

AGREEMENT FOR PAYMENT

THIS AGREEMENT FOR PAYMENT (“**Agreement**”) is entered into as of _____, 2024 (“**Effective Date**”) by and between the **City of Key West**, a Florida municipal corporation (“**City**”) and **Bahama Village on Fort, Ltd.**, a Florida limited partnership (“**Developer**”). City and Developer are collectively referred to as the “**Parties**” and individually referred to as a “**Party**.”

RECITALS

A. The Naval Properties Local Redevelopment Authority of the City of Key West, a dependent district of the City (“**LRA**”), as the fee title owner and lessor, and Developer, as tenant, entered into that certain Ground Lease Agreement dated July 15, 2022, recorded on July 19, 2022, in Official Records Book 3185, Page 1, Public Records of Monroe County, Florida as amended by that certain Amendment to Ground Lease Agreement dated November 13, 2023, recorded on November 14, 2023, in Official Records Book 3250, Page 2166, Public Records of Monroe County, Florida (collectively, the “**Lease**”), whereby the LRA leased real property to Developer for the purpose of constructing twenty-eight (28) affordable housing units to be sold to qualified purchasers (“**Units**”).

B. As evidenced by City Commission Resolution No. 24-185, the City has requested a total of Six Million One Hundred Seventy Thousand Four Hundred Fifty-seven Dollars (\$6,170,457.00) (the “**Funds**”) from the Monroe County Comprehensive Land Authority (“**MCLA**”) for the purpose of reducing the purchase price of the Units.

C. It is the intention of the Parties that the Funds are ultimately paid to the Developer as reimbursement for construction costs borne by the Developer to construct the Units and reducing the purchase price of the Units by a total number equal to the Funds amount.

D. MCLA has approved payment of the Funds to the City on the condition that City and Developer enter into a Land Use Restriction Agreement (“**LURA**”), which limits the purchase price of the Units.

E. City and Developer wish to enter into this Agreement to address the City receiving the Funds from MCLA and allow Developer to enter into purchase agreements for the Units with qualified purchasers at reduced purchase prices before Developer receives the Funds.

AGREEMENT

The Parties agree as set forth below.

1. **Recitals.** The foregoing Recitals are true and correct, and the Recitals are reasserted and incorporated herein.

2. **Payment of Funds Upon Completion of Units.**

(a) Upon receipt of a Certificate of Occupancy or Temporary Certificate of Occupancy (or other similar documentation) for the Units, Developer or their representatives may

send written notice to the then-current City Attorney and City Manager of the City notifying of the receipt of the Certificate of Occupancy or Temporary Certificate of Occupancy for the Units (the “Notice”).

(b) City shall pay the Funds to Developer (or their designee) by wire transfer or check within five (5) business days of the City receiving the Notice.

(c) Notwithstanding anything in this Section or Agreement to the contrary, the City shall have no obligations under this Agreement if they do not receive the Funds from the MCLA.

3. **Holding of Funds.** After the City’s receipt of Funds from MCLA, the City shall hold and dispose of the Funds in accordance with the terms of this Agreement. The City shall not dedicate any portion of the Funds to any use other than as contemplated by this Agreement. The City shall maintain a clear accounting of the Funds.

4. **Failure of Funds.** Developer shall not be required by the City to sell the Units at the reduced purchase price if the Funds are not received by Developer for any reason.

5. **Authority.** Each individual signing this Agreement warrants that they have authority to sign and execute the Agreement on behalf of the Party for whom they are signing.

6. **Litigation.** In the event of any litigation arising from this Agreement, including, without limitation, any interpleader action, the prevailing Party shall be entitled to recover from the non-prevailing Party, all legal fees, paralegal fees, and other costs of such litigation.

7. **Interpretation.** The captions and headings contained in this Agreement are for convenience only and shall not be used to define, construe or limit any provision of the Agreement.

8. **Successor and Assigns.** This Agreement will be binding upon, and inure to the benefit of, the Parties and their respective successors and assigns.

9. **Governing Law.** This Agreement shall be governed by, and construed in accordance with, the laws of the State of Florida. Any legal action to construe or enforce this Agreement shall be commenced solely in the court of appropriate jurisdiction in which the property is located.

10. **Entire Agreement.** This Agreement embodies the entire understanding of the Parties with respect to its subject matter and all prior representations, promises, warranties, understandings, or agreements, expressed or implied, oral or otherwise relating to the subject matter of this Agreement, are merged into this Agreement.

[Signatures to follow]

IN WITNESS WHEREOF, each Party has caused this Agreement to be executed by its duly authorized representative.

THE CITY OF KEY WEST,
a Florida municipal corporation

ATTEST:

By: _____
City Clerk

By: _____
Mayor

Date: _____

Date: _____

[Signature Page to Agreement for Payment]

BAHAMA VILLAGE ON FORT, LTD.,
a Florida limited partnership

By: Bahama Village on Fort GP, LLC,
its general partner

By: Vestcor, Inc., a Florida corporation,
its manager

By: _____

Name: Jason O. Floyd

Title: Vice President

STATE OF FLORIDA
COUNTY OF DUVAL

The foregoing instrument was acknowledged before me by means of physical presence this ____ day of _____, 2024 by Jason O. Floyd, as Vice President of Vestcor, Inc., Manager of Bahama Village on Fort GP, LLC, General Partner of BAHAMA VILLAGE ON FORT, LTD., a Florida limited partnership. Said person is personally known to me or has produced a valid driver's license as identification.

Notary Public; State of Florida

Print Name: _____

My Commission Expires: _____

My Commission No.: _____

[Signature Page to Agreement for Payment]

