in accordance with applicable Approvals, zoning and land development regulations, building codes, and the Permit.

ARTICLE 8

MISCELLANEOUS

8.01 Binding Effect. This Agreement shall inure to the benefit of and shall be binding upon the parties hereto and their respective successors and assigns.

8.02 Termination. This Agreement may be terminated for cause based on any material breach that is not cured within 30 days after written notice from the aggrieved party identifying the breach. Termination for cause shall include termination due to negligent or intentional acts. Subject to Unavoidable Delay, the Agreement shall terminate and be in no further force or effect if the Project does not achieve the Project Commencement Date within 5 years from the Effective Date of this Agreement.

8.03 Notices.

(a) All notices, demands, requests for approvals or other communications given by either party to another shall be in writing, and shall be sent by registered or certified mail, postage prepaid, return receipt requested or by overnight courier service, or by hand delivery, or by electronic transmission producing a written record, to the office for each party indicated below and addressed as follows:

For City: City Manager
100 N. Andrews Ave.
Fort Lauderdale, FL 33301
Attn: Susan Grant
Email: SuGrant@fortlauderdale.gov

Copy to: City Attorney
1 East Broward Blvd., Suite 1320
Fort Lauderdale, FL 33301

For Owner: 1055 N FEDERAL, LLC
c/o Affiliated Development
613 NW 3rd Ave., #104
Fort Lauderdale, FL 33311
Attn: Jeffrey Burns

Email: jburns@affiliateddevelopment.com
Telephone No. (954) 953-6733

Copy to:

Stearns Weaver Miller Weissler
Alhadeff & Sitterson, P.A.
150 West Flagler Street, Suite 2200
Miami, Florida 33130
Attn: Brian McDonough, Esq.
Email: bmcdonough@stearnsweaver.com
Telephone (305) 789-3350

(b) Notices given by courier service or by hand delivery shall be effective upon delivery and notices given by mail shall be effective on the third (3rd) business day after mailing. Refusal by any person to accept delivery of any notice delivered to the office at the address indicated above (or as it may be changed) shall be deemed to have been an effective delivery as provided in this Section 8.03. The addresses to which notices are to be sent may be changed from time to time by written notice delivered to the other parties and such notices shall be effective upon receipt. Until notice of change of address is received as to any particular party hereto, all other parties may rely upon the last address given.

8.04 Severability. If any term, provision or condition contained in this Agreement shall, to any extent, be held invalid or unenforceable, the remainder of this Agreement, or the application of such term, provision or condition to persons or circumstances other than those in respect of which it is invalid or unenforceable, shall not be affected thereby, and each term, provision and condition of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

8.05 Applicable Law and Construction. The laws of the State of Florida shall govern the validity, performance and enforcement of this Agreement. This Agreement has been negotiated by the City and the Owner, and this Agreement, including, without limitation, the Exhibits, shall not be deemed to have been prepared by the City or the Owner, but by all equally.

8.06 Governmental Immunity and Insurance. Except to the extent sovereign immunity may be deemed to be waived by entering into this Agreement, nothing herein is intended to serve as a waiver of sovereign immunity by the City nor shall anything included herein be construed as consent by the City to be sued by third parties in any matter arising out of this Agreement. The City is a political subdivision as defined in Section 768.28, Florida Statutes, and shall be responsible for the negligent or wrongful acts or omissions of its employees pursuant to Section 768.28, Florida Statutes.

8.07 Authority. Each individual executing this Agreement on behalf of a party hereto does hereby represent and warrant that he or she is, on the date he or she signs this Agreement, duly authorized by all necessary and appropriate action to execute this Agreement on behalf of such party.

8.08 Third Party Beneficiaries. The City and the Owner do not intend that any person shall have a cause of action against any party as a third-party beneficiaries to this Agreement and that no third party shall be entitled to assert a claim against any party based on this Agreement.

The parties expressly acknowledge that it is not their intent to create any rights or obligations in any third person or entity under this Agreement.

8.09 Complete Agreement; Amendments.

(a) This Agreement, and all the terms and provisions contained herein, including without limitation the Exhibits hereto, constitute the full and complete agreement between the parties hereto to the date hereof, and supersedes and controls over any and all prior agreements, understandings, representations, correspondence, and statements whether written or oral.

(b) Any provisions of this Agreement shall be read and applied *in para materia* with all other provisions hereof.

(c) Except as specifically provided herein, this Agreement cannot be amended or revised except by written amendment approved by the parties hereto, which approval shall be evidenced by the amendment or revision being signed by the authorized representatives of the parties hereto.

8.10 Assignment. Owner may assign or transfer this Agreement, in whole or in part, with the prior written notice to the City.

8.11 Exhibits. Each Exhibit referred to and attached to this Agreement is an essential part of this Agreement. The Exhibits and any amendments or revisions thereto, even if not physically attached hereto shall be treated as if they are part of this Agreement. Any Exhibit may be changed, revised or replaced by mutual agreement of the parties.

8.12 Public Purpose. The parties acknowledge and agree that this Agreement satisfies, fulfills and is pursuant to and for a public purpose and municipal purpose and is in the public interest, and is a proper exercise of the City's power and authority under applicable law.

8.13 Permitted Amendments.

(a) Technical Amendments. In the event that due to minor inaccuracies contained herein or any Exhibit attached hereto or any other agreement contemplated hereby, or due to changes resulting from technical matters arising during the term of this Agreement, the parties agree that amendments to this Agreement required due to such inaccuracies, unforeseen events or circumstances which do not change the substance of this Agreement may be made and incorporated herein. The City Manager is authorized to approve such technical amendments on behalf of the City, respectively, and is authorized to execute any required instruments, to make and incorporate such amendment to this Agreement or any Exhibit attached hereto or any other agreement contemplated hereby.

(b) Tax-Related Amendments. The City Manager, in consultation with the City's legal counsel, is also authorized to approve, without further authorization by the City Commission, amendments to this Agreement that: (i) are necessary for the Owner to document adequately, to the reasonable satisfaction of the Owner's tax counsel, the treatment for federal income tax purposes of the payments of all or any portion of the City Tax Reimbursement by the

City to the Owner, and (ii) do not materially change the substantive terms of this Agreement related to such payments.

(c) Lender-Required Amendments. The City Manager may also approve, without further authorization by the City Commission, amendments to this Agreement that are required by the First Mortgage Lender or any other funding party.

8.14 Term; Expiration. If not earlier terminated as provided herein, the term of this Agreement shall expire and this Agreement shall no longer be of any force and effect at the expiration of the Restricted Period.

8.15 Limitation of Liability. City's obligation is limited to providing the City Tax Reimbursement. City does not assume any liability for Owner's actions, decisions or policies related to this Agreement. City shall not be deemed to assume any liability for the act, omission and negligence of Owner. Further, nothing contained herein shall be construed as a waiver of the protections of sovereign immunity or the limitations provided by Section 768.28 of the Florida Statutes.

8.16 Attorney's Fees. If any legal action or other proceeding is brought for the enforcement of this Agreement, or because of an alleged dispute, breach, default or misrepresentation in connection with any provisions of this Agreement, the successful or prevailing party or parties shall be entitled to recover reasonable attorneys' fees, court costs and all expenses (including taxes) even if not taxable as court costs (including, without limitation, all such fees, costs and expenses incident to appeals and fees and costs incurred in connection with collection of an award), incurred in that action or proceeding, in addition to any other relief to which such party or parties may be entitled, provided, however, that this clause pertains only to the parties to this Agreement.

8.17 WAIVER OF RIGHT TO JURY TRIAL. CITY AND OWNER HEREBY WAIVE ANY OBJECTION TO VENUE BEING IN COURTS LOCATED IN BROWARD COUNTY, FLORIDA, FOR ANY DISPUTE ARISING OUT OF THIS AGREEMENT. OWNER AND CITY HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY AGREE NOT TO SEEK A TRIAL BY JURY AND WAIVE ANY RIGHTS TO HAVE SAME IN RESPECT OF ANY LITIGATION (INCLUDING BUT NOT LIMITED TO ANY CLAIMS, CROSS-CLAIMS, THIRD PARTY CLAIMS) ARISING IN CONNECTION WITH THIS AGREEMENT AND THE TRANSACTIONS CONTEMPLATED THEREIN AND ALL AND ANY COMBINATION OF THE FOREGOING. OWNER ACKNOWLEDGES THAT THE CITY HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, INTER ALIA, THE PROVISIONS OF THIS PARAGRAPH

8.18 Time Is of The Essence. Time is of the essence in the performance of all obligations and all approvals or reviews contemplated by this Agreement.

8.19 Remedies. If the Owner rents (including subleasing) or sells a Workforce Unit referenced in Article 4 in violation of the provisions of this Agreement, Owner may immediately cease making any additional City Tax Reimbursement payments until such time as the Owner has cured the violation.

8.20 Non-Waiver. Failure to exercise any right City may have or be entitled to, in the event of default hereunder shall not constitute a waiver of such right or any other right in the event of a subsequent default.

8.21 Further Assurances. Owner and City shall execute any further documents consistent with the terms of this Agreement, and do such further acts as may be reasonably necessary, desirable or proper as City or Owner shall from time to time find necessary or appropriate to effectuate its purpose in entering this Agreement.

8.22 Anti-Human Trafficking. As a condition precedent to the effectiveness of this Agreement, the Owner shall provide the City with an affidavit on a form approved by the City and signed by an officer or a representative of the Owner under penalty or perjury attesting that the Applicant does not use coercion for labor or services as defined in Section 787.06, Florida Statutes (2024), as may be amended or revised.

*[INTENTIONALLY LEFT BLANK
SIGNATURES ON FOLLOWING PAGES]*

IN WITNESS WHEREOF, the parties hereto have set their hands and their respective seals affixed as of the date and year set forth above.


CITY:

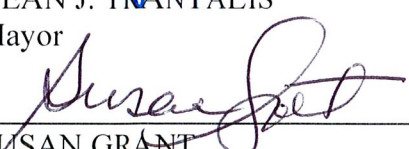
ATTEST:

CITY OF FORT LAUDERDALE, a Florida municipal corporation


DAVID R. SOLOMA
City Clerk



By: 
DEAN J. TRANTALIS
Mayor

By: 
SUSAN GRANT
Acting City Manager

City Attorney's Office
Approved as to form and correctness

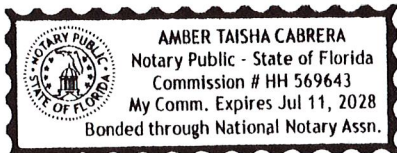
Date: December 5, 2024

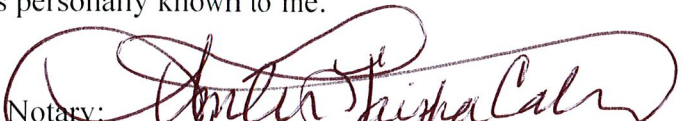
By: 
D. WAYNE M. SPENCE
Interim City Attorney

STATE OF FLORIDA)
CITY OF Fort Lauderdale) SS:

The foregoing instrument was acknowledged before me by means of ☐ physical presence this 5 day of December, 2024 by DEAN J. TRANTALIS, as Mayor of the CITY OF FORT LAUDERDALE, a Florida municipal corporation, on behalf of the City. He personally appeared before me, by physical presence, and is personally known to me.

[NOTARIAL SEAL]



Notary: 
Print Name: Amber Cabrera

Notary Public, State of Florida

My commission expires: _____

OWNER:

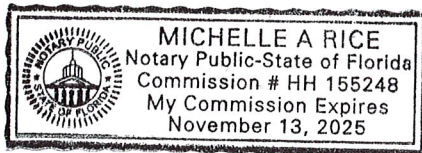
1055 N FEDERAL, LLC, a Florida limited liability company

By: [Signature]
Jeffrey Burns, Authorized Signatory

STATE OF FLORIDA)
) SS:
CITY OF Ft. Lauderdale FL)
 Broward County)

The foregoing instrument was acknowledged before me by means of ☒ physical presence or ☐ online notarization this 21 day of November, 2024 by Jeffrey Burns, as Authorized Signatory of 1055 N FEDERAL, LLC, a Florida limited liability company, on behalf of said entity. He personally appeared before me, ☒ is personally known to me or [] has produced Florida Driver's License # N/A, as identification.

[NOTARIAL SEAL]



Notary: [Signature]
Print Name: Michelle A. Rice

Notary Public, State of Florida
My commission expires: 11.13.2025

EXHIBIT "A"
Legal Description

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

PARCEL 1:

portion of Lot 1, LAKE PARK - UNIT 1, according to the Plat thereof, as recorded in Plat Book 23, page 36, of the Public Records of Broward County, Florida, described as follows: COMMENCING at the intersection of the West boundary of Lot 1 and the westerly right-of-way line of Federal Highway (U.S. No. 1), thence northeasterly along said westerly right-of-way line, an arc distance of 75.00 feet, to the POINT OF BEGINNING; thence continuing northeasterly along the said westerly right-of-way line to a point, said point being 710.91 feet south of the northeast corner of said Lot 1; thence West and parallel with the north boundary of said Lot 1, a distance of 289.00 feet to the West boundary of said Lot 1; thence South along said West boundary, a distance of 315.39 feet to a point; thence southeasterly with an included angle of 161° 58' 50", a distance of 191.88 feet to the POINT OF BEGINNING.

PARCEL 2:

A portion of Tract 2, LAKE PARK - UNIT 1, according to the Plat thereof, as recorded in Plat Book 23, page 36, of the Public Records of Broward County, Florida, more fully described as follows: COMMENCING at the southwest corner of the underlying plat of PROGRESSO, according to the Plat thereof, as recorded in Plat Book 2, page 18, of the Public records of Miami-Dade County, Florida; thence North 02°07'50" West, on the West line of said Tract 2, a distance of 155.85 feet; thence North 87°52'10" East, a distance of 135.00 feet to the POINT OF BEGINNING; thence continuing North 87°52'10" East, a distance of 122.45 feet; thence North 41°17'49" East, a distance of 61.90 feet; thence North 02°07'50" West, on the West line of said Tract 2, a distance of 239.19 feet; thence South 87°52'10" West, on the easterly extension of the North right-of-way line of former N.E. 11th Street as shown on said Plat of PROGRESSO and along said North right-of-way line, a distance of 165.00 feet; thence South 02°07'50" East, on a line 135.00 feet east of and parallel with the West line of said Tract 2, a distance of 284.15 feet to the POINT OF BEGINNING.

ALSO KNOWN AS:

A parcel of land, being portions of Tracts 1 and 2, LAKE PARK - UNIT 1, according to the Plat thereof, as recorded in Plat Book 23, page 36 of the Public Records of Broward County, Florida, being more particularly described as follows: COMMENCE at the intersection of the West line of said Tract 1 and the westerly Right-of-Way line of State Road No. 5 (U.S. Highway No. 1), as shown on the Florida Department of Transportation Right-of-Way Map, Section 86020-2107, Sheet 6 of 11, last revision date January, 1953 (said point being on the arc of a curve with a radial line through said point bearing South 36°40'15" East); thence along said Right-of-Way line and northeasterly along the arc of said curve being concave to the northwest, having a radius of 666.78 feet, a central angle of 6°24'46", an arc distance of 74.63 feet to the POINT OF

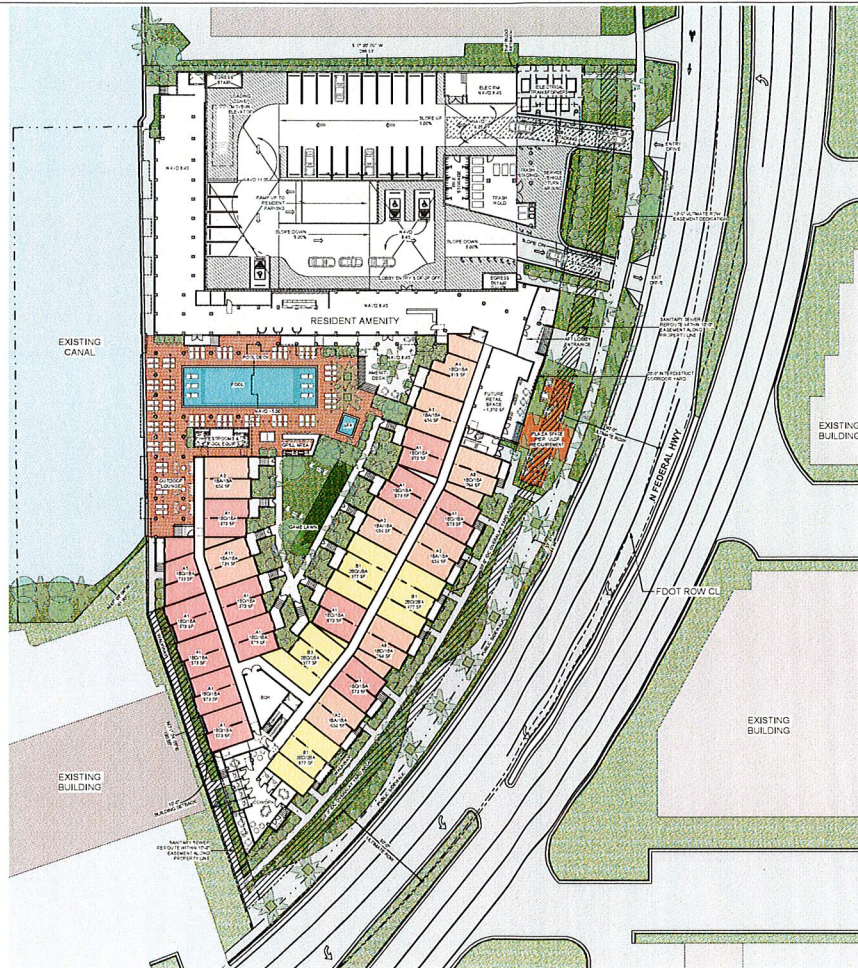
BEGINNING; thence North $20^{\circ}09'02''$ West, 190.55 feet to a point on the aforementioned West line of Tract 1; thence along said line, North $2^{\circ}07'52''$ West, 41.20 feet; thence South $41^{\circ}17'47''$ West, 61.90 feet; thence South $87^{\circ}52'08''$ West, 122.45 feet; thence North $2^{\circ}07'52''$ West, 284.15 feet; thence North $87^{\circ}52'08''$ East, 165.00 feet to a point on the aforementioned West line of Tract 1; thence along said line, North $2^{\circ}07'52''$ West, 35.01 feet to a point on the South line of Parcel "A", VILLAGE SHOPS, according to the Plat thereof, as recorded in Plat Book 118, page 27 of the Public Records of Broward County, Florida; thence along said line, North $88^{\circ}26'53''$ East, 288.63 feet to the intersection with the aforementioned westerly Right-of-Way line for State Road No. 5 (said point being on the arc of a non-tangent curve with a radial line through said point bearing North $88^{\circ}43'14''$ East); thence along said line and southwesterly along the arc of said curve being concave to the northwest, having a radius of 666.78 feet, a central angle of $48^{\circ}11'45''$, an arc distance of 560.88 feet to the Point of Beginning.

EXHIBIT “B”

Tax Reimbursement Program Application

The application is attached as Exhibit 2 to Commission Agenda Memorandum 24-1101 on the November 19, 2024 City of Fort Lauderdale City Commission Regular Meeting Agenda.

EXHIBIT “C”
Site Plan



1 THE COVE - CONCEPT SITE PLAN SITE
1-12



△ Revisions

DRC SUBMITTAL
THE COVE

NOT FOR CONSTRUCTION

12511 Federal Hwy
Fort Collins, CO 80504
Date Issued: 12/11/2024
Project Number: 22511
Sheet Title

CONCEPTUAL SITE
PLAN

00-01

EXHIBIT "D"
City Tax Reimbursement Calculation

City TIF Calculation		Year 1
City Millage Rate		4.11930
Non-City Millage rate		14.46540
Total Millage Rate		18.58470
Real Estate Taxes		
Est Taxes Paid at Stabilization		\$1,880,000
TIF:		
Future Assessed Value		\$101,158,480
Frozen Assessment		\$8,302,290
Tax Increment Value		\$92,856,190
Current City Tax Revenue		\$34,200
City Portion of TIF (0%)		\$0
Project Portion of TIF (100%)		\$382,503
Total Tax Revenue		\$416,702

EXHIBIT “E”

Restrictive Covenant

Document prepared by:
Office of City Attorney
1 E. Broward Blvd., Ste. 1320
Fort Lauderdale, Florida 33301

Return recorded document to:
Office of City Manager
401 SE 21st Street
Fort Lauderdale, Florida 33316

Tax Parcel Numbers:
494236090030; 494236090191

(For Recorder's Use Only)

DECLARATION OF COVENANTS AND RESTRICTIONS
(The Cove Apartments)

This Declaration of Covenants and Restrictions ("Declaration") is made this ____ day of _____, 2024, by 1055 N Federal, LLC, a Florida limited liability company, and its successors and assigns ("Owner").

W I T N E S S E T H:

- A. Owner is the fee simple owner of the parcel of real property located in Fort Lauderdale, Florida, as more particularly described on Exhibit A attached hereto and made a part hereof ("Property").
- B. Owner entered into that certain Workforce Housing Incentive Agreement dated as of the ____ day of _____, 2024 ("Incentive Agreement") under which the City of Fort Lauderdale, a Florida municipal corporation, ("City") has agreed to provide an ad valorem tax reimbursement ("TIF Reimbursement") to Owner to be utilized in connection with the construction and development of ____ rental units on the Property.
- C. Owner and the City desire to ensure that the Property is and shall be held, transferred, sold, conveyed, leased, mortgaged, used, and improved subject to certain covenants, restrictions, and other requirements, as set forth in this Declaration.

NOW, THEREFORE, Owner declares that the Property and any portion thereof shall be held, transferred, sold, conveyed, leased, mortgaged, used, and improved only

subject to these covenants and restrictions, which run in favor of City, and other requirements, all as set forth in this Declaration.

1. The foregoing recitations are true and correct and are hereby incorporated herein by this reference.
2. Restrictive Covenants. The Property shall only be used for the purpose of constructing and operating ____ multi-family rental units are constructed on the property (each, a "Dwelling Unit"), shall be subject to the following restrictions:
 - a. At least 40% of the total Dwelling Units, equaling ____ of the total ____ project Dwelling Units, shall be rented to one or more natural persons or a family whose total annual adjusted gross household income does not exceed 120% of AMI, adjusted for family size ("Workforce Units") during the Land Use Restriction Period (as hereinafter defined).
 - b. The remaining Dwelling Units not designated as Workforce Units shall remain unrestricted by this Declaration.
 - c. The Owner may utilize the designated Workforce Units to seek additional financing from local, state, federal and other entity grant or funding programs, and may further record additional overlapping restrictions that restrict the Workforce Units in manners consistent with this Declaration.
 - d. Owner shall ensure that the Workforce Units are occupied by eligible households at the time of initial occupancy by each new tenant during the Land Use Restriction Period. The maximum rent the Owner may charge for any one of the Workforce Units shall be governed by the rent limit amounts established annually by the Florida Housing Finance Corporation for the type and size of unit, for Broward County, Fort Lauderdale HUD Metro Fair Market Rent Area.
3. At all times during the Land Use Restriction Period, Owner shall ensure that all Units comply with the rental restrictions in Section 2 of this Declaration and Article 4 of the Incentive Agreement.
4. This Declaration shall begin upon recordation as required in this Declaration. This Declaration shall be effective for a period of thirty (30) years after the Project Completion Date, the date of which is _____ ("Land Use Restriction Period"). This Declaration shall be extinguished and released by City in accordance with the terms contained herein at the expiration of the Land Use Restriction Period.
5. City is the beneficiary of these covenants and restrictions and, as such, City may enforce these covenants and restrictions by action at law or in equity, including without limitation, a decree of specific performance or mandatory or prohibitory injunction, against any person or persons, entity or entities, violating or attempting to violate the terms of these covenants and restrictions. In any enforcement action

in which City prevails, City shall be entitled to recover reasonable attorneys' fees and costs in the trial and appellate courts. Any forbearance on behalf of City to exercise its rights in the event of the failure of Owner to comply with the provisions of this Declaration shall not be deemed or construed to be a waiver of City's rights hereunder in the event of any subsequent failure of the Owner to comply. Notwithstanding anything contained herein to the contrary, the setting aside and renting by the Owner of the Workforce Units as herein described may also be utilized and count toward satisfying the requirements set forth in any third-party agreements with Broward County, the State of Florida and/or the Owner's first mortgage lender.

6. No waiver, modification, or termination of this Declaration shall be effective unless contained in a written document executed in the manner required by Section 7. Any waiver shall be applicable only to the specific instance to which it relates and shall not be deemed to be a continuing or future waiver. If any covenant, restriction, condition, or provision contained in this document is held to be invalid by any court of competent jurisdiction, such invalidity shall not affect the validity of any other covenant, restriction, condition, or provision herein contained, all of which shall remain in full force and effect. This document shall be construed in accordance with the laws of Florida and venue for any dispute over its terms shall be Broward County, Florida.
7. If Owner desires to use the Property, or any portion thereof, for any use contrary to this Declaration, or desires to modify or terminate any of these covenants and restrictions Owner may apply to City Commission for an amendment or termination of these covenants and restrictions as to the affected portion of the Property. Because Owner accepted these covenants and restrictions as a condition of the TIF Reimbursement or any portion thereof as an inducement to City to make the TIF Reimbursement payment, it shall be the sole discretion of the City Commission whether to modify or terminate these covenants and restrictions as to any portion of the Property. Any such amendment or termination may be approved by the City Commission, and shall apply only to such portion of the Property that is specifically referenced in the amendment or termination.
8. Notwithstanding anything in this Declaration to the contrary, the terms and provisions hereof, and City's rights hereunder are subordinate and inferior to the rights of the Owner's lender(s) under and pursuant to any mortgage(s) (each, a "Mortgage"). It is expressly acknowledged and agreed that no action required to be taken by Owner under the express terms of any Mortgage shall constitute a default hereunder. City agrees to execute, as needed, any agreements evidencing such subordination, and any reasonable amendments or modifications to this Declaration required by any lender or investor of the Property or Owner, including but not limited to any subordination agreements requested by HUD in connection with any FHA loans to be made to Owner

This Declaration is effective upon recordation in the Public Records of Broward County, Florida. Owner shall record this Declaration in the Public Records of Broward County, Florida.

DECLARATION OF COVENANTS AND RESTRICTIONS

IN WITNESS WHEREOF, Owner has executed this Declaration as of the day and year first written above.

WITNESSES:

Alexis Dunn
Print Name: Alexis Dunn

Address: 151 NE 16th
Ft. Lauderdale, FL 33301

Justin Straub
Print Name: Justin Straub

Address: 613 NW 3rd Ave
Suite 104 Fort Lauderdale FL 33311

OWNER:

1055 N FEDERAL, LLC,
a Florida limited liability company

By: [Signature]
Jeffrey Burns, Authorized Signatory

Address: 613 NW 3rd Avenue, Suite 104
Fort Lauderdale, FL 33311

STATE OF FLORIDA)
 SS:
COUNTY OF BROWARD)

The foregoing instrument was acknowledged before me by means of ☒ physical presence or ☐ online notarization this 21 day of November, 2024, by Jeffrey Burns, as Authorized Signatory of 1055 N Federal, LLC, a Florida limited liability company, on behalf of the company, who ☒ is personally known to me or who ☐ produced N/A as identification.

[Signature]

My Commission Expires: 11.13.2025

Notary Public
Print Name: Michelle A. Rice



EXHIBIT A

Legal Description

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

PARCEL 1:

portion of Lot 1, LAKE PARK - UNIT 1, according to the Plat thereof, as recorded in Plat Book 23, page 36, of the Public Records of Broward County, Florida, described as follows: COMMENCING at the intersection of the West boundary of Lot 1 and the westerly right-of-way line of Federal Highway (U.S. No. 1), thence northeasterly along said westerly right-of-way line, an arc distance of 75.00 feet, to the POINT OF BEGINNING; thence continuing northeasterly along the said westerly right-of-way line to a point, said point being 710.91 feet south of the northeast corner of said Lot 1: thence West and parallel with the north boundary of said Lot 1, a distance of 289.00 feet to the West boundary of said Lot 1; thence South along said West boundary, a distance of 315.39 feet to a point; thence southeasterly with an included angle of 161° 58' 50", a distance of 191.88 feet to the POINT OF BEGINNING.

PARCEL 2:

A portion of Tract 2, LAKE PARK - UNIT I, according to the Plat thereof, as recorded in Plat Book 23, page 36, of the Public Records of Broward County, Florida, more fully described as follows: COMMENCING at the southwest corner of the underlying plat of PROGRESSO, according to the Plat thereof, as recorded in Plat Book 2, page 18, of the Public records of Miami-Dade County, Florida; thence North 02°07'50" West, on the West line of said Tract 2, a distance of 155.85 feet; thence North 87°52'10" East, a distance of 135.00 feet to the POINT OF BEGINNING; thence continuing North 87°52'10" East, a distance of 122.45 feet; thence North 41°17'49" East, a distance of 61.90 feet; thence North 02°07'50" West, on the West line of said Tract 2, a distance of 239.19 feet; thence South 87°52'10" West, on the easterly extension of the North right-of-way line of former N.E. 11th Street as shown on said Plat of PROGRESSO and along said North right-of-way line, a distance of 165.00 feet; thence South 02°07'50" East, on a line 135.00 feet east of and parallel with the West line of said Tract 2, a distance of 284.15 feet to the POINT OF BEGINNING.

ALSO KNOWN AS:

A parcel of land, being portions of Tracts 1 and 2, LAKE PARK - UNIT 1, according to the Plat thereof, as recorded in Plat Book 23, page 36 of the Public Records of Broward County, Florida, being more particularly described as follows: COMMENCE at the intersection of the West line of said Tract 1 and the westerly Right-of-Way line of State Road No. 5 (U.S. Highway No. 1), as shown on the Florida Department of Transportation Right-of-Way Map, Section 86020-2107, Sheet 6 of 11, last revision date January, 1953 (said point being on the arc of a curve with a radial line through said point bearing South 36°40'15" East); thence along said Right-of-Way line and northeasterly along the arc of said curve being concave to the northwest, having a radius of 666.78 feet, a central angle of 6°24'46", an arc distance of 74.63 feet to the POINT OF BEGINNING; thence North 20°09'02" West, 190.55 feet to a point on the aforementioned West line of Tract 1; thence along said line, North 2°07'52" West, 41.20 feet; thence South 41°17'47" West, 61.90 feet; thence South 87°52'08" West, 122.45 feet; thence North 2°07'52" West, 284.15 feet; thence North 87°52'08" East, 165.00 feet to a point on the aforementioned West line of Tract 1; thence along said line, North

2°07'52" West, 35.01 feet to a point on the South line of Parcel "A", VILLAGE SHOPS, according to the Plat thereof, as recorded in Plat Book 118, page 27 of the Public Records of Broward County, Florida; thence along said line, North 88°26'53" East, 288.63 feet to the intersection with the aforementioned westerly Right-of-Way line for State Road No. 5 (said point being on the arc of a non-tangent curve with a radial line through said point bearing North 88°43'14" East); thence along said line and southwesterly along the arc of said curve being concave to the northwest, having a radius of 666.78 feet, a central angle of 48°11'45", an arc distance of 560.88 feet to the Point of Beginning.