



AGENDA
CITY OF LAKE WORTH BEACH
**SPECIAL CITY COMMISSION MEETING - HRPB INTERVIEWS & APPOINTMENTS/
GULFSTREAM ECONOMIC AGREEMENTS**
CASINO BALLROOM
THURSDAY, AUGUST 25, 2022 - 6:00 PM

ROLL CALL:

PLEDGE OF ALLEGIANCE: led by Commissioner Sarah Malega

UNFINISHED BUSINESS:

A. [Historic Resources Preservation Board \(HRPB\) interviews and appointments](#)

NEW BUSINESS:

A. [Gulfstream Hotel Project Agreements](#)

ADJOURNMENT:

The City Commission has adopted Rules of Decorum for Citizen Participation (See Resolution No. 25-2021). The Rules of Decorum are posted within the City Hall Chambers, City Hall Conference Room, posted online at: <https://lakeworthbeachfl.gov/government/virtual-meetings/>, and available through the City Clerk's office. Compliance with the Rules of Decorum is expected and appreciated.

If a person decides to appeal any decision made by the board, agency or commission with respect to any matter considered at such meeting or hearing, he or she will need a record of the proceedings, and that, for such purpose, he or she may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based. (F.S. 286.0105)

EXECUTIVE BRIEF SPECIAL MEETING

AGENDA DATE: August 25, 2022

DEPARTMENT: City Commission

TITLE:

Historic Resources Preservation Board (HRPB) interviews and appointments

SUMMARY:

Interviews to fill the two vacancies on HRPB followed by appointments.

BACKGROUND AND JUSTIFICATION:

Ordinance 2022-02, passed on March 1, 2022, revised the advisory board appointment process so that all appointments would be made by the City Commission as a whole, for unspecified terms (except for the CRA which is governed by State Statute). The first round of interviews and appointments were held at special meetings on June 11, June 21 and June 28, 2022. There are still two vacant seats that need to be filled on the HRPB.

Applications were accepted until August 14, 2022. Candidates with education and experience in the professional disciplines of architecture, architectural history, planning, archeology or related fields are preferred.

MOTION:

Move to appoint _____ and _____ as members of the HRPB.

ATTACHMENT(S):

Fiscal Impact Analysis – N/A
Advisory Board applications

VOLUNTEER ADVISORY BOARD APPLICATION

BOARD/S YOU ARE APPLYING TO BE ON	· Historic Resources Preservation Board **
NAME	John Clayton
RESIDENCE ADDRESS	Lake Worth Beach, FL 33460 United States
UPLOAD PROOF OF RESIDENCY	· proofres.jpg
DO YOU HAVE A DIFFERENT MAILING ADDRESS?	No
PHONE	(310) 988-9465
EMAIL	johnjoshuaclayton@aya.yale.edu
ARE YOU A CITIZEN OF THE UNITED STATES?	Yes
ARE YOU A REGISTERED PALM BEACH COUNTY VOTER?	No
ARE YOU A REGISTERED LAKE WORTH VOTER?	No
HOW LONG HAVE YOU BEEN A RESIDENT OF LAKE WORTH BEACH?	January 15, 2022
LIST ALL PROPERTIES OWNED AND/OR BUSINESS INTERESTS IN LAKE WORTH	none
WHAT IS YOUR OCCUPATION?	Producer
ARE YOU CURRENTLY SERVING ON ANY CITY ADVISORY BOARD?	No
HAVE YOU EVER SERVED ON A CITY OF LAKE WORTH BOARD?	No
DO YOU SERVE ON ANY BOARDS IN FLORIDA, OR ARE YOU AN ELECTED OR APPOINTED STATE, COUNTY, OR MUNICIPAL OFFICE HOLDER, OR PALM BEACH COUNTY EMPLOYEE?	No
HIGH SCHOOL	University School
DATE OF GRADUATION	06/05/1979
COLLEGE	Yale University
RESUME ATTACHMENT	· JohnClaytonPRES.docx
INTEREST/ACTIVITIES	surfing, horses, charity, preservation and design
COMMUNITY INVOLVEMENT	Street Painting Participant 2022 Open hands food and school materials Croquet at NCC, currently in finals
6. A - WHY DO YOU DESIRE TO SERVE ON THIS BOARD (FIRST PREFERENCE)	To go forward launched by preserving and remembering the past. Equitably achieving preservation while supporting LWB in an important transition time is an honor. Personal lifetime of commitment to restoration and preservation.

CONSENT

✓ I agree to the privacy policy.

I understand the responsibilities associated with being a board/committee member, and I have adequate time to serve if appointed.

I have read the attached Ordinance No. 2010-29 and Article XIII (Palm Beach County) Code of Ethics and understand the policy on the City of Lake Worth Beach Code of Ethics. Within 30 days after appointment, I

understand that I am required to participate in Ethics Training and submit an Acknowledgement of Receipt form to the City Clerk's Office in order to continue to serve on my appointed board.

*THIS APPLICATION IS VALID FOR ONE (1) YEAR FROM THE DATE SIGNED ABOVE.

*THIS APPLICATION IS NOT VALID WITHOUT APPLICANT'S PROOF OF RESIDENCY.

SIGNATURE

John Clayton

VOLUNTEER ADVISORY BOARD APPLICATION

BOARD/S YOU ARE APPLYING TO BE ON	· Historic Resources Preservation Board **
NAME	Jamie Foreman
RESIDENCE ADDRESS	Lake Worth Beach, FL 33460 United States
UPLOAD PROOF OF RESIDENCY	· signal-2022-08-12-003519.jpeg
DO YOU HAVE A DIFFERENT MAILING ADDRESS?	No
PHONE	(561) 719-6646
BUSINESS PHONE	(561) 600-7690
EMAIL	jamietodd@judiciouslaw.com
ARE YOU A CITIZEN OF THE UNITED STATES?	Yes
ARE YOU A REGISTERED PALM BEACH COUNTY VOTER?	Yes
ARE YOU A REGISTERED LAKE WORTH VOTER?	Yes
HOW LONG HAVE YOU BEEN A RESIDENT OF LAKE WORTH BEACH?	23 years
LIST ALL PROPERTIES OWNED AND/OR BUSINESS INTERESTS IN LAKE WORTH	The Law Offices of Jamie Todd Foreman, Esq. PLLC (Occupational Licenses/Tax Receipts in progress)
WHAT IS YOUR OCCUPATION?	Attorney
EMPLOYER?	Self Employed
ARE YOU CURRENTLY SERVING ON ANY CITY ADVISORY BOARD?	No
HAVE YOU EVER SERVED ON A CITY OF LAKE WORTH BOARD?	Yes
IF YES, WHEN AND WHICH BOARD(S)?	2005-2007 Attorney Member of the combined Planning Zoning, HRPB and Nuisance Abatement Boards
DO YOU SERVE ON ANY BOARDS IN FLORIDA, OR ARE YOU AN ELECTED OR APPOINTED STATE, COUNTY, OR MUNICIPAL OFFICE HOLDER, OR PALM BEACH COUNTY EMPLOYEE?	No
HIGH SCHOOL	Walton Senior High School
DATE OF GRADUATION	05/27/1989
COLLEGE	University of Florida BA, JD
DATE OF GRADUATION	12/14/1996
RESUME ATTACHMENT	· Jamie-Todd-Foreman-Resume-Template-2022.pdf

WORK EXPERIENCE	The Law Offices of Jamie Todd Foreman, Esq. PLLC Current Litigation Specialist, Thomson Reuters 2012-2014 Legal & Regulatory Government Account Manager, Thomson Reuters 2003-2012 Legal & Regulatory Law Firm Account Representative, West - A Thomson Business 2001-2003 Staff Attorney, 15th Judicial Circuit Court of Florida 1997-2000
INTEREST/ACTIVITIES	-Gardening & Landscape Design (For my property and close friends) -Furniture Design & Construction -Historic Houses (Currently own one) -Took a 2 year mid-career break to be a sous chef at Rhythm Cafe
COMMUNITY INVOLVEMENT	-Past President (2001-2007) and former member (2001-2021) of the Palm Beach County Human Rights Council -Lead Attorney, Consultant and Strategist for the Lake Worth Beach/Compass Community Center's public private partnership converting the surplus senior center into the county's new LGBT Community Center.
6. A - WHY DO YOU DESIRE TO SERVE ON THIS BOARD (FIRST PREFERENCE)	-As a 4th generation Floridian who grew up in historic DeFuniak Springs, FL in Walton County, attended undergraduate and law school at the University of Florida where I focused on property law and chose a historic resources preservation topic for my senior seminar paper, and moved to Lake Worth Beach, I am passionate about preserving Florida's rich cultural and architectural history. I have been to every county and every county seat in the state and with that a deep knowledge of Florida's historic architectural inventories.
6. B - WHY DO YOU DESIRE TO SERVE ON THIS BOARD (SECOND PREFERENCE)	Because I've served on the board in the past, I would bring some institutional knowledge to the board as well as a measured consistency on decision-making,.
6. C - WHY DO YOU DESIRE TO SERVE ON THIS BOARD (THIRD PREFERENCE)	I am ready to volunteer again after an isolating 2 years dealing with COVID.
CONSENT	<p>✓ I agree to the privacy policy.</p> <p>I understand the responsibilities associated with being a board/committee member, and I have adequate time to serve if appointed.</p> <p>I have read the attached Ordinance No. 2010-29 and Article XIII (Palm Beach County) Code of Ethics and understand the policy on the City of Lake Worth Beach Code of Ethics. Within 30 days after appointment, I understand that I am required to participate in Ethics Training and submit an Acknowledgement of Receipt form to the City Clerk's Office in order to continue to serve on my appointed board.</p> <p>*THIS APPLICATION IS VALID FOR ONE (1) YEAR FROM THE DATE SIGNED ABOVE.</p> <p>*THIS APPLICATION IS NOT VALID WITHOUT APPLICANT'S PROOF OF RESIDENCY.</p>
SIGNATURE	Jamie Foreman

VOLUNTEER ADVISORY BOARD APPLICATION

BOARD/S YOU ARE APPLYING TO BE ON	· Historic Resources Preservation Board **
NAME	mariana gonzalez
RESIDENCE ADDRESS	lake worth beach, FL 33460 United States
UPLOAD PROOF OF RESIDENCY	· 2.jpg
DO YOU HAVE A DIFFERENT MAILING ADDRESS?	No
CELL PHONE	(561) 376-8151
EMAIL	mgcaycedo08@gmail.com
ARE YOU A CITIZEN OF THE UNITED STATES?	Yes
ARE YOU A REGISTERED PALM BEACH COUNTY VOTER?	Yes
ARE YOU A REGISTERED LAKE WORTH VOTER?	Yes
HOW LONG HAVE YOU BEEN A RESIDENT OF LAKE WORTH BEACH?	2 years
LIST ALL PROPERTIES OWNED AND/OR BUSINESS INTERESTS IN LAKE WORTH	Lake Worth Beach, FL 33460
WHAT IS YOUR OCCUPATION?	Architect/UX Designer
EMPLOYER?	Pilot House Consulting
ARE YOU CURRENTLY SERVING ON ANY CITY ADVISORY BOARD?	No
HAVE YOU EVER SERVED ON A CITY OF LAKE WORTH BOARD?	No
DO YOU SERVE ON ANY BOARDS IN FLORIDA, OR ARE YOU AN ELECTED OR APPOINTED STATE, COUNTY, OR MUNICIPAL OFFICE HOLDER, OR PALM BEACH COUNTY EMPLOYEE?	No
HIGH SCHOOL	Boca Raton Community High School
DATE OF GRADUATION	05/09/2010
COLLEGE	Florida International University
DATE OF GRADUATION	05/08/2018
RESUME ATTACHMENT	· Mariana_Gonzalez_Resume.PDF
WORK EXPERIENCE	RLC Architects (Intern)- May 2015-December 2017 RLC Architects (Project Architect/Designer)- May 2018-May 2022 Pilothouse Consulting (UX/UI Designer)-April 2022-Current
INTEREST/ACTIVITIES	Reading, Fostering animals, and spending time with my newborn baby.
6. A - WHY DO YOU DESIRE TO SERVE ON THIS BOARD (FIRST PREFERENCE)	I want to become an active participant in my community to help create a healthy and happy environment for my family and community.

6. B - WHY DO YOU DESIRE TO SERVE ON THIS BOARD (SECOND PREFERENCE)

I would like to be able to use my professional experience to give back to the community I live in.

6. C - WHY DO YOU DESIRE TO SERVE ON THIS BOARD (THIRD PREFERENCE)

Historic Preservation has always been an interest of mine throughout my professional career, and I would love to become more involved and learn more about how that influences a community.

CONSENT

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understand the policy on the City of Lake Worth Beach Code of Ethics. Within 30 days after appointment, I

understand that I am required to participate in Ethics Training and submit an Acknowledgement of Receipt

form to the City Clerk's Office in order to continue to serve on my appointed board.

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SIGNATURE

Mariana Gonzalez

VOLUNTEER ADVISORY BOARD APPLICATION

BOARD/S YOU ARE APPLYING TO BE ON	· Historic Resources Preservation Board **
NAME	Neil Rosen
RESIDENCE ADDRESS	
DO YOU HAVE A DIFFERENT MAILING ADDRESS?	Yes
ADDRESS	
PHONE	(631) 568-6950
BUSINESS PHONE	(631) 568-6950
CELL PHONE	(631) 568-6950
EMAIL	Nrosen@grinleeder.com
ARE YOU A CITIZEN OF THE UNITED STATES?	Yes
ARE YOU A REGISTERED PALM BEACH COUNTY VOTER?	No
ARE YOU A REGISTERED LAKE WORTH VOTER?	No
HOW LONG HAVE YOU BEEN A RESIDENT OF LAKE WORTH BEACH?	I own a condominium in LWB and plan on residing there when current in-place tenant's lease expires.
LIST ALL PROPERTIES OWNED AND/OR BUSINESS INTERESTS IN LAKE WORTH	2502 N Dixie Hwy Unit #5
WHAT IS YOUR OCCUPATION?	Architect
EMPLOYER?	PHIUS
ARE YOU CURRENTLY SERVING ON ANY CITY ADVISORY BOARD?	No
HAVE YOU EVER SERVED ON A CITY OF LAKE WORTH BOARD?	No
DO YOU SERVE ON ANY BOARDS IN FLORIDA, OR ARE YOU AN ELECTED OR APPOINTED STATE, COUNTY, OR MUNICIPAL OFFICE HOLDER, OR PALM BEACH COUNTY EMPLOYEE?	No
HIGH SCHOOL	Bronx High School of Science
DATE OF GRADUATION	06/19/1981
COLLEGE	New York Institute of Technology
DATE OF GRADUATION	08/01/1992
RESUME ATTACHMENT	· Neil-Rosen-Resume-2022.docx

WORK EXPERIENCE

I began my career in buildings during High School when I began building homes with a local General Contractor. I became a Mason Tender in Local 23 and worked on a 41-story skyscraper in Lower Manhattan. Worked as a Project Superintendent for Tishman Construction at Columbia Presbyterian Hospital. Moved to the Owner's side building Hospitals at Long Island Jewish Medical Center, became the in-house Architect and Engineer for the Hospital. Became Licensed as an Architect. Moved to Lenox Hill Hospital as Director of Sustainable Development and then went back to Construction Management with Turner Construction. Worked on projects at Bellevue Hospital and The Children's Hospital at Montefiore. Went back to the owner, working for what is now Northwell Health. Projects included the Katz Women's Hospital at North Shore a LEED Platinum Hospital, The Feinstein Institute for Medical Research and Lenox Health Greenwich Village, a LEED Silver Hospital which included the Historic Preservation and Listing of the O'Toole Building on the National Register of Historic Places. I founded grin Sustainability, a full-service High-Performance building consultancy, helping people exceed their environmental aspirations. I am an Adjunct Professor of Architecture at NYIT. I am a Project Certifier for PHIUS, Passive House Institute US, working with building owners, designers, and consultants in advancing the Passive House Movement.

INTEREST/ACTIVITIES

Passive House
 Historic Architecture
 The Beach
 Scuba Diving
 Woodworking
 Architecture
 Rock and Roll

COMMUNITY INVOLVEMENT

While I am new to the Lake Worth Beach area, I am certain it will be where I spend my future years. Lake Worth Beach is a special place and I believe it is important to maintain the area's uniqueness. My plan is to become involved in helping the built environment of the area utilizing my Architectural background.

I currently own a townhouse in LWB and I plan on moving down when my current tenant's lease expires.

6. A - WHY DO YOU DESIRE TO SERVE ON THIS BOARD (FIRST PREFERENCE)

As an Architect and High-Performance building professional, I understand an important reality of the future of our building stock. Most of the buildings that exist today will exist well into the foreseeable future. I'm in the belief that there are buildings that are many buildings that deserve to be saved yet are not, and then there are those that deserve not to survive yet do. I would like to lend my expertise in making sure that those buildings that should be preserved, retain their Historic significance. Further, if possible, make them more energy efficient for their ongoing life.

CONSENT

✓ I agree to the privacy policy.

I understand the responsibilities associated with being a board/committee member, and I have adequate time to serve if appointed.

I have read the attached Ordinance No. 2010-29 and Article XIII (Palm Beach County) Code of Ethics and understand the policy on the City of Lake Worth Beach Code of Ethics. Within 30 days after appointment, I

understand that I am required to participate in Ethics Training and submit an Acknowledgement of Receipt form to the City Clerk's Office in order to continue to serve on my appointed board.

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SIGNATURE

Neil Rosen

EXECUTIVE BRIEF SPECIAL MEETING

AGENDA DATE: August 25, 2022

DEPARTMENT: City Manager's Office

TITLE:

Gulfstream Hotel Project Agreements

SUMMARY:

Discussion of proposed economic development incentive agreement and beach concession access agreement to facilitate the Gulfstream Hotel Project moving forward

BACKGROUND AND JUSTIFICATION:

At its meeting of June 21, 2022, the City Commission approved on second reading a mixed use urban planned development for the Gulfstream Hotel. As part of the redevelopment package, the applicant, Restoration St Louis, requested a series of incentives related to financial assistance and beach concession amenity access. Provided in this item are two proposed agreements that address these two issues.

First, a proposed economic development incentive agreement includes four (4) parts that involve the waiving of entitlement application fees; a water utility incentive to relocate water and sewer lines; the allowance of Florida Green Building Certification and public art to meet the second half of the Sustainable Bonus Incentive Program requirement; and finally an economic development incentive coming from the electric, water/sewer and stormwater utilities. At present, the entitlement fees to be waived total \$12,825. The value of the Sustainable Bonus Program incentive is approximately \$646,875. And finally, the economic development incentive from the utility enterprise funds would be no more than \$139,125, payable after three full years of project operations and confirmation of estimated project performance and utility usage.

Second, a proposed beach concession access agreement for the Gulfstream Hotel to utilize the amenities of the City's approved beach concession for access to beach concessions such as chairs and umbrellas in the same manner as the general public. The only caveat particular to the hotel and not the general public is that the costs for the use of the amenities by hotel guests would be billed directly to the hotel.

MOTION:

Move to approve/disapprove first agreement for economic incentives

Move to approve/disapprove second agreement for beach concession access

ATTACHMENT(S):

Fiscal Impact Analysis

First Agreement – Economic Development

Second Agreement – Beach Concession Access

Hotel Impact Analysis

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 -

ACCESSIBILITY OF BEACH SERVICES AGREEMENT

This Accessibility of Beach Services Agreement (the "Agreement") is made as of AUGUST 8, 2022, by and between The City of Lake Worth Beach Florida, a municipal corporation (the "**City**"), and Gulfstream Owner, LLC, a limited liability company authorized to do business in the State of Florida (the "**Hotel**").

WHEREAS, the City owns and controls the public beach generally located at 10 S. Ocean Blvd., within the municipal boundaries of the City of Lake Worth Beach (the "**Beach**"); and

WHEREAS, the City has contracted with a vendor to provide beach equipment rental concessions at the Beach to the public; and

WHEREAS, prior to investing in construction and operations of a hotel and other structures on the real property described in Exhibit "A", attached hereto, the Hotel desires to establish a framework by which it may utilize the City's vendor to offer similar Beach Services to guests, residents, and related parties of the Hotel ("**Hotel Guests**"); and

WHEREAS, the City has determined it is in the best interests of the public to provide the Beach Services to the Hotel Guests through the City's vendor pursuant to this Agreement.

NOW, THEREFORE, in consideration of the premises and good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. City Vendor. City has contracted with Oceanside Beach Services, Inc., a Florida corporation, through September 2023, to provide the Beach Services, including beach chairs, chair pads, umbrella, windbreaker/clamshells, and a welcome station with beach chair and umbrella (the "**Beach Services**"). At the conclusion of the current contract term, and from time to time thereafter, the City may further contract with the same vendor or may choose to contract with a different vendor for the same or similar services. City agrees to make use of the Beach Services by Hotel Guests, as described herein, at a commercially reasonable rate not to exceed the rate charged to the general public a requirement of all agreements with City vendors for provision of the Beach Services. If Beach Services are available from the City's Beach Vendor at an appropriate level and commercially reasonable cost, the Hotel will enter the appropriate agreements with the City's Beach Vendor to set forth the terms and conditions for such Beach Services to Hotel Guests. If such agreements terminate or otherwise expire, City and Hotel will work together in good faith to obtain replacement services
2. Use of Beach Services. City and Hotel agree that Hotel Guests may utilize the Beach Services provided by the City's vendor to the same extent as other users of the Beach pursuant to the contract between the City and the vendor; except the vendor will charge the Hotel for such Beach Services rather than the Hotel Guests paying with cash or credit directly to the vendor. All Beach Services will be available on a first come, first served basis to both the public and Hotel Guests. The Hotel acknowledges and agrees that Beach Services for Hotel Guests must be obtained by the Hotel Guests in person directly and not

by Hotel staff or by appointment. The Hotel will work directly with the vendor to establish a commercially reasonable rate and the procedures for Hotel Guests to directly obtain the Beach Services in person and for the vendor to charge the same to the Hotel.

3. Amendment to Beach Services. Prior to the conclusion of the current, or any future, contract term for Beach Services, Hotel may notify City of its desire to include additional services to be made available to Hotel Guests, and the City may, in its sole discretion, amend the Beach Services offered to the public and the Hotel Guests.
4. Covenant with the Land. The benefits and burdens of this Agreement shall run with the land and be binding on the City and the Hotel and their successors and assigns and successor owners of the Hotel property. Upon execution by the parties, the Hotel shall record this Agreement in the Public Records of Palm Beach County, Florida.
5. Dispute Resolution. This Agreement shall be governed by the laws of the State of Florida without regard to its conflicts of law principles. Any and all legal action, including mediation, necessary to enforce this Agreement will be held in Palm Beach County, Florida. 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 parties agree that each party shall be responsible for its own attorney's fees. Each party also agrees to waive any and all rights to a trial by jury for any and all disputes or claims which may be related to or arise out of this Agreement.
6. Public Entity Crimes. As provided in Sections 287.132-134, Florida Statutes, as amended from time to time, by entering into this Agreement, Hotel certifies that it, its affiliates, suppliers, subcontractors and any other contractors who will perform hereunder, have not been placed on the convicted vendor list or the discriminatory vendor list maintained by the State of Florida Department of Management Services within the thirty-six (36) months immediately preceding the date hereof.
7. Palm Beach County IG. In accordance with Palm Beach County ordinance number 2011-009, this Addendum and this Agreement may be subject to investigation and/or audit by the Palm Beach County Inspector General. Hotel should review Palm Beach County ordinance number 2011-009 in order to be aware of its rights and/or obligations under such ordinance and as applicable.
8. Public Records. This Agreement and any and all records related hereto are public records subject to Chapter 119, Florida Statutes.
9. The parties agree that this Agreement sets forth the entire contract between the parties, and that there are no promises or understandings other than those stated herein. None of the provisions, terms and conditions contained in this Agreement may be added to, modified, superseded or otherwise altered except by written instrument executed by both parties hereto.

IN WITNESS WHEREOF, the parties hereto have made and executed this Accessibility of Beach Services Agreement as of the day and year set forth above.

CITY OF LAKE WORTH BEACH, FLORIDA

ATTEST:

By: _____
Betty Resch, Mayor

By: _____
Melissa Coyne, City Clerk

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY:

APPROVED FOR FINANCIAL
SUFFICIENCY

By: _____
Glen J. Torcivia, City Attorney

By: _____
Bruce T. Miller, Financial Services Director

HOTEL:

GULFSTREAM OWNER, LLC

By: _____
William Milne
PRESIDENT

STATE OF FLORIDA
COUNTY OF *Palm Beach*

The foregoing instrument was acknowledged before me by means of physical presence on the 8 day of August, 2022 by William Milne, as Authorized Signatory of Gulfstream Owner, LLC, a foreign corporation authorized to do business in Florida, who is [] personally known to me or [] produced a driver's license as identification and who took an oath as empowered to bind the Hotel to this Agreement.



My Commission Expires: Nov. 2, 2024

Exhibit A

Legal Description of Hotel property

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.



Gulfstream Hotel Development Impact Analysis



Images: Palm Beach Post, City of Lake Worth Beach

Prepared For: City of Lake Worth Beach

Completed By: Jon Stover & Associates

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Images: Palm Beach Post, City of Lake Worth Beach

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Executive Summary

Project Background

Restoration St. Louis is planning a renovation of the Gulfstream Hotel, located at 1 Lake Avenue, which has been vacant since 2005. The historic building will include 90 hotel units and a ground-floor restaurant/bar upon completion. The project also includes the development of a new mixed-use building on adjacent vacant parcels, which will include an additional 50 hotel rooms, 83 apartments, a rooftop restaurant and bar, spa, spa salon, ballroom, meeting room, gym, business center, and club room. The purpose of this study is to assess the fiscal, economic, and community impacts of the proposed development, and the financial implications to the City of Lake Worth Beach and its partners.

IMPACT ON JOB CREATION & SALES REVENUE	PUBLIC INVESTMENT & IMPACT ON TAX REVENUES	COMMUNITY IMPACT
<p>Impact During Construction Period</p> <ul style="list-style-type: none"> The anticipated construction period of the Gulfstream project will generate \$135.8 million of revenue in construction and other supporting industries, as well as 1,241 full-time equivalent jobs and \$71.8 million in labor income. <p>Impact Upon Stabilized Operations</p> <ul style="list-style-type: none"> The hotel and restaurant operations, hotel guest spending, and spending of on-site residents will generate approximately 342 full-time jobs, \$14.3 million in annual salaries and wages, and \$38 million in annual business revenue. The on-site employment, building operations, hotel guest spending, and on-site resident spending will directly support 240 jobs, \$9 million in labor income, and \$21.6 million in business revenue per year. The average wage for on-site employees will be approximately \$26 per hour, \$11 above the planned 2026 minimum wage in Florida. By 2027, the project is expected to increase the tax assessed value of the historic structure by \$24.2 million and increase the value of the adjacent vacant parcels by \$96.3 million. 	<p>City Contribution</p> <ul style="list-style-type: none"> The City of Lake Worth Beach is planning to waive a sustainable bonus fee of \$647,000 and entitlement fee of \$12,825 and pay approximately \$139,124 in utility incentives and contribute \$70,000 towards power installation and a new stepdown transformer. The City is providing a 10-year ad valorem tax abatement on the historic portion of the project. <p>CRA Contribution</p> <ul style="list-style-type: none"> The Lake Worth Beach CRA is planning to invest \$3 million in infrastructure incentives and provide an eight-year TIF rebate on the new construction. <p>Fiscal Impact</p> <ul style="list-style-type: none"> The project will generate a Net Present Value of about \$10.6 million in General Fund tax revenues over the full life cycle of the project (27.5 years). In 2033, City tax abatements for the project will end. Starting in 2034, the project will generate about \$954,000 to the General Fund each year. By 2050, the project will generate approximately \$24.6 million in cumulative general fund revenues. Increased tax revenues will predominantly go to the City of Lake Worth Beach's General Fund, which funds a variety of City services to help support the broader Lake Worth Beach community. 	<ul style="list-style-type: none"> The project will restore a historic, long-vacant building into a key driver of downtown activity. The project retains the building's original use as a full-service hotel. The hotel is well-positioned for the local market given its strong amenity package and limited nearby competitive supply. The proposed hotel will host approximately 38,000 room nights annually, providing downtown businesses with a new source of customer traffic. Hotel guests are estimated to spend \$7.4 million annually on area dining, shopping, and entertainment, helping support downtown Lake Worth Beach businesses. The project directly aligns with goals established in Lake Worth Beach's Comprehensive Plan, Strategic Plan (2020-2025), and Downtown Lake Worth Arts and Cultural Master Plan by bringing a hotel use to downtown Lake Worth Beach and creating a more active and economically vibrant downtown that serves residents, the business community, and visitors alike.

Note: Figures are preliminary findings that are subject to change due changes in assessed property values, inflation, timing and amount of revenues and expenses, future changes to development program, and more. The project's Net Present Value (NPV) represents the net annual cash flow through 2050, the anticipated life of the project, to and from the City General Fund, discounted at the City's April 2022 bond rate of 4.5%.

Project Background

Background & Study Purpose

Restoration St. Louis is planning a renovation of the Gulfstream Hotel, located at 1 Lake Avenue in downtown Lake Worth Beach, FL. The redevelopment project also includes a new mixed-use building directly adjacent to the hotel, which will include an additional 50 hotel rooms, 83 market-rate apartments, a spa, a ballroom, and a rooftop restaurant and bar. Restoration St. Louis expects the project to be completed within 24-months from commencement, with an estimated opening date of 2025. The project would also include a three-level parking garage with 270 parking spaces, along with 13 surface parking spaces. The purpose of this study is to assess the fiscal, economic, and community impacts of the proposed development.

Analysis Components

The following assessments have been undertaken for the subject project:

Development Overview. Concise description of the site and the immediate surrounding area.

Economic Impact. Estimate of the number of jobs, total salaries and wages, and business revenue the development will create during construction and during sustained operations.

Fiscal Impact. Fiscal impact assessment to understand the direct local tax revenues generated from the proposed development during construction and during stabilized operations.

Community Impact. Summary of how the proposed development will benefit the surrounding community and how these impacts align with local neighborhood and citywide goals.



Project Methodology

Data Sources

For the purposes of this study, a software and data provider called IMPLAN was used to (a) provide needed data multipliers and (b) generate a model that uses inputs from a development program and estimate the corresponding impact on jobs growth and fiscal impact. Other data sources include the City of Lake Worth Beach, Lake Worth Beach CRA, Lake Worth FY 2021 Schedule of Fees and Charges for Services, and local market research and on-site revenue and expenses assumptions provided by Restoration St. Louis.

Construction Vs. Operations

There are two main development phases that affect job growth: (a) the period during site construction and (b) the period of time once the project is stabilized and/or approaching full occupancy. Site construction generates

temporary construction jobs and associated income taxes. Once the subject site operations are stabilized, the primary sources of municipal revenues are property tax, municipal utility revenues, corporate profit tax, and sales tax.

As such, the employment assessment is presented in separate tables for (1) the planning and construction period of the development and (2) expected annual impacts of stabilized onsite operations once the site is fully leased.

Impact On Local Economy – Employment And Tax Revenue

Using a data analysis software called IMPLAN that uses data and multipliers specific to Palm Beach County, the total expected jobs were estimated for each type of tenant expected to locate on site. Economic impact figures are broken down by direct, indirect, and induced

impacts. Direct Impact refers to the businesses, revenue, jobs, and wages generated from the operations of a particular industry or industries. Indirect Impact refers to the supply chain of goods and services from other industries that enable activity in a particular industry or industries. Induced Impact refers to the results, or spending, of increased personal income (salary and wages) caused by the direct and indirect impacts.

JS&A conducted an independent analysis of the applicable state, local, and city taxes and fees to determine the expected tax revenue generated by the proposed development during both the period of construction and during stabilized operations. Tax revenue sources include property taxes, building permit fees, impact fees, and various planning and development fees. IMPLAN was used to estimate state and local sales tax revenues during stabilized operations and the construction period.

Development Overview

DEVELOPMENT SNAPSHOT

The Gulfstream Hotel development will renovate the historic structure at 1 Lake Avenue, which will include 90 hotel units and a ground-floor restaurant/bar upon completion. A new mixed-use building, will be built adjacent to the site, on adjacent vacant parcels along Lake Avenue and S Lakeside Dr. The new building will include 50 additional hotel rooms, 83 market-rate units, and a rooftop restaurant and bar. Both structures will include a restaurant/bar. The site abuts S Golfview Rd to the east, Lake Avenue to the north, 1st Avenue to the south, and S Lakeside Drive to the west.

The project will include a range of amenities including a spa massage area, spa salon, ballroom, meeting room, gym, business center, and club room. The project will also include a 3-story parking garage, which will include approximately 270 spaces for residential, hotel, and retail customer use, along with 13 surface parking spaces. The hotel is highly well-positioned for the local market given its strong amenity package and a lack of nearby competition.

The development currently anticipates featuring 10 studio units, 34 one-bedroom units, 30 two-bedroom units, and 9 three-bedroom/penthouse units. Units will average approximately 903 square feet per unit, resulting in a total of 74,949 residential square feet.



Development Program Summary

Type	Historic Building	New Construction	Total
Hotel Rooms	90	50	140
Apartments	0	83	83

Hotel Amenities by SF

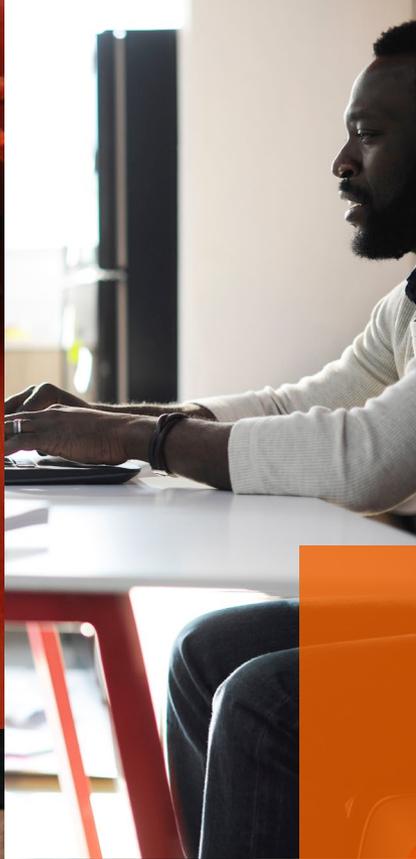
Type	Total SF
Ballroom	4,300
Spa Massage	1,000
Spa Salon	3,845
Meeting Room	1,155
Business Center	268
Restaurant + Kitchen	3,230
Club Room	610

Residential Unit Mix

Type	Count	Avg. SF	%
Studio	10	500	12%
1 BD / 1 BTH	34	708	41%
2 BD / 2 BTH	30	1,048	36%
3 BD / 3 BTH	8	1,380	10%
Penthouse	1	1,685	1%
Total	83	903	100%

Source: Restoration St. Louis

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Economic Impact

Anticipated Jobs, Salaries and Wages and Business Revenues



The Gulfstream Hotel development is anticipated to generate approximately the following employment and wages:

During Construction

1,241 Jobs

Salary & Wages During Construction

\$71.9 Million

Annual Jobs During Stabilized Operations

342 Jobs

Annual Salary & Wages During Stabilized Operations

\$14.3 Million

Average Annual Salary During Stabilized Operations

\$41,821

Figures above reflect total (direct, indirect, and induced) impacts of construction and stabilized operations of both hotel and apartment operations.

Economic Impact During Construction

Sources of Direct Economic Impacts

The renovation of the Gulfstream Hotel building and construction of an adjacent mixed-use residential building is expected to total \$78.5 million in hard costs and \$15.6 million in soft costs. The development process is estimated to sustain 953 direct jobs throughout the construction period.

ANTICIPATED CONSTRUCTION PERIOD COSTS

Project	Historic Building	New Construction	Parking Structure	Contingency & Developer-Provided Construction	Total	Types of Jobs Supported	Number of FTE Jobs Supported*
Land Acquisition					\$10,000,000	n/a	--
Hard Costs	\$22,000,000	\$41,000,000	\$8,000,000	\$7,500,000	\$78,500,000	Construction, Materials, etc.	877
Soft Costs					\$15,642,000	Design, Engineering, Legal, Finance, Insurance, etc.	76
Total					\$104,142,000		953

Note: Figures provided by Restoration St. Louis. Figures reflect cost estimates as of April 2022. Project soft costs for the project include architecture, engineering, accounting, legal, insurance, equipment, and loan closing costs. Project hard costs include all direct construction costs. Final project costs may be higher due to inflation, supply chain, and other factors.

*FTE stands for full-time equivalent employment. Employment figures derived using IMPLAN based on hard cost and soft cost expenditures. Figures are expressed in job years, meaning annual FTE multiplied by the duration of the development process.

Economic Impact During Construction

Direct, Indirect, and Induced Impacts

When accounting for indirect and induced impacts, site construction will generate \$135.8 million in revenue for a variety of supporting industries, as well as 1,241 full-time equivalent jobs across the anticipated 24-month construction period. These jobs will create over \$71.8 million in salary and wages over the course of construction.

There are three different types of economic impacts:

- **Direct Impact:** The businesses, revenue, jobs, wages, and other economic activity generated from site development.
- **Indirect Impact:** The supply chain of goods and services (business-to-business expenses) from other industries that make construction possible.
- **Induced Impact:** The results, or spending, of increased personal income (salary and wages) caused by the direct and indirect impacts.

IMPACT TYPE	INDUSTRY SALES	ANTICIPATED EMPLOYMENT	ANTICIPATED TOTAL WAGES	ANTICIPATED AVERAGE SALARY
Hotel & Restaurants				
Direct Impact	\$59,931,526	620	\$37,011,882	\$59,687
Indirect Impact	\$11,624,536	72	\$3,795,146	\$52,894
Induced Impact	\$18,286,276	121	\$5,884,415	\$48,644
Total Impact	\$89,842,338	813	\$46,691,443	\$57,444
Apartments				
Direct Impact	\$31,190,650	333	\$20,332,989	\$61,128
Indirect Impact	\$4,931,369	31	\$1,663,340	\$54,233
Induced Impact	\$9,852,169	65	\$3,170,455	\$48,642
Total Impact	\$45,974,188	428	\$25,166,784	\$58,736
Total Development (Historic Structure & New Construction)				
Direct Impact	\$91,122,176	953	\$57,344,871	\$60,190
Indirect Impact	\$16,555,904	102	\$5,458,486	\$53,295
Induced Impact	\$28,138,445	186	\$9,054,870	\$48,643
Total Impact (24-Month Construction Period)	\$135,816,525	1,241 Jobs	\$71,858,226	\$57,889

Figures reflect total impact over entire duration of the development process. The "Total Sales" column reflects "Industry Output," or the amount of revenue generated during construction. Project soft costs for the project include architecture, engineering, accounting, legal, insurance, equipment, and loan closing costs. Project hard costs include all direct construction costs. Estimated impact presented in current dollars (2022). On-site jobs defined as full-time equivalent job years for the duration of construction. Changes in the development pro forma, retail users, and market forces will impact the above anticipated employment.

Source: IMPLAN

Economic Impact During Stabilized Operations

Sources of Direct Economic Impacts

It is anticipated that Gulfstream hotel development will support 240 direct jobs each year after project stabilization (not including indirect and induced jobs). The Gulfstream project has two main sources of direct economic impacts. The first is onsite operations including the hotel and restaurant operations, maintenance and property management services, and onsite resident spending. The second is the local spending of the hotel guests. All of this economic activity resulting from the project is evaluated for a typical year once the development has reached stabilized operations.

ON-SITE EMPLOYMENT UPON STABILIZED OPERATIONS

The Gulfstream project, including the on-site hotel, apartment, and two restaurant/bars are anticipated to directly employ approximately 58 full-time employees and 94 part-time employees upon reaching stabilized operations. These jobs will pay an average of approximately \$26/hour, \$11 above the Florida's 2026 minimum hourly wage (the project's first year of stabilized operations).

Job Type	Full-Time Jobs	Part-Time Jobs
Admin & General	7	0
Sales & Marketing	5	0
Food & Beverage	25	45
Front Desk	5	6
Leasing Staff	4	0
Bellmen & Valet	4	8
Maintenance	8	0
Room and Laundry Attendants	0	35
Total Jobs	58	94
Total FTE Jobs Supported by Onsite Operations	105	

Source: Restoration St. Louis. FTE conversion assumes a part-time employee works an average of 20 hours/week

ANNUAL HOTEL NIGHTS & HOTEL GUEST SPENDING

The Gulfstream's 140 hotel rooms will host an annual total of 37,814 room nights and attract 18,000 unique visitors to downtown Lake Worth Beach. These guests are expected to spend approximately \$7.4 million per year on nearby dining, shopping, and entertainment. The hotel's central downtown location will likely allow nearby businesses to capture a significant share of this spending.

Impact Type	Annual Estimate	Direct Number of FTE Jobs Supported
Hotel Nights	37,814	--
Unique Visitors	18,007	--
Hotel Guest Spending	\$7,357,924	
Food & Beverage	\$3,174,006	72
Entertainment & Recreation	\$1,875,549	43
Retail & Other Shopping	\$2,308,368	20
Total FTE Jobs Supported by Hotel Visitor Spending	--	135

Annual room night count assumes occupancy rate of 74.5%, based on estimated provided by Restoration St. Louis. Unique visitor count assumes average length of stay of 2.1 nights. Figure based on U.S. average hotel length of stay (Kalibri Labs, 2021). Analysis estimate typical hotel guest will spend \$149 on dining, \$88 on entertainment and recreation, and \$109 on shopping and retail per trip. Employment from guest spending represented in full-time equivalent figures as per IMPLAN.

Economic Impact During Stabilized Operations

Direct, Indirect, and Induced Impacts

In all, it is estimated that the on-site hotel and restaurant operations, hotel guest spending, and spending of on-site residents at the proposed development will generate approximately 342 full-time jobs, in a wide range of employment types, upon reaching stabilized operations. These new jobs will generate \$14.3 million in annual labor income for the employees and \$38 million in annual business revenue. The on-site employment, building operations, hotel guest spending, and on-site resident spending will directly support 240 jobs, \$9 million in labor income, and \$21.6 million in business revenue per year.

There are three types of economic impacts:

- **Direct Impact:** The businesses, revenue, jobs, wages, and other economic activity generated onsite annually.
- **Indirect Impact:** The supply chain of goods and services (business-to-business expenses) from other industries that support onsite operations.
- **Induced Impact:** The results, or spending, of increased personal income (salary and wages) caused by the direct and indirect impacts, including spending by people living onsite.

IMPACT TYPE	INDUSTRY SALES	ANTICIPATED EMPLOYMENT*	ANTICIPATED TOTAL WAGES	ANTICIPATED AVERAGE SALARY
Historic Structure (Hotel Only)				
Direct Impact	\$10,071,999	109	\$4,121,669	\$37,953
Indirect Impact	\$3,139,760	18	\$1,055,477	\$58,249
Induced Impact	\$2,306,623	15	\$741,615	\$48,630
Total Impact	\$15,518,382	142	\$5,918,760	\$41,691
New Construction (Hotel, Apartments, Restaurant/Bar)				
Direct Impact	\$11,507,584	132	\$4,856,486	\$36,920
Indirect Impact	\$3,764,949	21	\$1,240,011	\$57,702
Induced Impact	\$7,165,800	47	\$2,296,217	\$48,638
Total Impact	\$23,732,593	209	\$8,872,387	\$42,447
Total Development (Historic Structure & New Construction)				
Direct Impact	\$21,579,583	240	\$8,978,155	\$37,387
Indirect Impact	\$6,904,709	40	\$2,295,488	\$57,952
Induced Impact	\$9,472,424	62	\$3,037,832	\$48,636
Total Impact Upon Stabilized Operations	\$37,956,715	342	\$14,311,475	\$41,821

The "Total Sales" column reflects "Industry Output," which is the total anticipated revenue generated annually from onsite operations and local hotel guest spending during stabilized operations. Estimated impact presented in current dollars (2022).

Note: Anticipated salary and wages in the above chart were calculated using IMPLAN with the latest version of Palm Beach County-specific multipliers.

Source: IMPLAN

Changes in the development pro forma, retail users, and market forces will impact the above anticipated employment.

* Full-time job equivalent.



Fiscal Impact



Images: Palm Beach Post, City of Lake Worth Beach

Key Project Stakeholders

There are several public sector and quasi-public entities that are directly contributing funds to support the Gulfstream project or that will be impacted financially by the planned development.

SUMMARY CHART OF PROJECT STAKEHOLDERS

STAKEHOLDER	DIRECT FINANCIAL CONTRIBUTION TO PROJECT	ANTICIPATED IMPACT
Palm Beach County	\$0	The County is providing 10-year ad valorem tax abatement on the historic portion of the project. The project is expected to generate \$597,000 in annual sales and tourism development taxes from the project and \$700,000 in annual county property taxes.
State of Florida	\$0	The State is expected to receive \$703,000 in annual sales taxes from the project, as well as \$12,000 in corporate profit taxes.
City of Lake Worth Beach	\$0	The City is planning to waive approximately \$660,000 in development fees and provide a 10-year ad valorem tax abatement on the historic portion of the project. The project will contribute \$90,000 in annual tax revenue to the City's General Fund upon the first year of fully stabilized operations. Following the termination of the property tax abatement, the project will contribute over \$954,000 annually to the General Fund.
City of Lake Worth Beach Utilities	\$209,000*	The City of Lake Worth Beach's Utilities departments will contribute \$209,000 towards utility infrastructure to support the construction of the project. At stabilization the Gulfstream project is expected to generate nearly \$557,000 annually in utility enterprise fund revenue from customer and base energy charges, including electric, water, sewer, stormwater, and solid waste removal revenues. This revenue does not include the cost of energy, which is a pass-through expense.
Lake Worth Beach Community Redevelopment Agency (CRA)	\$3 million	The new construction portion of the project will receive an 8-year TIF rebate through 2031, after which the Lake Worth CRA sunsets. As of May 2022, the Lake Worth Beach CRA is proposing a \$3.0 million direct financial incentive to support the project. In return, the project would directly help the CRA achieve its organizational core goals of preserving and revitalizing a historic asset, supporting downtown businesses, and enhancing the quality of life and economic vitality of Downtown Lake Worth Beach.

*Revenue figures exclude the cost of energy (Power Cost Adjustment) as it is a pass-through expense that does not generate surplus revenue to the City.



Comparison Examples: City & CRA Investment Packages

The Gulfstream project has no direct comparable project in the region given its uncommon development program (new mixed-use construction combined with the restoration of a historic hotel building) and Lake Worth Beach’s unique character and land use mix (a downtown that lacks an existing full-service hotel). However, there is regional and statewide precedent for public-private partnerships between local municipalities, CRAs, and private developers, to support the development of similarly-sized and impactful redevelopment projects.

The City of Lake Worth Beach is investing \$209,000 in utility infrastructure to support the project– the only direct expense from the city related to the project. This equates to 0.2% of the total project budget. The City is also planning to waive \$660,000 in total entitlement fees and providing a 10-year historic property tax abatement. The CRA has proposed a \$3.0 million incentive package, equating to 2.88% of the total project budget. The CRA is also providing a TIF rebate through 2031.

SUMMARY OF SELECTED COMPARABLE RECENT DEVELOPMENT INCENTIVE PACKAGES

Project	Location	Delivery	Total Project Cost	City Cash Contribution	City Contribution as % of Total Project Cost	CRA Cash Contribution	CRA Contribution as % of Total Project Cost
Gulfstream Hotel*	Lake Worth Beach	2024/2025	\$104.1 million**	\$209,000	0.2%	\$3.0 million	2.88%
Luminary Hotel & Co.	Fort Myers	2021	\$91 million	\$21 million	23%	\$0	--
Laura Street Trio Downtown Hotel	Jacksonville	2021	\$70 million	\$25 million	36%	\$0	--
The Cove Apartments	Cape Coral	2021	\$66 million	\$30 million	46%	\$0	--
The Grand Apartments***	West Palm Beach	2023	\$81 million	\$0	--	\$15 million	19%
Mirrorton Apartments	Lakeland	2021	\$50 million	\$0	--	\$1.76 million	4%

*Gulfstream project cost include \$10 million of land acquisition costs. Comparable projects may or may not include land acquisition costs.

** Project costs as per developer estimates provided in April 2022; costs may change considerably.

***Project includes approximately 201 workforce housing units, two-thirds of its total residential units.

Source: Multi-Housing News, ReBusiness Online, Jax Daily Record, The Palm Beach Post

Anticipated Impact on the City of Lake Worth Beach General Fund

GENERAL FUND INVESTMENTS

The City of Lake Worth Beach is not contributing any cash contributions from its general fund but has agreed to waive \$12,825 in entitlement fee returns.

PROPERTY TAX REBATES AND FEE WAIVERS

The historic portion of the project will receive a 10-year ad valorem tax abatement on property taxes owed on the increased tax assessed value of the site. The new construction portion of the project will receive a 10-year TIF rebate, though the TIF rebate will end in 2032 (8 years after project commencement) when the Lake Worth CRA sunsets.

RETURN ON INVESTMENT

The project is expected to generate a Net Present Value of approximately \$10.6 million in cumulative General Fund tax revenues over the full life cycle of the project (27.5 years). In 2033, City tax abatements for the project will end. Starting in 2034, the project will generate approximately \$954,000 to the General Fund each year. This revenue will fund a variety of City services to help support the broader Lake Worth Beach community. It is important to note that City expenses, revenues, and ROI estimates are likely to change based on market conditions, property value assessments, inflation rates, development program changes, and other factors.

Investment/Revenue Source	Historic Structure		New Construction		First Year of Full					Sunset of CRA		First Year w/o
	2023	Delivery	2025	2026	2027	2028	2029	2030	2031	TIF Rebate	2033	Tax Abatements
Waivers of City Permits & Fees												
Entitlement Return	\$12,825	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Waivers of City Permits & Fees	\$12,825	\$105,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General Fund Revenues												
Business License Fees	\$0	\$0	\$2,615	\$2,615	\$2,615	\$2,615	\$2,615	\$2,615	\$2,615	\$2,615	\$2,615	\$2,615
Use & Occupancy Registration	\$0	\$0	\$1,260	\$1,260	\$1,260	\$1,260	\$1,260	\$1,260	\$1,260	\$1,260	\$1,260	\$1,260
Use & Occupancy Inspection	\$0	\$0	\$7,821	\$7,821	\$7,821	\$7,821	\$7,821	\$7,821	\$7,821	\$7,821	\$7,821	\$7,821
Electric Public Utility Tax	\$0	\$0	\$27,196	\$28,012	\$28,853	\$29,718	\$30,610	\$31,528	\$32,474	\$33,448	\$34,452	\$35,485
Electric Utility General Fund Contribution	\$0	\$0	\$24,994	\$25,744	\$26,516	\$27,311	\$28,131	\$28,975	\$29,844	\$30,739	\$31,661	\$32,611
Water/Sewer General Fund Contribution	\$0	\$0	\$21,539	\$22,185	\$22,851	\$23,536	\$24,243	\$24,970	\$25,719	\$26,490	\$27,285	\$28,104
Stormwater General Fund Contribution	\$0	\$0	\$1,001	\$1,031	\$1,062	\$1,093	\$1,126	\$1,160	\$1,195	\$1,231	\$1,268	\$1,306
Solid Waste Removal General Fund Contribution	\$0	\$0	\$2,688	\$2,769	\$5,709	\$5,881	\$6,057	\$6,239	\$6,426	\$6,619	\$6,817	\$7,022
Property Tax Increase (Historic)	\$0	\$78,297	\$114,835	\$120,425	\$126,238	\$132,284	\$138,572	\$145,112	\$151,912	\$158,985	\$166,341	\$173,991
Property Tax Abatement (Historic)	\$0	-\$78,297	-\$114,835	-\$120,425	-\$126,238	-\$132,284	-\$138,572	-\$145,112	-\$151,912	-\$158,985	-\$166,341	\$0
New Property Tax Revenues (Historic)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$173,991
Property Tax Increase (New Constr.)	\$0	\$6,879	\$150,423	\$385,313	\$502,758	\$523,115	\$544,286	\$566,305	\$589,204	\$613,019	\$637,786	\$663,545
Property Tax Rebate (New Constr.)	\$0	\$0	-\$150,423	-\$385,313	-\$502,758	-\$523,115	-\$544,286	-\$566,305	-\$589,204	\$0	\$0	\$0
New Property Tax Revenues (New Constr.)	\$0	\$6,879	\$6,879	\$6,879	\$6,879	\$6,879	\$6,879	\$6,879	\$6,879	\$613,019	\$637,786	\$663,545
Total General Fund Revenues	\$0	\$6,879	\$95,994	\$90,495	\$95,745	\$106,115	\$100,921	\$103,626	\$114,233	\$715,421	\$743,144	\$953,759
Annual Net Income	\$0	\$6,879	\$95,994	\$90,495	\$95,745	\$106,115	\$100,921	\$103,626	\$114,233	\$715,421	\$743,144	\$953,759
Cumulative Income	\$0	\$6,879	\$102,873	\$193,369	\$289,113	\$395,229	\$496,149	\$599,775	\$714,008	\$1,429,428	\$2,172,573	\$3,126,332

Note: The project's Net Present Value (NPV) represents the net annual cash flow through 2050, the anticipated life of the project, to and from the City General Fund, discounted at the City's April 2022 bond rate of 4.5%. ROI represents the ratio between direct City General Fund expenditures and the project NPV. Annual net incomes only reflect difference between City cash expenditures and revenues. Model assumes 4% annual escalation rate of tax assessed value after stabilized operations. Analysis assumes historic portion will deliver in 2024 and reach stabilized operations in 2025, and new building will deliver in 2025 and reach stabilized operations in 2026, based on estimates provided by Restoration St. Louis. Tax assessed value estimates provided by Restoration St. Louis. City expenses provided by City of Lake Worth Beach.

Anticipated Impact on City of Lake Worth Beach Utilities

UTILITY ENTERPRISE FUND INVESTMENTS

The City's Utilities departments will spend a total of \$209,124 in direct expenses to support the construction of the Gulfstream project. This includes \$108,708 in electric incentives, \$21,720 in water and sewer incentives, \$8,697 in stormwater incentives, \$50,000 for the installation of an electric utility stepdown transformer, and \$20,000 for a temporary power installation.

RETURN ON INVESTMENT

Upon reaching stabilized project operations in 2027, approximately \$565,500 in annual revenue will be collected by local Utility Enterprise Funds, including \$209,000 to the Electric Fund, \$12,000 to the Stormwater Fund, \$255,000 to the Water and Sewer Fund, and \$32,000 to the Solid Waste Removal Fund.

CITY INVESTMENTS & REVENUES BY YEAR

Investment/Revenue Source	(Construction 2023-2034)		(Delivery)	(Stabilized Operations)								Sunset of CRA TIF Rebate	First Year w/o Tax Abatements
	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	
City Cash Contributions													
Utility Incentive Fund - Electric			\$108,708										
Utility Incentive Fund - Water & Sewer			\$21,720										
Utility Incentive Fund - Stormwater			\$8,697										
Electric Utility Stepdown Transformer	\$50,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Temporary Power Installation	\$20,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Total City Cash Contributions	\$70,000	\$0	\$139,124	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Net Utility Enterprise Fund Revenues													
Water & Sewer Permit Fees	\$336,459	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Electric Fund Customer & Base Energy Charges	\$0	\$0	\$203,474	\$209,579	\$215,866	\$222,342	\$229,012	\$235,883	\$242,959	\$250,248	\$257,755	\$265,488	
Water Fund & Local Sewer Revenue	\$0	\$0	\$247,701	\$255,132	\$262,786	\$270,669	\$278,789	\$287,153	\$295,768	\$304,641	\$313,780	\$323,193	
Stormwater Utility Fund Revenue	\$0	\$0	\$11,507	\$11,853	\$11,853	\$11,853	\$11,853	\$11,853	\$11,853	\$11,853	\$11,853	\$11,853	
Solid Waste Removal Fund Revenue	\$0	\$0	\$30,918	\$31,845	\$65,657	\$67,627	\$69,655	\$71,745	\$73,897	\$76,114	\$78,398	\$80,750	
Total Utility Enterprise Fund Revenues	\$336,459	\$0	\$493,600	\$508,408	\$556,517	\$573,212	\$590,409	\$608,121	\$626,365	\$645,156	\$664,510	\$684,446	
Annual Net Income	\$266,459	\$0	\$354,476	\$508,408	\$556,517	\$573,212	\$590,409	\$608,121	\$626,365	\$645,156	\$664,510	\$684,446	
Cumulative Income	\$266,459	\$266,459	\$620,935	\$1,129,344	\$1,685,861	\$2,259,073	\$2,849,482	\$3,457,603	\$4,083,968	\$4,729,123	\$5,393,634	\$6,078,079	

Note: Model assumes a 3% annual escalation rate of utility tax revenues. Revenue figures represent net revenue after costs of energy and services. Revenue figures exclude the cost of energy as it is a pass-through expense (Power Cost Adjustment) that does not generate surplus revenue to the City. Electric Fund revenue represents Customer & Base Energy charges. Electric Public Utility Tax and Electric Utility General Fund Contribution are included in General Fund ROI chart (p. 13). Improvements to the electric infrastructure are a part of a larger planned System Hardening and Reliability Improvement Project, which will also include other buildings on the block. Utility incentive is contingent upon the project generating certain minimum revenues to City utilities.

Source: City of Lake Worth Beach Utilities Department

Anticipated Impact on the Lake Worth Beach Community Redevelopment Agency (CRA)

The Gulfstream project directly aligns with the mission of the Lake Worth Beach CRA to “improve the economic vitality of the district and quality of life of the citizens of the City of Lake Worth Beach” by renovating a historic, vacant property, attracting a major hospitality asset to downtown Lake Worth Beach, and catalyzing a significant amount of new downtown pedestrian traffic and consumer spending.

The project will provide downtown Lake Worth Beach with a new full-service hotel, which the area currently lacks. The project is also expected to boost customer traffic and revenue in nearby downtown businesses, given increased spending by future hotel guests and on-site residents.

Given the project’s direct alignment with the agency’s core goals and the project’s strong opportunity to serve as a major commercial anchor to the downtown Lake Worth Beach, the CRA is planning on providing a \$3.0 million infrastructure incentive to Restoration St. Louis, the developer of the project. The incentive would be paid out in separate installments over the project’s first six years.

In addition, the City and County property tax increment will be rebated for the new construction portion of the project from 2025 through 2031 (after which the CRA sunsets) – a value of nearly \$3.95 million.



Sunset of CRA
TIF Rebate

TIF Infrastructure Incentives	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
TIF Infrastructure Incentive Contributions	\$800,000	\$600,000	\$400,000	\$400,000	\$400,000	\$400,000	\$0	\$0	\$0	\$0	\$0	\$0
Total Cumulative CRA Contributions	\$800,000	\$1,400,000	\$1,800,000	\$2,200,000	\$2,600,000	\$3,000,000						

TIF Property Tax Increment and Rebate	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
City Property Tax Rebate	\$0	\$0	\$150,423	\$385,313	\$502,758	\$523,115	\$544,286	\$566,305	\$589,204	\$0	\$0	\$0
County Property Tax Rebate	\$0	\$0	\$115,107	\$294,849	\$384,720	\$400,298	\$416,499	\$433,348	\$450,870	\$0	\$0	\$0
Total Annual TIF Rebate	\$0	\$0	\$265,530	\$680,162	\$887,478	\$923,413	\$960,785	\$999,652	\$1,040,074	\$0	\$0	\$0
Total Cumulative TIF Rebate	\$0	\$0	\$265,530	\$945,692	\$1,833,170	\$2,756,584	\$3,717,369	\$4,717,021	\$5,757,095	\$5,757,095	\$5,757,095	\$5,757,095

Source: City of Lake Worth Beach, City of Lake Worth Beach CRA, FY 2022 Schedule of Fees and Charges for Services. City expenses and property tax estimates provided by City of Lake Worth Beach.

Anticipated Impact on Other Municipal Revenues

In addition to revenue going to the City of Lake Worth Beach General Fund, Gulfstream’s property taxes will generate increased revenue for a wide range of other City and County services, including schools, fire-rescue, and water management. In 2034, following the termination of Gulfstream’s property tax abatements, the project will generate approximately \$376,000 for county fire-rescue services and \$748,000 for the School District of Palm Beach County.

OTHER TAX & FEE REVENUES

Investment/Revenue Source	2023	2024	2025	2026	2027	2028	2029	2030	2031	Sunset of CRA	First Year w/o	
										TIF Rebate	Tax Abatements	
										2032	2033	2034
Waivers of City Permits & Fees												
Waiver of 50% of Sustainable Bonus Fee	\$647,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-General Fund Revenues												
Discretionary Sales Tax Fund	\$0	\$0	\$1,255	\$2,091	\$2,154	\$2,218	\$2,285	\$2,353	\$2,424	\$2,497	\$2,571	\$2,649
Building Permit Fund	\$425,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Non-General Fund Revenues	\$425,000	\$0	\$1,255	\$2,091	\$2,154	\$2,218	\$2,285	\$2,353	\$2,424	\$2,497	\$2,571	\$2,649

County and State Tax Revenue Summary

SUMMARY

Upon stabilized operations in 2026, the project will generate approximately \$703,000 in sales tax revenue for the State of Florida, and \$103,000 in sales tax revenue for Palm Beach County. The Tourism Development Tax, an additional County-level tax on hotel room receipts, will generate approximately \$494,000 in new tax revenue for Palm Beach County. The project will also generate approximately \$12,000 in annual corporate profit taxes to the State of Florida.

FISCAL IMPACT DURING CONSTRUCTION PERIOD (2023-2024)

Revenue Source	County	State
Tax Credit Fees	\$0	\$0
Impact Fees	\$500,000	\$0
Building Permit Fees	\$0	\$0
Impact Fees	\$289,193	\$0
Property Taxes	\$22,408	\$0
Sales Tax	\$15,655	\$245,503
Corporate Profits Tax	\$0	\$24,518
Water & Sewer Permit Fees	\$0	\$0
Total	\$827,256	\$270,021

FISCAL IMPACT UPON STABILIZED OPERATIONS (2026)

Revenue Source	Revenue	Government Level
Sales Tax	\$102,528	County
Tourist Development Tax	\$494,066	County
Sales Tax	\$702,860	State
Corporate Profit Tax	\$11,963	State
Total	\$1,311,417	--

Note: Tax revenue estimates are represented in 2022 dollars and represent tax revenue generated by redevelopment of historic structure and development of new mixed-use building. Analysis assumes construction of full 140-hotel room and 83 apartment development program. State and county sales taxes based on local tax rates and IMPLAN estimates for on-site restaurant revenue. Tourism Development tax based on ADR and occupancy estimates provided by Restoration St. Louis. Corporate profit tax calculated using IMPLAN. Changes in the development pro forma, retail users, and market forces will impact the above anticipated fiscal impact. Actual fiscal impact may vary.



Community Impact



Images: Palm Beach Post, City of Lake Worth Beach

Key Community Impacts of Proposed Development



New Hotel Guest Customer Traffic to Support Downtown Lake Worth Beach Businesses

The proposed hotel will host an annual total of 37,814 room nights and attract 18,000 unique visitors to downtown Lake Worth Beach, providing nearby businesses with a significant new source of daytime, evening, and weekend customer traffic. Overnight hotel guests typically spend significantly more than the average visitor. Guests at the new Gulfstream Hotel are estimated to spend approximately \$7.4 million annually on dining, shopping, and entertainment, creating a strong opportunity for nearby businesses to capture this additional local spending capacity. Given the project's location directly on Lake Avenue and proximity to the commercial core of downtown Lake Worth Beach, nearby businesses should be able to capture a notable share of this spending.

Alignment with Existing Plans & Other City Goals

The proposed renovation of the Gulfstream Hotel building, and accompanying mixed-use building, would directly meet several goals recently established by the City of Lake Worth Beach oriented around enhancing economic vitality, safety, and vibrancy in Downtown Lake Worth Beach. The Downtown Lake Worth Arts and Cultural Master Plan identified improved downtown walkability, improved downtown density, and the encouragement of site assemblage for new mixed-use development as three key goals.

Commitment to Sourcing Local Goods & Services

Restoration St. Louis has committed to spend \$5 million in buying goods and services from businesses located within the City of Lake Worth Beach. This commitment will further concentrate the project's economic impact within Lake Worth Beach.

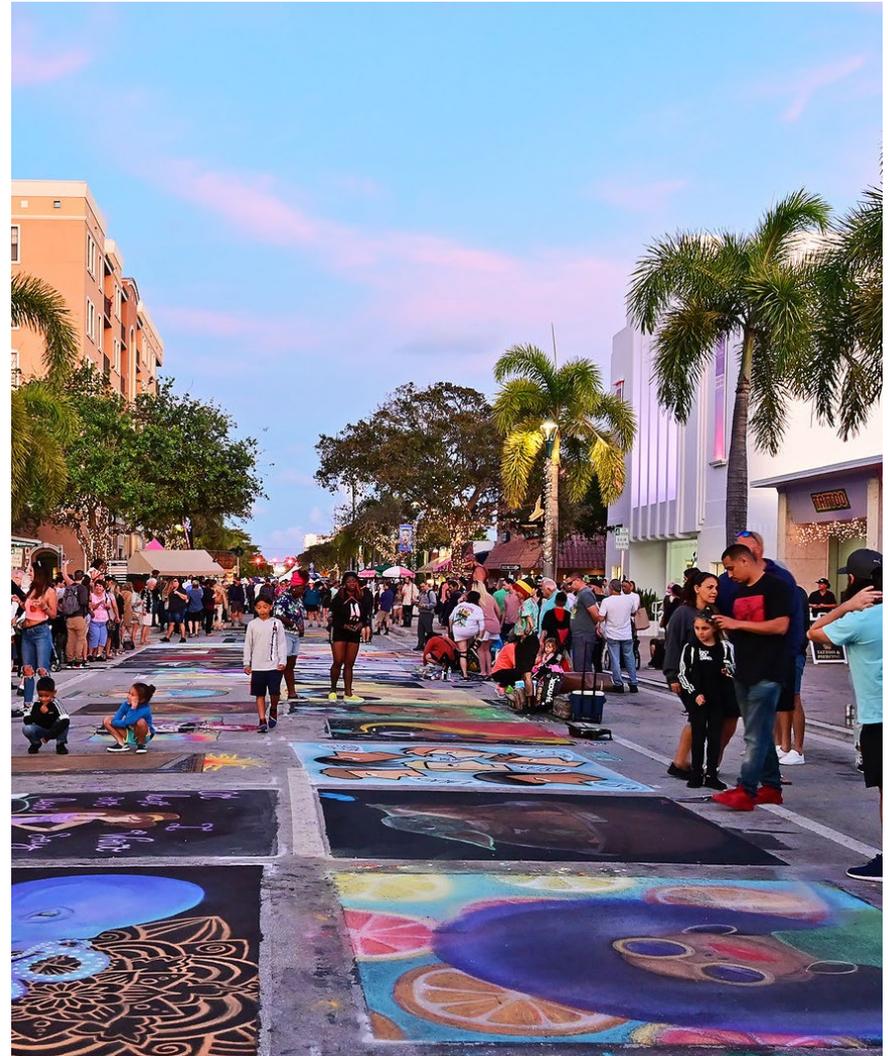
Key Community Impacts of Proposed Development (Continued)

Restoration and Activation of Historic Building in the Heart of Downtown

The project will renovate and re-open the historic Gulfstream Hotel building, while keeping its original use as a full-service hotel. The building, which has been vacant since 2005, was built in 1924 and added to the National Register of Historic Places in 1987. By converting a prominent structure that has been vacant for 17 years, the project converts an existing blight into a key source of new activity and potential catalyst for future investment in residential and commercial downtown projects.

Improved Downtown Walkability & Pedestrian Safety

The conversion of a large, vacant building into a new mixed-use development with hotel, residential, and ground-floor commercial uses will significantly boost pedestrian traffic and safety throughout the eastern side of downtown Lake Worth Beach. The hotel building and adjacent new mixed-use building will feature multiple points of entry, as well as two restaurants. Pedestrian activity and safety along the bordering blocks of S Lakeside Drive and S Golfview Drive are also expected to improve.





Appendix



Images: Palm Beach Post, City of Lake Worth Beach

Anticipated City of Lake Worth Beach ROI: General Fund (2023-2050)

Investment/Revenue Source	2023	Historic Structure	New Construction	First Year of Full	2027	2028	2029	2030	2031	Sunset of CRA	2033	First Year w/o Tax
		Delivery	Delivery	Stabilized Operations						TIF Rebate		Abatements
Waivers of City Permits & Fees												
Entitlement Return	\$12,825	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Waivers of City Permits & Fees	\$12,825	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Business License Fees	\$0	\$0	\$2,615	\$2,615	\$2,615	\$2,615	\$2,615	\$2,615	\$2,615	\$2,615	\$2,615	\$2,615
Use & Occupancy Registration	\$0	\$0	\$1,260	\$1,260	\$1,260	\$1,260	\$1,260	\$1,260	\$1,260	\$1,260	\$1,260	\$1,260
Use & Occupancy Inspection	\$0	\$0	\$7,821	\$0	\$0	\$7,821	\$0	\$0	\$7,821	\$0	\$0	\$7,821
Electric Public Utility Tax	\$0	\$0	\$27,196	\$28,012	\$28,853	\$29,718	\$30,610	\$31,528	\$32,474	\$33,448	\$34,452	\$35,485
Electric Utility General Fund Contribution	\$0	\$0	\$24,994	\$25,744	\$26,516	\$27,311	\$28,131	\$28,975	\$29,844	\$30,739	\$31,661	\$32,611
Water/Sewer General Fund Contribution	\$0	\$0	\$21,539	\$22,185	\$22,851	\$23,536	\$24,243	\$24,970	\$25,719	\$26,490	\$27,285	\$28,104
Stormwater General Fund Contribution	\$0	\$0	\$1,001	\$1,031	\$1,062	\$1,093	\$1,126	\$1,160	\$1,195	\$1,231	\$1,268	\$1,306
Solid Waste Removal General Fund Contribution	\$0	\$0	\$2,688	\$2,769	\$5,709	\$5,881	\$6,057	\$6,239	\$6,426	\$6,619	\$6,817	\$7,022
Property Tax Increase (Historic)	\$0	\$78,297	\$114,835	\$120,425	\$126,238	\$132,284	\$138,572	\$145,112	\$151,912	\$158,985	\$166,341	\$173,991
Property Tax Abatement (Historic)	\$0	-\$78,297	-\$114,835	-\$120,425	-\$126,238	-\$132,284	-\$138,572	-\$145,112	-\$151,912	-\$158,985	-\$166,341	\$0
New Property Tax Revenues (Historic)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$173,991
Property Tax Increase (New Constr.)	\$0	\$6,879	\$150,423	\$385,313	\$502,758	\$523,115	\$544,286	\$566,305	\$589,204	\$613,019	\$637,786	\$663,545
Property Tax Abatement (New Constr.)	\$0	\$0	-\$150,423	-\$385,313	-\$502,758	-\$523,115	-\$544,286	-\$566,305	-\$589,204	\$0	\$0	\$0
New Property Tax Revenues (New Constr.)	\$0	\$6,879	\$6,879	\$6,879	\$6,879	\$6,879	\$6,879	\$6,879	\$6,879	\$6,879	\$6,879	\$663,545
Total General Fund Revenues	\$0	\$6,879	\$95,994	\$90,495	\$95,745	\$106,115	\$100,921	\$103,626	\$114,233	\$715,421	\$743,144	\$953,759
Annual Net Income	\$0	\$6,879	\$95,994	\$90,495	\$95,745	\$106,115	\$100,921	\$103,626	\$114,233	\$715,421	\$743,144	\$953,759
Cumulative Income	\$0	\$6,879	\$102,873	\$193,369	\$289,113	\$395,229	\$496,149	\$599,775	\$714,008	\$1,429,428	\$2,172,573	\$3,126,332

Investment/Revenue Source	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050
Waivers of City Permits & Fees																
Entitlement Return	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Waivers of City Permits & Fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0						
Business License Fees	\$2,615	\$2,615	\$2,615	\$2,615	\$2,615	\$2,615	\$2,615	\$2,615	\$2,615	\$2,615	\$2,615	\$2,615	\$2,615	\$2,615	\$2,615	\$2,615
Use & Occupancy Registration	\$1,260	\$1,260	\$1,260	\$1,260	\$1,260	\$1,260	\$1,260	\$1,260	\$1,260	\$1,260	\$1,260	\$1,260	\$1,260	\$1,260	\$1,260	\$1,260
Use & Occupancy Inspection	\$0	\$0	\$7,821	\$0	\$0	\$7,821	\$0	\$0	\$7,821	\$0	\$0	\$7,821	\$0	\$0	\$7,821	\$0
Electric Public Utility Tax	\$36,550	\$37,646	\$38,776	\$39,939	\$41,137	\$42,371	\$43,642	\$44,952	\$46,300	\$47,689	\$49,120	\$50,593	\$52,111	\$53,674	\$55,285	\$56,943
Electric Utility General Fund Contribution	\$33,589	\$34,597	\$35,635	\$36,704	\$37,805	\$38,939	\$40,108	\$41,311	\$42,550	\$43,827	\$45,141	\$46,496	\$47,891	\$49,327	\$50,807	\$52,331
Water/Sewer General Fund Contribution	\$28,947	\$29,815	\$30,710	\$31,631	\$32,580	\$33,557	\$34,564	\$35,601	\$36,669	\$37,769	\$38,902	\$40,069	\$41,271	\$42,509	\$43,785	\$45,098
Stormwater General Fund Contribution	\$1,345	\$1,385	\$1,427	\$1,469	\$1,514	\$1,559	\$1,606	\$1,654	\$1,704	\$1,755	\$1,807	\$1,861	\$1,917	\$1,975	\$2,034	\$2,095
Solid Waste Removal General Fund Contribution	\$7,232	\$7,449	\$7,673	\$7,903	\$8,140	\$8,384	\$8,636	\$8,895	\$9,162	\$9,437	\$9,720	\$10,011	\$10,312	\$10,621	\$10,940	\$11,268
Property Tax Increase (Historic)	\$181,948	\$190,222	\$198,827	\$207,777	\$217,084	\$226,764	\$236,831	\$247,301	\$258,189	\$269,513	\$281,290	\$293,538	\$306,276	\$319,524	\$333,301	\$347,630
Property Tax Abatement (Historic)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
New Property Tax Revenues (Historic)	\$181,948	\$190,222	\$198,827	\$207,777	\$217,084	\$226,764	\$236,831	\$247,301	\$258,189	\$269,513	\$281,290	\$293,538	\$306,276	\$319,524	\$333,301	\$347,630
Property Tax Increase (New Constr.)	\$690,333	\$718,193	\$747,168	\$777,301	\$808,640	\$841,233	\$875,129	\$910,381	\$947,043	\$985,171	\$1,024,825	\$1,066,065	\$1,108,954	\$1,153,559	\$1,199,948	\$1,248,193
Property Tax Abatement (New Constr.)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
New Property Tax Revenues (New Constr.)	\$690,333	\$718,193	\$747,168	\$777,301	\$808,640	\$841,233	\$875,129	\$910,381	\$947,043	\$985,171	\$1,024,825	\$1,066,065	\$1,108,954	\$1,153,559	\$1,199,948	\$1,248,193
Total General Fund Revenues	\$983,819	\$1,023,183	\$1,071,911	\$1,106,600	\$1,150,775	\$1,204,504	\$1,244,390	\$1,293,969	\$1,353,313	\$1,399,036	\$1,454,681	\$1,520,330	\$1,572,607	\$1,635,065	\$1,707,796	\$1,767,434
Annual Net Income	\$983,819	\$1,023,183	\$1,071,911	\$1,106,600	\$1,150,775	\$1,204,504	\$1,244,390	\$1,293,969	\$1,353,313	\$1,399,036	\$1,454,681	\$1,520,330	\$1,572,607	\$1,635,065	\$1,707,796	\$1,767,434
Cumulative Income	\$4,110,151	\$5,133,334	\$6,205,245	\$7,311,845	\$8,462,620	\$9,667,124	\$10,911,514	\$12,205,483	\$13,558,796	\$14,957,831	\$16,412,512	\$17,932,842	\$19,505,449	\$21,140,514	\$22,848,310	\$24,615,744

Estimated costs to city over ten years based on Entitlement Application of 02/01/2022

08/23/2022 update

	Item Description	Incentive Values		Full Length Description
		Estimate	Comments	
A	Entitlement Process Fee Waiver	\$ 12,825	Actual	To coordinate entitlement process for an urban planned development and historic restoration as outlined by Chapter 23 of the City's Code of Ordinances including review by Historic Resources Preservation Board (HRPB) and the Lake Worth Beach City Commission as appropriate, and release the existing recorded Unity of Title and other restrictions simultaneously with approval of new entitlements for the Development Property
B	Investment Incentives			To facilitate an Economic Investment Incentive package based on new revenue streams to the electrical, water, sewer and stormwater utilities estimated as follows: (Estimated at \$146,368)
	Electric	\$ 108,708	\$0.50 per sq ft of conditioned space	Incentive Percentage based on first three years of new revenue to be provided back to developer after 3 years of project operations. Rate provided in Fee Schedule. Estimated that project will generate \$295,000 of new electric utility revenues (not including PCA Revenues) each year or \$5.278 million over a 27.5 year period. Approximately \$49,236 yearly going to support the General Fund or \$1.354 million over 27.5 years. General funds contributions are derived from estimated Gross Receipts Taxes, Public Utility Taxes, plus a Transfer from the Electric Utility of 8% of Gross Revenues (Gross Revenue for Transfer purposes includes PCA Revenues) . Assumed project life basis is 27.5 years. Electric consumption estimated using US Gov't Energy Star data for similar facilities and further reduced by 25% to reflect new construction and desire for a conservative estimate.
	Water/Sewer	\$ 21,720	\$0.0999 per sq ft of conditioned space	Percentage of first three years of new revenue to be provided back to developer after 3 years of project operations. Rate provided in Fee Schedule. Estimated that project will generate \$254,000 of new water/sewer revenue each year with approximately \$40,000 yearly going to support the General Fund. Internal transfer and taxes. Project project life basis is 27.5 years.
	Stormwater	\$ 8,696	\$0.04 per sq ft of conditioned space	Percentage of first three years of new revenue to be provided back to developer after 3 years of project operations. Rate provided in Fee Schedule. Estimated that project will generate \$11,800 of new stormwater revenue each year with approximately \$1,000 yearly going to support the General Fund. Internal transfer. Project project life basis is 27.5 years.
	Electric Utility			
	Incentive	\$ 70,000	Actual	Provide funding for back up transformer for completed project (\$50,000) and provide for partial temporary power connections (\$20,000)
I	10 yr Historic Preservation Tax Abatement			To coordinate a 10-year ad valorem tax abatement on the historic portion of project through review and approval before the HRPB, the Lake Worth Beach City Commission and the Palm Beach County Board of County Commissioners. 27.5 year life of building. New tax revenue will commence in year 11. (Please see Stover Economic Analysis for more detailed information) The current tax revenue based on current taxable value is not included in this projection.
	City	\$ 1,300,000	Estimate	City portion based on City's millage rate on the new value added only to the historic hotel building
	County	\$ 1,100,000	Estimate	County portion based on County's millage rate on the new value added only to the historic hotel building
	CRA Incentives			
P1a	up to 10-Yr TIF on New Construct	\$ 5,760,000	Maximum	Up to 10 year rebate of TIF on new construction portion of project - Estimate based on full increment being paid back to developer. Final amount likely will be a proportionate share or percentage of the taxing increment created although the payout only continues until 2031, at which time the agreement expires due to CRA sunseting. (Please see Stover Economic Analysis for more detailed information)
P1c	Infrastru. Improve Incentive	\$ 3,000,000	Actual	An infrastructure improvement program incentive
	Other Incentives			
R	Sustainability Bonus	0		To coordinate a Sustainable Bonus Incentive (incl. additional FAR) through review and approval before the HRPB, and the Lake Worth Beach City Commission, and waive any associated fees.
	Tier One	\$ 398,513	Actual	Change in Sustainable Bonus Incentive would have required half of the value to be paid to the City. Cash value to be paid waived.
	Tier Two	\$ 248,363	Actual	Change in Sustainable Bonus Incentive would have required half of the value to be paid to the City. Cash value to be paid waived.
Tot'l	Total(s):	\$ 12,028,824	—	—

**TORCIVIA, DONLON,
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*FLORIDA BAR BOARD CERTIFIED
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