CITY OF DELAND
SPECIAL MEETING OF THE CITY COMMISSION
OCTOBER 10, 2022 AT 7:00 PM
CITY HALL, COMMISSION CHAMBERS
120 SOUTH FLORIDA AVENUE

AGENDA

CALL TO ORDER

INVOCATION

ROLL CALL

NEW BUSINESS

1. Consideration re Letter of Understanding between Framework Group, LLC and the City; and Downtown Redevelopment Incentive Grant Agreement between the Developer, the City and the Community Redevelopment Agency.

   Letter of Understanding between Framework Group, LLC, and the City; and Downtown Redevelopment Incentive Grant Agreement between the Developer, the City and the Community Redevelopment Agency.

ADJOURNMENT

The DeLand City Commission holds its regular meetings on the first and third Mondays of each month at 7:00 p.m. in the DeLand City Commission Chambers, 120 South Florida Avenue, DeLand. Notice of special meetings, workshops, changes in dates, times or locations are provided by separate Public Notices, which are posted at City Hall and on the City's web site.

The City of DeLand may take action on any matter during this meeting, including items that are not set forth within this agenda.

Public participation is encouraged on any matter on the agenda. If you desire to be recognized by the Mayor, please fill out a Speaker's Card and present it to the City Clerk.

Minutes of the DeLand City Commission meetings are not transcribed verbatim. If any person decides to appeal a decision made by the City Commission with respect to any matter considered at a public meeting or hearing, he/she will need a record of the proceedings including all testimony and evidence upon which the appeal is to be based. To that end, such person will want to ensure that a verbatim record of the proceedings is made by a court reporter, at the person's own expense.

In accordance with the American Disabilities Act, persons needing a special accommodation in order to participate in the proceedings should notify the City Clerk's Office at least 48 hours in advance of the meeting: 626-7132.

Assisted Listening System receivers are available for the hearing impaired, and can be obtained from the City Clerk.

If you wish to obtain information regarding the City Commission's Agenda, please call the City Clerk's Office: 626-7132.

We respectfully request that all pagers and cell phones be turned OFF during City Commission meetings.

Electronic Information! City Commission agendas and short form minutes are now available on the City's web page: www.deland.org.

CITY OF DELAND
Request for Downtown Community Redevelopment Agency Action
October 10, 2022

SUBJECT:	Consideration re Letter of Understanding between Framework Group, LLC and the City; and Downtown Redevelopment Incentive Grant Agreement between the Developer, the City and the Community Redevelopment Agency.
DEPARTMENT:	City Manager
PREPARED BY:	Michael Pleus, City Manager
ATTACHMENTS:	Letter of Understanding , CRA Grant Incentive Agmt - Framework Group - Woodland Apartments, Woodland Apartments Concept Plan, Bank of America Concept
APPROVED BY:	Michael Pleus, City Manager, October 6, 2022

SUMMARY/HIGHLIGHT:

Approval of a Letter of Understanding between Framework Group, LLC (the "Developer" whose sole Manager is Phillip A. Smith) and the City and a Downtown Redevelopment Incentive Grant Agreement between the Developer, the City and the Community Redevelopment Agency (the "CRA") is requested.

STRATEGIC PLAN FOCUS AREA/ACTION STEP:

High Value Government

SUSTAINABILITY:

N/A

FISCAL IMPACT:

The proposed actions are consistent with Section 166.021(8)(b), *Florida Statutes*, which provides that the City Commission may expend public funds to attract and retain business enterprises and that the use of public funds towards the achievement of economic development goals constitutes a valid public purpose for such expenditures. Further, Section 163.370(2)(c)5, *Florida Statutes*, authorizes the CRA to undertake and carry out community redevelopment and related activities within the community redevelopment area, including but not limited to, the carrying out of plans for a program of voluntary or compulsory repair and rehabilitation of buildings or other improvements in accordance with the community redevelopment plan. In accordance with controlling State law, the use of public funds described in the Background/Discussion below are consistent with the provisions of the City's *Comprehensive Plan* and the City's *Community Redevelopment Plan*.

RECOMMENDATION:

City staff recommends that the City Commission approve the Letter of Understanding between Framework, LLC and the City, and the Downtown Redevelopment Incentive Grant Agreement between the Developer, the City and the City's Community Redevelopment Agency.

<u>BACKGROUND/DISCUSSION</u>:

The purpose of the Letter of Understanding is to outline certain proposals for collaboration between the Developer and the City regarding:

> (1). The redevelopment of property which the Developer is to purchase which property is located along North Woodland Boulevard generally northwest of the intersection of North Woodland Boulevard and West Church Street; and
>
> (2). Coordination of the relocation of the existing Bank of America operation from the property being purchased to property owned by the City which is approximately 1.86 acres in size and located generally southeast of the intersection of North Woodland Boulevard and West Church Street.

The Letter of Understanding also addresses infrastructure improvements associated with the transaction.

The Developer would develop the property which it is purchasing as a $75 million multifamily apartment complex containing an estimated 280 residential units and a minimum of 500 associated parking spaces (with at least 30 being dedicated for City/public parking spaces), along with a proposed ground-level art gallery that will provide pedestrian-level activation along North Woodland Boulevard. At buildout, the redevelopment of the property is expected to generate nearly $49M in market value compared with $3 million in its current state and less than $2 million estimated CRA base value. Also, the redevelopment of the property and related infrastructure should generate $95 million in gross economic output and 1,030 total jobs providing $45 million in wages and salaries. The ongoing economic impacts from the redevelopment are also substantial in that continuing activity supported by significant household income growth is expected to generate a total $35 million in gross economic output and 256 total jobs providing $10 million in annual wages and salaries. Thus, over a 30-year period, the City is expected to realize more than $1.3 million in cumulative incremental ad valorem tax revenues, net of the costs of the development incentive discussed below, plus other fiscal benefits from other sales and use taxes and charges.

Also, the Developer will construct a new Bank of America location on the hard corner of the City-owned property. The new bank building will be approximately 6,000-7,000 square feet in size and construction will include the reconfiguration of the property to increase the number of public parking spaces within the site from 112 to 134 with daytime dedicated parking for Bank employees and customers. The Bank would enter into a lease with the Developer for the relocated building and the Developer would enter into a long-term ground lease with the City which will provide an ongoing benefit to the City through lease revenue.

The Letter of Understanding also provides for various implementing provisions and actions relating to the provisions pertaining to the above transactions.

As a development incentive, the Developer and the City and CRA would enter into a Tax Increment Financing Agreement which would result in the Developer receiving reimbursement of 90% of the tax increment funds generated on the Property after the development project is completed, up to a maximum of $9,500,000. Tax increment financing in regard to ad valorem taxes subsidizes developers by refunding or diverting some of their taxes to pay for redevelopment in a community redevelopment area. The Agreement is limited by Volusia County Resolution Number 2001-233 which provides that Volusia County's delegation of authority to the City to exercise community redevelopment powers under the *Community Redevelopment Act* (Part III, Chapter 163, *Florida Statutes*) will expire on December 31, 2036 which, accordingly, would result in the expiration of the Agreement on that date.

City of DeLand
Attn: Richard Werbiskis, AICP
Community Development Director
120 South Florida Avenue
DeLand, FL 32720

Dear Rick,

The purpose of this Letter of Understanding (the "Letter") is to outline certain proposals for collaboration between Framework Group, LLC ("Framework") and the City of DeLand ("City") regarding the proposed redevelopment of property under contract by Framework, located along North Woodland Boulevard, generally northwest of the intersection of North Woodland Boulevard and West Church Street (the "Framework Property") and coordination of the relocation of the existing Bank of America operation from the Framework Property to the property owned by the City, located generally southeast of the intersection of North Woodland Boulevard and West Church Street (the "City Property") and associated improvements thereto.

Framework's proposed redevelopment of the Framework Property and relocation of the Bank of America operation includes the following points for collaboration between Framework and the City:

1. Framework will redevelop the Framework Property as a multifamily apartment complex containing an estimated 280 residential units and a minimum of 500 associated parking spaces, along with a proposed ground-level art gallery that will provide pedestrian-level activation along North Woodland Boulevard.

2. Framework will invest a minimum development cost of $75 million into the proposed multifamily apartment complex. At buildout, the investment in redeveloping the property is expected to generate nearly $49M in market value, compared with $3 million in its current state and less than $2 million estimated CRA base value.

    a. One-time investment in redeveloping the property and related infrastructure is expected to generate a total $95 million in gross economic output and 1,030 total jobs providing $45 million in wages and salaries.
    b. After construction, the ongoing economic impacts from the investment in redevelopment are also substantive. Continuing activity supported by significant household income growth is expected to generate a total $35 million in gross economic output and 256 total jobs providing $10 million in wages and salaries, each and every year.
    c. Over a 30-year period, the City is expected to realize more than $1.3 million in cumulative incremental ad valorem tax revenues, net of the development incentive, plus other fiscal benefits from other sales and use taxes and charges.

3. Framework will construct a new Bank of America location on the hard corner of the City Property. The new bank building will be approximately 6,000-7,000 square feet, and construction will include the reconfiguration of the City Property to increase the

number of public parking spaces within the site. The reconfiguration is projected to increase the number of public spaces from 112 to 134 parking spaces, with daytime dedicated parking for the Bank employees and customers. It is our understanding that City funds have been targeted for improvement of the existing parking areas at this location – if approved, this project would allow these funds to be expended on other public projects.

4. Bank of America would enter into a lease with Framework for the relocated building, and Framework would enter into a long-term ground lease with the City which will provide an ongoing benefit to the City through lease revenue.

5. Framework shall complete the site plan approval process for the apartment building to be constructed on the Framework property and submit architectural renderings for the apartment building, for review and approval by the City to determine consistency with the City's community design standards as provided for in Section 33-94 of the City's Land Development Regulations, prior to the City entering into the lease of the City Property.

6. Framework and the City would enter into a Tax Increment Financing Agreement ("TIFA"), whereby Framework would receive reimbursement of 90% of the tax increment funds generated on the Property after the Project is completed, up to a maximum of $9,500,000.00. Framework acknowledges that, pursuant to Volusia County Resolution No. 2001-233, Volusia County's delegation of authority to the City to exercise community redevelopment powers under the Community Redevelopment Act is scheduled to expire on December 31, 2036. The TIFA shall expire on December 31, 2036.

7. Framework will coordinate with the City to install pedestrian sidewalk access along the Property and install up to date stormwater management systems to treat and attenuate runoff.

8. Framework will coordinate with the City on the potential improvement of the segment of W. Church Street running from N. Florida Avenue east to N. Woodland Boulevard in order to modify the street to a one-way roadway and permit the installation of public parallel parking spaces along the length of the roadway adjacent to the proposed project.

9. Framework shall provide performance guarantees for both the new Bank of America building on the City Property and the new apartment complex on the Framework Property prior to the City entering into a lease for the City Property. Such performance guaranty shall also provide that if construction of the apartment complex on the Framework Property does not commence by [insert date] or the certificate of occupancy is not issued for the apartment complex by [insert date] that the lease between Framework and the Bank of America for the building on the City Property shall be assigned from Framework to the City and the ground lease for the City Property to Framework shall also terminate.

We look forward to discussing these points with you further. Once we have reached a mutual understanding and agreement between the parties, we can arrange for the necessary agreements between the parties to memorialize the points outlined here. We look forward to working with you on this matter.

DOWNTOWN REDEVELOPMENT INCENTIVE GRANT AGREEMENT

THE CITY OF DELAND, a Florida municipal corporation ("City"), THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF DELAND, organized under Chapter 163, Part III, Florida Statutes ("CRA"), and FRAMEWORK GROUP, LLC, a Florida limited liability company ("Developer"), hereby enter into this Downtown Redevelopment Incentive Grant Agreement (this "Agreement").

WITNESSETH:

WHEREAS, Developer and/or its affiliates are the contract purchaser to acquire title to approximately 3.76 acres of land (the "Property") as further described in Exhibit "A", located at the corner of North Woodland Boulevard and West Wisconsin Avenue, within the City's designated Downtown Redevelopment Area; and

WHEREAS, Developer proposes to develop the Property for multi-family residential buildings, accessory and commercial/live/work spaces, landscaping, and associated infrastructure and amenities adjacent to the footprint of these improvements (the "Project"); and

WHEREAS, in order to facilitate project feasibility, Developer has requested financial assistance from the City and CRA, primarily consisting of tax increment funds to be generated from development of the Project on the Property within the City's designated Downtown Redevelopment Area; and

WHEREAS, according to the Downtown DeLand Redevelopment Plan, among the most powerful tools associated with Part III Section 163, Florida Statutes, is the availability of tax increment financing to support a wide range of redevelopment initiatives; and

WHEREAS, specifically Developer has requested reimbursement of 90% of the tax increment funds generated on the Property after the Project is completed, up to a maximum of $9,500,000.00; and

WHEREAS, in consideration with the requested assistance, and subject to receipt of all necessary governmental and quasi-governmental approvals and permits, Developer is willing to commit to constructing a minimum of 280 multi-family residential units, first floor commercial space along Woodland Boulevard, a minimum of 500 parking spaces, with a minimum of 30 public parking spaces dedicated within the Property, and associated infrastructure and amenities; and

WHEREAS, the Project shall include certain public infrastructure improvements (the "Public Infrastructure Improvements") as generally described on Exhibit "B" and defined below, that serve the Property and which are intended to benefit the surrounding properties, support existing buildings in the vicinity, foster additional redevelopment, provide additional environmental protections, and generate sustainable economic activity in the Redevelopment Area; and

WHEREAS, concurrent with development of the Project, Developer will enter into a long-term lease with the City for the approximately 1.86 acres of real property located at the southeast corner of Woodland Boulevard and W. Church Street, in order to facilitate construction of a financial institution with drive-through and associated infrastructure, along with construction of additional parking facilities, which lease shall be subject to certain performance guarantees related to the completion of the Project and the Public Infrastructure Improvements; and

WHEREAS, Section 166.021(8)(b), Fla. Stat., provides that the governing body of a municipality may expend public funds to attract and retain business enterprises, and the use of public funds towards the achievement of such economic development goals constitutes a public purpose; and

WHEREAS, Section 163.345(1), Fla. Stat., requires that to the greatest extent feasible the CRA will afford maximum opportunity for rehabilitation or redevelopment of the community redevelopment area by private enterprise; and

WHEREAS, Section 163.370(2)(c)5, Fla. Stat., authorizes the CRA to undertake and carry out community redevelopment and related activities within the community redevelopment area, including but not limited to, the carrying out of plans for a program of voluntary or compulsory repair and rehabilitation of buildings or other improvements in accordance with the community redevelopment plan; and

WHEREAS, the City Commission and CRA find that providing Developer financial assistance for development of the Project as provided above is consistent with the following goals and objectives of the City's Comprehensive Plan:

- *Future Land Use Element*, Policy 2.4 Encourage the locating of high density residential land uses in areas adjacent to employment and commercial centers, with adequate and existing city services (e.g. roads, water, sewer, transit).

- *Future Land Use Element*, Objective 4.1 Encourage residential, commercial, and office infill development within the Downtown.

- *Future Land Use Element*, Policy 4.1.2 Implement development review incentives for development in the Multimodal Supportive and Mixed-Use Overlays, including the Downtown, in order to achieve the desired mix of uses and type of development.

- *Future Land Use Element*, Policy 8.2.2 Mixed-use projects will be encouraged as a way to reduce vehicle miles traveled through the situating of both residential and supportive services within close proximity; for shorter travel distances and for pedestrian and bicycle accessibility by residents of the project and the surrounding neighborhood.

- *Housing Element*, Objective 1.9 Utilize land use patterns that create compact housing development and encourage less use of the automobile and more walkable communities.

- *Housing Element*, Policy 9.1 The city will develop regulations to encourage new development in the core of the city including infill housing.

WHEREAS, the City Commission and CRA find that providing Developer financial assistance for development of the Project as provided above is consistent with the following strategic priorities stated in the Downtown DeLand Redevelopment Plan: (i) increase residential density – lofts, condos, 2nd floor above retail and responsiveness to residential developers, and encourage residential incentives and (ii) encourage mixed use. In addition, being consistent with the following recommendation highlights included in the Downtown DeLand Redevelopment Plan:

- Create opportunities for new residential products through incentives and land assembly.
- Stimulate mixed use infill developments along main pedestrian corridors.
- Leverage tax increment to attract private developers.
- Structure incentives based on the increment produced by the development proposal.
- Mitigate impediments to development.

WHEREAS, the City Commission and CRA further find that development of the Project as proposed, will provide for additional in-fill housing, promote a mix of housing opportunities for the City's residents, increase taxable property values, and foster redevelopment of other properties in the Downtown Redevelopment Area.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, and for other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the Parties mutually agree to the following terms and conditions:

1. RECITALS. The foregoing recitals are true and correct and are incorporated into and made part of this Agreement as if fully set forth herein.

2. DEFINITIONS.

2.1 City – means the City of DeLand.

2.2 City Manager – means the City Manager of the City, or the City Manager's designee.

2.3 City Property – means the +/- 1.86 acres of real property located at the southeast corner of Woodland Boulevard and W. Church Street.

2.4 Community Redevelopment Act – means part III, chapter 163, Florida Statutes.

2.5 Community Redevelopment Agency or **CRA** – means the Downtown Community Redevelopment Agency located within the corporate limits of the City.

2.6 Developer - means Framework Group, LLC, or its successors or assigns.

2.7 Downtown Redevelopment Area or **Redevelopment Area** - means that area designated as the Downtown Redevelopment Area by the City.

2.8 Effective Date - means the date of last signature on this Agreement by the Parties.

2.9 Multifamily Buildings - means the new buildings to be constructed on the Property by Developer, to be used primarily with multifamily or mixed uses.

2.10 Project - means the mixed-use development of the Property, including at least 280 residential units, a minimum of 2,000 square feet of pedestrian oriented space along Woodland Boulevard, a minimum of 500 parking spaces with at least 30 of those spaces designated for public parking, landscaping and related site amenities. The specific development program is subject to formal engineering and site plan review by the City. A variation of up to ten percent (10%) of the project minimum criteria set forth in this definition that results from the site plan review process shall not require an amendment to this Agreement.

2.11 Property – means the property, consisting of approximately 3.76 acres, located at the northwest corner of Woodland Boulevard and W. Church Street, and as further described in **Exhibit A**.

2.12 Public Infrastructure Improvements – means all capital improvements paid for by or on behalf of the Developer that provide a public benefit other than exclusively to the occupants of the Project, inclusive of pedestrian and vehicular transportation improvements, drainage, storm water, landscaping, and potable water and sanitary sewer utilities, that occur in public right-of-way or adjacent thereto, or within dedicated public easements, or otherwise constructed in connection with construction of the Project, as identified in Exhibit "B", which exceeds the City's minimum land development regulations requirements. The foregoing or any other provision of this Agreement notwithstanding, the term Public Infrastructure Improvements shall not include any payment made by the Developer to the City on account of "fair share" or other payments charged by the City to all new development within the City's downtown area related to the expansion of the City's water and wastewater distribution and collection capacity in the downtown area of the City.

3. PRE-CONDITIONS FOR ENTITLEMENT TO GRANT

Prior to being eligible for the Grant referenced below, Developer must satisfy each of the following pre-conditions:

3.1 Acquisition of Title. Developer will acquire title to the Property and provide the City Manager reasonable proof thereof within six (6) months from the Effective Date, subject to Force Majeure extensions that may be granted below. If Developer does not acquire the Property for any reason, either the City, on behalf of the CRA and the City, or the Developer shall have the right to terminate this Agreement, by providing a minimum of 15 business days prior written notice of such termination to the non-terminating party, and this Agreement shall terminate without further action of the parties.

3.2 Completion of Project.

(a) Developer will construct the Project in compliance with the Performance Standards below.

(b) Subject to extensions for Force Majeure events as provided below, Developer will complete the Project within the earlier of three (3) years after all required permits have been issued or four (4) years from the Effective Date.

(c) The Project will be deemed to be complete when Developer has substantially completed construction, including the Public Infrastructure Improvements, in accordance with all applicable legal requirements, including the provisions of this Agreement, and the City has issued all certificates of occupancy required for the Multifamily Buildings (other than certificates of occupancy needed for the interior buildout of commercial space along Woodland Boulevard).

3.3 Construction of Public Infrastructure Improvements. Developer will cause the design, permitting, and construction of the Public Infrastructure Improvements, in accordance with the provisions of this Section.

(a) *Compliance with Legal Requirements.* All Public Infrastructure Improvements will comply with applicable legal requirements. If Developer proposes to install upgraded features (beyond standard public infrastructure construction requirements) such as upgraded hardscaping, art installations, or decorative light fixtures in the right-of-way or on other public property in conjunction with the development of the Property, approval of such features will only be granted in conjunction with the City's approval of the site plan for the project and/or a public use permit as provided in the Land Development Regulations or other standard City approval processes for permitting private improvements in public rights-of-way.

(b) *Construction Contract Requirements*. Developer will ensure that the contract for construction of the Public Infrastructure Improvements within the public rights of way will: (i) require the contractor to provide adequate liability insurance coverage, of types, in such amounts, and from insurers approved by the City's Risk Manager; and that such insurance names the City as additional insured and providing for thirty (30) days advance written notice to the City if the insurance is cancelled or non-renewed for any reason; (ii) include provisions requiring the contractor to indemnify and hold the City harmless, the form of such provisions being subject to approval by the City Attorney; (iii) require the contractor to provide a performance and payment bond meeting the requirements of Section 3.3.e., below; (iv) require a warranty by the contractor of all labor, materials, and installation for a minimum period of twelve (12) months following the City's acceptance of the Public Infrastructure Improvements, and require the contractor to provide a maintenance bond in the amount of 10% of the estimated cost of constructing such Improvements, as certified by the contractor's design professional and approved by the City’s city engineer. The warranty and the bond must be in favor of the City; (v) require that all product warranties be assigned to the City as a condition of the City's acceptance of the Public Infrastructure Improvements; and (vi) provide that Developer’s rights under the construction contract will be assignable to the City if Developer abandons construction of the Public Infrastructure Improvements or the Project or is otherwise unable to diligently prosecute construction of the Public Infrastructure Improvements or the Project to completion. If Developer elects to use the services of a design-build firm for the design and construction of the Public Infrastructure Improvements, the design-build contract will also meet these requirements.

(c) *Performance and Payment Bond*. The performance and payment bond will be in an amount equal to at least 110% of the estimated cost of constructing the Public Infrastructure Improvements as certified by the project engineer and approved by the City’s city engineer, in favor of the City. The bond will be in a form acceptable to the City Attorney. The bond must be accompanied by sufficient evidence of the authority of the issuing agent, including a certified copy of the power of attorney of the person signing the bond on the surety's behalf. The surety company executing the bond must be must be rated "A" or better by A.M. Best Key Rating Guide, authorized to do business in the State of Florida, and must be listed by the United States Treasury Department Treasury Fiscal Service, Bureau of Government Financial Operations, Federal Register, Part V, latest revision, entitled: "Companies Holding Certificates of Authority as Acceptable Sureties on Federal Bonds and as Acceptable Reinsuring Companies," as being approved for writing bonds for federal projects on its current list in an amount not less than the required bond amount.

(d) *Certificate of Completion*. At such time as Developer believes the construction of Public Infrastructure Improvements to be complete, Developer will request the City to provide a final inspection walkthrough. The City will promptly schedule and conduct the walkthrough with appropriate technical staff. If City staff identify any technical defects, Developer will cause the construction contractor to repair same and request an additional walkthrough. If based on the walkthrough inspection the City affirms that the work is complete, the City will so notify Developer, which will then be authorized to provide the City a certificate of completion.

(e) *Completion of Public Infrastructure Improvements*. The Public Infrastructure Improvements will be deemed complete for purposes of this Agreement when the City issues a notice of acceptance. The City will only issue such notice after Developer has submitted the certificate of completion in strict conformance with the requirements above and after all other City requirements related to the acceptance of public infrastructure improvements have been complied with. The City will promptly provide Developer written notice of acceptance once these conditions are met and will then accept any necessary transfers of the Public Infrastructure Improvements in a form acceptable to the City Attorney. The City agrees that completion of the Public Infrastructure Improvements may entitle the Developer to certain credits against impact fees and other development related fees assessed by the City and the County of Volusia. The City agrees to provide such impact fee and other development fee credits, as provided by the City's current ordinances and other policies relating to such fees, and to cooperate with the Developer to ensure any such credits or impact fee exemptions due to the Developer from the County are applied to the Project.

(f) *Stormwater Management Facilities*. Developer will own and maintain all necessary stormwater management facilities that exclusively serve the Project. In the event the Public Infrastructure Improvements include joint stormwater management facilities that serve the Project and other property in the vicinity or public roadways, ownership and maintenance of those stormwater management facilities will be determined by subsequent easement agreements acceptable to the City and Developer. The City will cooperate with Developer to provide any necessary connections to the City's stormwater management system. Developer will be responsible for paying the City's normal and customary fees associated with the provision of stormwater management services.

(g) *Water and Sewer Service*. The City as the water and sewer service provider within its municipal boundaries will be the sole provider of such services to the Project. Developer will be responsible for paying the City's normal and customary fees associated with the provision of those services. Developer will execute a standard form utility service agreement with the City. The utility service agreement will acknowledge any credits due to Developer for sewer and water impact or connection fees that result from Public Infrastructure Improvements constructed by or on behalf of the Developer as part of the Project. Developer acknowledges that the City does not have sufficient potable water and sanitary sewer transmission infrastructure in the immediate vicinity of the Project to support the number of residential units included within the Project, and that the City is, as of the execution of this Agreement, is in the process of designing a project to install water and sanitary sewer transmission infrastructure. This process includes determining a cost for the infrastructure project and a fair share fee that will be paid by all developers within a defined area, generally in the downtown DeLand area. Any other provision of this Agreement notwithstanding, Developer acknowledges that it will be required to pay this fair share fee at the same rate as all other developers to be charged the said fee.

3.4 Documentation as to Construction Value. As referenced below, the Performance Standards include a requirement as to minimum investment value. Prior to construction, Developer will be required to submit documentation reasonably satisfactory to the City Manager confirming that this Performance Standard is met. Developer will construct the Project in substantial conformance with the approved pre-construction documentation as to investment value.

4. PERFORMANCE STANDARDS.

4.1 Compliance with Land Development Regulations. Developer will construct the Project in a manner that fully complies with the provisions of the City's Land Development Regulations ("LDR").

4.2 Investment Value. The total Project investment at completion will equal or exceed $75 million. For purposes herein, investment value includes all land costs, building construction costs, landscaping, paving, site work including clearing, grading, and compaction (if required), and all soft costs directly associated with construction such as architect, engineering, surveying, topographical surveys, and all other third-party reports including environmental assessment fees.
No part of the costs related to construction of the City Property Improvements shall be included in the calculation of investment value.

4.3 Minimum Capacity. Upon completion, the Multifamily Buildings will contain at least 280 residential dwelling units.

4.4 Inclusion of Associated Site Amenities. Upon completion, the Project will include all landscaping and hardscape improvements associated with the Multifamily Buildings, consistent with the requirements of the LDR.

4.5 City Property Improvements. Developer will construct, or cause to be constructed, a new Bank of America location on the hard corner of the City Property. The new bank building will be a minimum of 5,000 square feet, and construction will include the reconfiguration of the City Property to increase the number of public parking spaces within the site. The reconfiguration is projected to increase the number of public spaces from 112 to 134 paving parking spaces, with daytime dedicated parking for the Bank employees and customers. Prior to issuance of building permits for a new bank building, Developer shall provide proof of available funds to complete the construction of the Multifamily Buildings to the City. Such proof of financial ability may include a commitment letter from a lender, a balance sheet, a bank statement, or other similar documentation.

5. POST-COMPLETION OBLIGATIONS

5.1 Operation, Maintenance, and Repair of Property and Improvements. Upon completion of the Project, and thereafter throughout each calendar year in which Developer is eligible for receipt of an Annual Redevelopment Incentive Grant Payment as described below, Developer will keep and maintain the Property, and all improvements located thereon, including but not limited to the improvements required by this Agreement, in clean, good, first class condition and repair.

6. REDEVELOPMENT INCENTIVE GRANT.

As an inducement for Developer to construct and complete the Project in accordance with the provisions of this Agreement and cause the Public Infrastructure Improvements contemplated herein to be constructed, the CRA will pay Developer a Redevelopment Incentive Grant, in a series of annual payments during the Grant Period, in accordance with the provisions below.

6.1 Definitions. For purposes of this Section, certain terms are defined as follows:

(a) *Annual TIF Revenue Attributable to the Project* - means the portion of the Tax Revenue on the Property allocated to the City of DeLand in the given tax year, less the Base Year Tax Revenue and actually transferred to the CRA by the Volusia County Tax Collector.

(b) *Base Year Tax Revenue* - means the Tax Revenue on the Property in the tax year prior to the date of the first Certificate of Occupancy issued for the Project.

(c) *Grant Period* - The period of time commencing with the first calendar year following Project completion, and continuing until the last calendar year prior to the expiration of the CRA pursuant to law. In the event that the total annual payments have not reached the maximum amount set forth in Section 6.6 below at the end of the Grant Period, neither City nor CRA will be liable for any further payments to Developer.

(d) *Tax Revenue* - means the amount of ad valorem real estate tax revenue that is due on the Property in a given tax year, less taxable amounts not transferred by the Volusia County Tax Collector to the CRA, such as for taxes owed to the Volusia School Taxing District, or other taxing authorities.

6.2 Request for Grant Payment Required. No sooner than May 1st or later than July 1st of each year, Developer must make a written request to the CRA, care of the address for notices below, for the Annual Payment of the Grant for the year. The Developer will attach to the request, proof that all taxes related to the Project and the Property were paid in the form of the receipt of payment from the Volusia County Tax Collector.

6.3 Amount of Annual Payment of the Grant. Subject to the adjustment provided below, the City shall pay to Developer an amount equal to 90% of the Annual TIF Revenue Attributable to the Project (the "Annual Payment of the Grant").

6.4 Source of Funds for Annual Payment. Each year, the source of funds used for the Annual Payment of the Grant shall be solely from the tax increment funds transferred into and actually received by the City's Redevelopment Trust Fund in accordance with the Community

Redevelopment Act and City Resolution 2019-01.

6.5 When Annual Payment of the Grant is Due. The CRA will make the Annual Payment of the Grant within 60 days after receipt of Developer's request for payment, subject to receipt of tax revenue as set forth in Section 6.4.

6.6 Maximum Amount of Grant. Subject to adjustments below, the maximum amount of the Redevelopment Incentive Grant will not exceed $9,500,000.00, and the last annual payment of the Grant will be reduced if necessary so that this maximum amount is not exceeded.

7. EXPIRATION OF CRA. Developer acknowledges that, pursuant to Volusia County Resolution No. 2001-233, Volusia County's delegation of authority to the City to exercise community redevelopment powers under the Community Redevelopment Act is scheduled to expire on December 31, 2036. This Agreement shall not be extended past the scheduled expiration date of December 31, 2036 for any reason.

8. ASSIGNMENT BY DEVELOPER.

8.1 Primary Assignee. Developer may assign all of its right, title and interest in, and its obligations under this Agreement to an entity that is created specifically for the development of the Project and that is and will be an entity in which the individual directly or indirectly owning a controlling interest in Developer also is the individual directly or indirectly owning a controlling interest in the assignee (the "Primary Assignee"), provided that such assignment is not effective until such time as the City and CRA receive written notice of such assignment.

8.2 General Assignment. Upon completion of all of Developer's obligations set out herein and City approval of these obligations by issuance of a Certificate of Occupancy, Developer may assign all of its right, title and interest in, and its obligations under this Agreement, to a person or entity other than the Primary Assignee upon the prior written consent of the City and CRA, which consent will not be unreasonably withheld, conditioned, or delayed (the "General Assignment"). Developer will provide the City and CRA with written notice of such proposed General Assignment along with the name, address, and such financial information relating to the proposed assignee as the City and CRA may reasonably require (the "Assignment Information"). The City and CRA will notify Developer of its approval or disapproval of the proposed General Assignment within forty-five (45) days from its receipt of the notice and Assignment Information. In determining whether or not to consent to the proposed General Assignment, the City and CRA may consider, among other factors, the reputation, experience and financial ability of the proposed assignee. In the event of a proposed assignment, the City and CRA, at Developer's request, will provide an estimate of benefits remaining under this Agreement to be provided to Developer. A General Assignment may include separate assignments, from the Developer or the Primary Assignee, of ownership rights in the separate lots or parcels comprising the Property, even where such separate assignments result in separate ownership of the Multifamily Buildings and parking area.

8.3 Assumption. In connection with Developer's assignment of this Agreement pursuant to Section 8.1 or Section 8.2 above, either Developer will remain responsible for, or the assignee must assume in writing, the responsibilities, obligations and duties associated with the interests being assigned by Developer. Upon the assignee's assumption of such responsibilities, obligations and duties, Developer will be relieved of same, and the City will take all necessary reasonable actions to document such assignment with third parties.

9. GENERAL PROVISIONS.

9.1 Consents and Approvals. All consents and approvals which may be given under this Agreement will, as a condition of effectiveness, be in writing. The granting by a Party of any consent to or approval of any act requiring consent or approval under the terms of this Agreement, or the failure on the part of a Party to object to any such action taken without the required consent or approval, will not be deemed a waiver by the Party whose consent was required of its right to require such consent or approval for any other act, except as expressly set forth herein to the contrary.

9.2 Governing Law and Venue. This Agreement will be governed by, and construed in accordance with, the laws of the State of Florida, without regard to principles of conflict of laws. Venue in case of any suit filed to enforce the provisions of this Agreement will be in the Middle District of Florida, if filed in federal court, and in the state courts in and for Volusia County, if filed in state court.

9.3 Successors and Assigns. Subject to Section 8, the agreements, terms, covenants, and conditions herein will be binding upon, and inure to the benefit of City, CRA, Developer, and their respective successors and assigns.

9.4 Force Majeure. Except as otherwise expressly provided in this Agreement, if a Party hereto will be delayed or hindered in whole or in part, or prevented from, the performance of any non-monetary covenant or obligation hereunder as a result of acts of God, fire or other casualty, earthquake, hurricane, flood, landslide, enemy act, war, riot, intervention by civil or military authorities of government, insurrection or other civil commotion, general unavailability of certain materials, strikes, boycotts, lockouts, labor disputes, work stoppage, permit delays not caused by Developer, or federal, state, and/or local governmental emergency orders or directives, or any other matter beyond the control of any Party hereto, then the performance of such covenant or obligation will be excused for the period of such delay, hindrance, or prevention and the period of the performance of such covenant or obligation will be extended by the number of days equivalent to the number of days of such delay, hindrance, or prevention.

The City Manager is authorized to grant Developer extensions of the various deadlines set forth herein that are necessary due to Force Majeure events, on behalf of the City and the CRA, without need for formal amendment of this Agreement.

9.5 Notices; Authorized Representatives. Any notice, demand, request or other instrument (any "Notice") which may be or is required to be given under this Agreement will be deemed given and received (a) on the date of delivery when delivered in person (with receipt for delivery), or (b) on the next business day following deposit of any such Notice with an overnight delivery carrier (with receipt evidencing such delivery) such as, but not limited to, Federal Express or UPS to the following:

If to City/CRA: City Manager
120 S. Florida Ave

DeLand, FL 32720

w/copy to: City Attorney
120 S. Florida Ave
DeLand, FL 32720

If to Developer: Framework Group LLC.
Attn: Phillip A. Smith
1200 W. Platt St, #201
Tampa, FL 33606

w/copy to: Cobb Cole Law Firm
Attn: Mark A. Watts
231 N. Woodland Boulevard
DeLand, FL 32720

Any Party may, at any time, change its address for the above purposes by sending a notice to the other Party stating the change and setting forth the new address. The person designated to receive a party's notice pursuant to this Section will be that Party's authorized representative in all matters arising under this Agreement, except where specifically provided otherwise.

9.6 Event of Default/Termination.

(a) Any one or more of the following events will constitute an Event of Default:

(1) Developer knowingly or intentionally falsifies any report or statement furnished to the City or CRA pursuant to this Agreement.

(2) Developer files a voluntary petition under any federal or state bankruptcy law, or if an involuntary petition under any such law is filed against Developer, and Developer is adjudged to be bankrupt, insolvent, or unable to pay its debts as they mature; or Developer makes an assignment for the benefit of its creditors; or a trustee or receiver is appointed or retained to take charge of and manage a substantial part of the assets of Developer; or any execution or attachment will issue against Developer whereupon the Property, or any part thereof, or any interest therein of Developer will be taken or attempted to be taken, and the same is not released prior to the judicial sale thereunder.

(3) The City's Building Official notifies Developer that any building or other structure located on the Property is an unsafe or dilapidated structure as provided in Section 108 of the International Property Maintenance Code, and the conditions are not remedied within the time period provided by such notice.

(4) Material breach by Developer, City, or CRA in the performance or observance of any covenant, undertaking, or condition of this Agreement (not referenced in this Section above), which breach is not cured within 30 days after the giving of written notice thereof. If the breach is of such nature that it cannot reasonably be cured within the 30 day period, then an Event

of Default will occur if the Party fails to commence the curing of the breach within the 30 day period after notice of breach, or fails to diligently prosecute the curing of same during such period, or fails to cure the same within 90 days after the date notice is given by the other Party. The timeframes for set forth above shall be extended, as necessary, in the event of a Force Majeure event as set forth in Section 9.4 above.

(b) Upon an Event of Default, the Parties will have all remedies available at law or in equity.

9.7 Waiver of Jury Trial. Each Party hereto waives all right to trial by jury in any claim, action, proceeding or counterclaim the Party may have against the other Parties hereto regarding any matters arising out of or in any way connected with this Agreement.

9.8 Compliance with Laws. Developer will be solely responsible for obtaining all zoning, building, and other approvals required in conjunction with the proposed. Developer is responsible at all times for complying with all applicable federal, state, and local laws.

9.9 Severability. If any portion of any term or provision of this Agreement, or the application thereof to any person or circumstances will, to any extent, be invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable will not be affected thereby, and each term and provision of this Agreement will be valid and enforced to the fullest extent determined by law.

9.10 No Modification. This writing is intended by the Parties as a final expression of their agreement and as a complete and exclusive statement of the terms thereof, all negotiations, considerations, and representations between the Parties having been incorporated herein. No course of prior dealings between the Parties or their officers, employees, agents, or affiliates will be relevant or admissible to supplement, explain, or vary any of the terms of this Agreement. Acceptance of, or acquiescence in, a course of performance rendered under this or any prior agreement between the Parties or their affiliates will not be relevant or admissible to determine the meaning of any of the terms of this Agreement other than those specifically set forth herein. This Agreement can be modified only by a writing signed by the Party against whom the modification is enforceable.

9.11 City's Police Powers. Nothing contained in this Agreement will be construed as a waiver of, or contract, with respect to the regulatory and permitting authority of the City under applicable laws, rules, and regulations. Further, nothing contained in this Agreement will be construed as a waiver by the City of its sovereign immunity under the constitution and laws of the State of Florida.

9.12 No General Obligation. Amounts due hereunder will not be or constitute a general obligation or indebtedness of the City or CRA as a "bond" within the meaning of Article VII, Section 12 of the Constitution of Florida, but will be payable solely from the Non-Ad Valorem Revenues in accordance with the terms hereof. Developer will never have the right to compel the exercise of any ad valorem taxing power to pay amounts due hereunder, or be entitled to payment of such from any funds of the City or CRA except from the Non-Ad Valorem Revenues.

9.13 Damage or Destruction/Insurance. Developer will bear all risk of loss, whether from casualty, theft, or other events, to all improvements contemplated by this Agreement, and will be solely responsible for obtaining any insurance necessary to protect against such risk.

9.14 No Third Party Beneficiaries. There are no third party beneficiaries and no party will have any rights pursuant to this Agreement or arising out of this Agreement except for Developer, CRA, and City.

9.15. Time of Essence. Time is of the essence in each and every instance hereunder with respect to the covenants, undertakings, and conditions to be performed hereunder by Developer.

9.16 Counterparts. This Agreement may be executed by the parties hereto individually or in combination, in one or more counterparts, each of which shall be an original and all of which will constitute one and the same Agreement.

9.17 Complete Agreement. This Agreement represents the complete understanding by and between the parties with respect to the subjects set forth herein. Any and all prior agreements between the parties with respect to any subject comprehended by this Agreement are hereby voided and superseded by this Agreement. All parties have participated equally in the drafting and preparation of this Agreement.

9.18 Recordation. This Agreement shall be recorded in the Public Records of Volusia County, Florida, at Developer's expense.

IN WITNESS WHEREOF, the Parties hereto attached their hands and seals on the dates set forth below.

Signed, sealed and delivered in the presence of:

____
Witness 1

____
Print Name of Witness 1

____
Witness 2

____
Print Name of Witness 2

THE CITY OF DELAND, FLORIDA, a Florida municipal corporation

By: ______________________________
Robert F. Apgar, Mayor

Attest: ______________________________
Julie A. Hennessy, MMC, City Clerk

STATE OF FLORIDA
COUNTY OF VOLUSIA

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization this __ day of_______________, 2022 by Robert F. Apgar and Julie A. Hennessy, MMC, Mayor and City Clerk, respectively, of the City of DeLand, on behalf of the City. They are personally known to me and did not take an oath.

____
Notary Public
Commission No: ______________________

Signed, sealed and delivered in the presence of:	**COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF DELAND**
______________________________ Witness 1	By: ______________________________ Robert F. Apgar, Chair
______________________________ Print Name of Witness 1	
	Attest: ______________________________ Julie A. Hennessy, MMC, City Clerk
______________________________ Witness 2	
______________________________ Print Name of Witness 2	

STATE OF FLORIDA
COUNTY OF VOLUSIA

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization this __ day of________________, 2022 by Robert F. Apgar and Julie A. Hennessy, MMC, Chair and City Clerk, respectively, of the Community Redevelopment Agency of the City of DeLand, on behalf of the Agency. They are personally known to me and did not take an oath.

____
Notary Public
Commission No: ______________________

Signed, sealed and delivered in the presence of:

FRAMEWORK GROUP, LLC

____
Witness 1

By: ________________________________
Phillip A. Smith, Manager

____
Print Name of Witness 1

____
Witness 2

____
Print Name of Witness 2

STATE OF FLORIDA
COUNTY OF HILLSBOROUGH

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization, this_____, 2022 by Phillip A. Smith, as Manager of Framework Group, LLC, a Florida limited liability company. He [_] personally known to me or [_] produced ____________ __________________ as identification and did not take an oath.

____
Notary Public
Commission No: ______________________

Approved as to legal form:

By: __________________________
Darren J. Elkind, City Attorney

Exhibit A

Property

Exhibit B

Public Infrastructure Improvements

Streetscaping and other pedestrian related improvements at the exterior shall be designed and constructed in connection with the Project. The required streetscaping along Woodland Boulevard shall be designed to complement and continue the streetscaping design previously or contemporaneously implemented by the City within the CRA area along Woodland Boulevard.

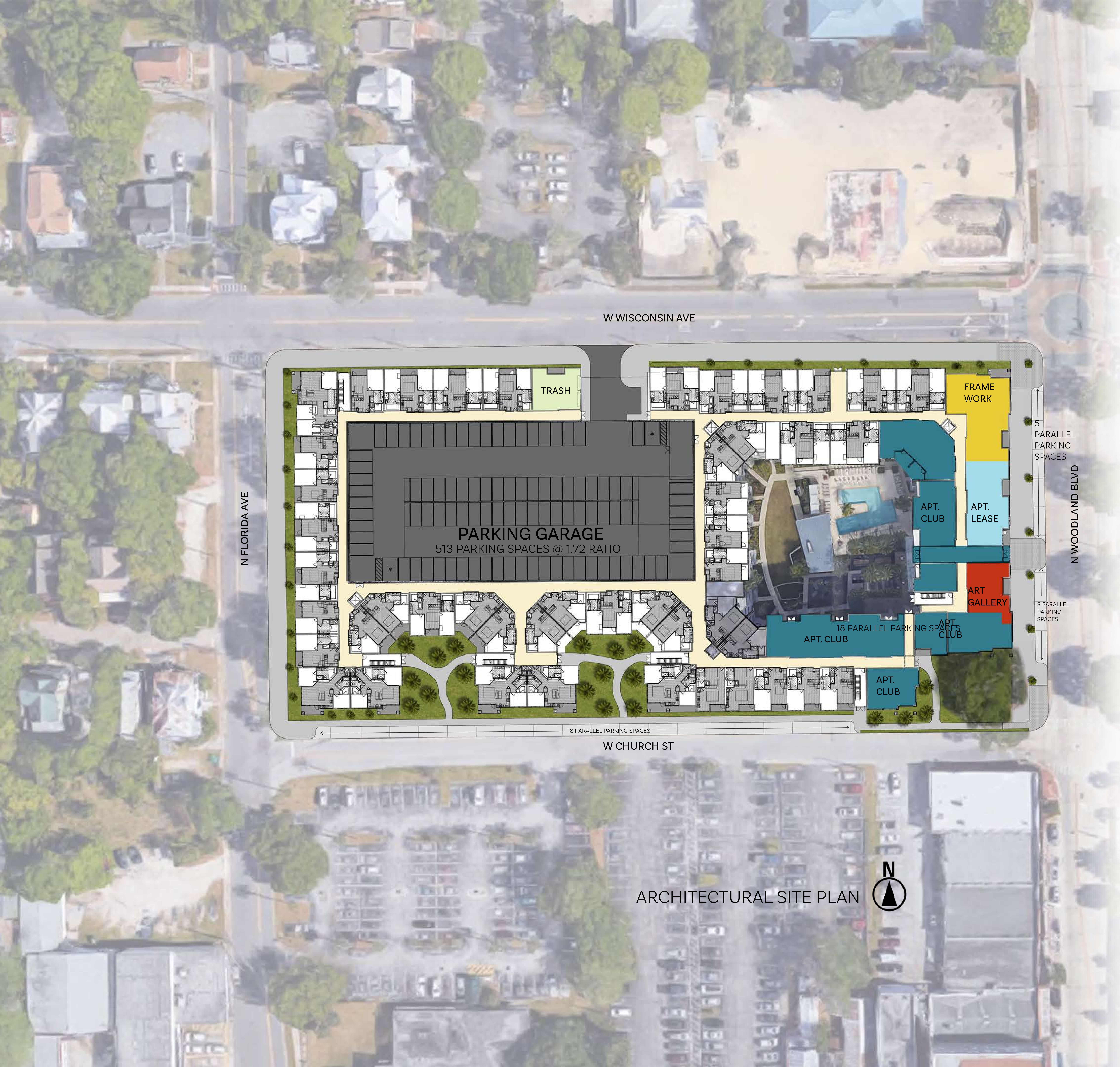
All buffers, landscaping and hardscaping located adjacent to public rights of way shall provide for the aesthetic improvement of the adjacent streetscape and pedestrian improvements in the public right of way.

Developer will coordinate with the City on the potential improvement of the segment of W. Church Street running from N. Florida Avenue east to N. Woodland Boulevard in order to modify the street to a one-way roadway and permit the installation of public parallel parking spaces along the length of the roadway adjacent to the proposed project.

Developer will coordinate the reconfiguration of the City Property to increase the number of public parking spaces within the site. The reconfiguration is projected to increase the number of public spaces from 112 to 134 paved parking spaces, with daytime dedicated parking for the proposed financial institution employees and customers.

WOODLAND APARTMENTS

Deland, Florida



ARCHITECTURAL SITE PLAN

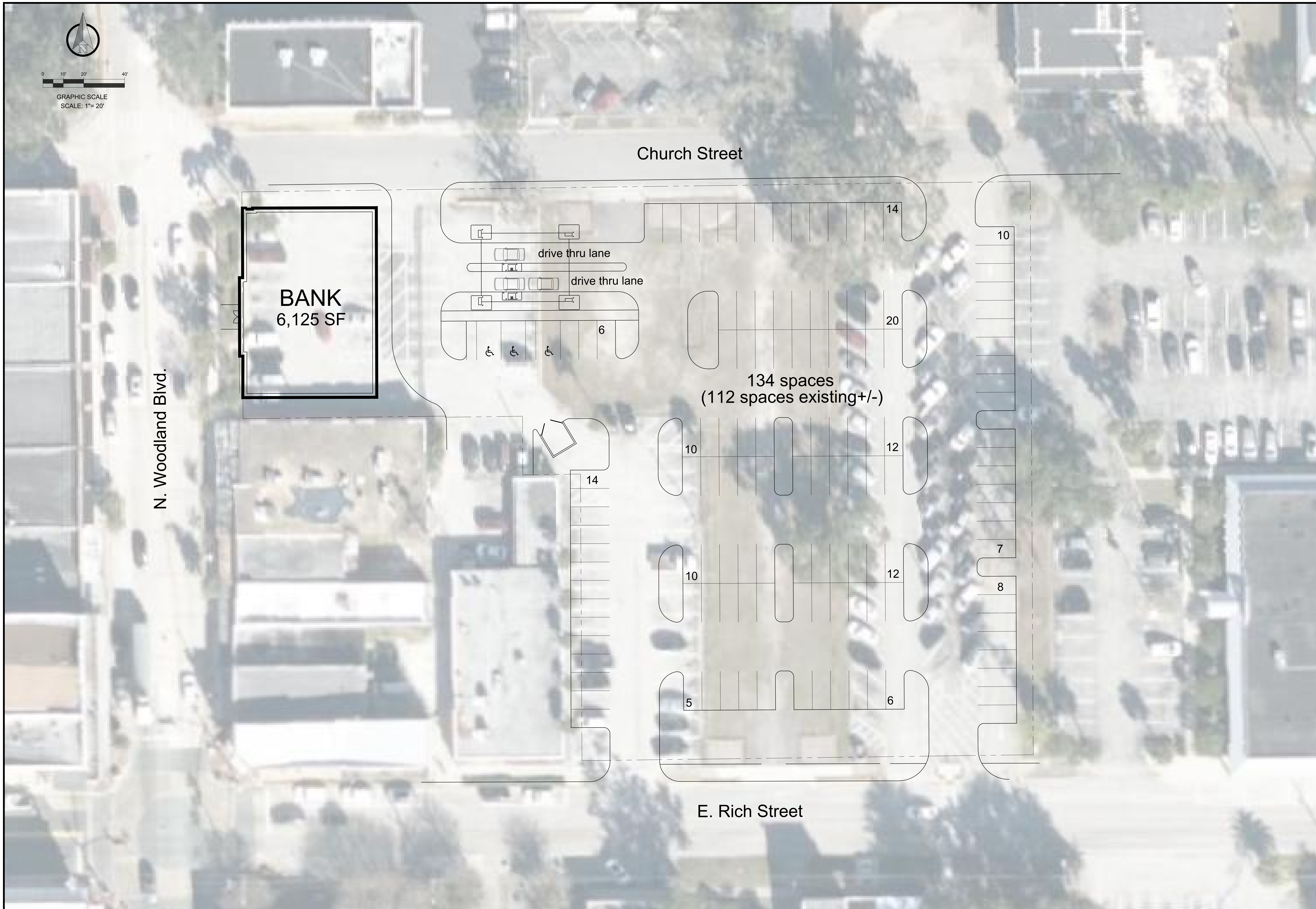
UNIT MIX

	STUDIO	1 BR	2 BR	3 BR	TOTAL
	1st Floor				
	STUDIO	1 BR	2 BR	3 BR	TOTAL
	02	21	22	01	46
	2nd Floor				
	STUDIO	1 BR	2 BR	3 BR	TOTAL
	02	26	27	03	58
	3rd Floor				
	STUDIO	1 BR	2 BR	3 BR	TOTAL
	03	28	28	03	62
	4th Floor				
	STUDIO	1 BR	2 BR	3 BR	TOTAL
	03	28	28	03	62
	5th Floor				
	STUDIO	1 BR	2 BR	3 BR	TOTAL
	03	28	28	03	62
TOTAL	13	131	133	13	290
%	4.5%	45%	46%	4.5%	100%

FRAMEWORK GROUP

charlan • brock • architects

Impacting Lives Together



CONCEPT 2

N:\GENERAL\KPI

N:\GENERAL\KPM Franklin Materials\Logo\KPM Franklin.jpg

6300 HAZELTINE NATIONAL DR,
STE. 118 ORLANDO, FL 32822
PHONE (407)410-8624 COA 32059

STATUS: CONCEPTUAL

PLAN-TYPE

PROJECT-NAME

CAUTION
0 1/2 1
IF THIS SCALE BAR DOES NOT MEASURE 1" THE DOCUMENT IS NOT TO SCALE

JOB NO:
DESIGN:
DRAWN:
APPROVED:
SHEET NO: REV:

P:\BARCLAY GROUP MASTER\18-0031.038 B OF AMERICA - DELAND\DESIGN\PLANS\CONCEPT\BOA CONCEPT 2.DWG 3/27/2022