



Ocala Community Redevelopment Area Agency Board Agenda - Final Tuesday, August 19, 2025

Meeting Information

Location

Ocala City Hall
110 SE Watula Avenue
Second Floor - Council Chambers
Ocala, Florida

<https://www.ocalafl.gov/meetings>

Time

3:45 PM

Board Members

Kristen Dreyer, Chairperson
Ire Bethea Sr., Vice Chair
James P. Hilty Sr.
Barry Mansfield
Jay A. Musleh

Mayor

Ben Marciano

City Manager

Peter Lee

Mission Statement

The City of Ocala provides fiscally responsible services consistent with the community's current and future expectations.

Community Redevelopment Area

Agency Board's Strategic Priorities

Priority 1: Economic hub
Priority 2: Fiscally sustainable
Priority 3: Engaged workforce
Priority 4: Operational excellence
Priority 5: Quality of place

WELCOME!

Citizens are encouraged to participate in City of Ocala meetings. Speakers wishing to provide public comments to the Board should complete a written public comment form and shall submit said form to the City Clerk prior to the meeting being called to order. Unless otherwise permitted, no person shall be permitted to provide public comments to the Board if they have not completed and submitted a public comment card prior to the meeting being called to order. Speakers will be limited to 3 (three) minutes. Additional time may be granted by the Chairperson. When recognized, state name and address. Citizen groups are asked to name a spokesperson.

The City of Ocala encourages civility in public discourse and requests that speakers limit their comments to specific motions and direct their comments to the Council. Cell phones should be turned off or set to vibrate.

The order of agenda items may be changed if deemed appropriate by the Board.

Citizens are encouraged to provide comments in writing to the City Clerk before meetings for inclusion into the public record. Citizens may also provide input to board members via office visits, phone calls, letters and e-mail that will become public record. In some instances, i.e., Quasi-Judicial Hearings, these particular contacts may be prohibited.

APPEALS

Any person who desires to appeal any decision at this meeting will need a record of the proceedings and for this purpose may need to ensure that a verbatim record of the proceedings is made that includes the testimony and evidence upon which the appeal is made.

ADA COMPLIANCE

If reasonable accommodations are needed for you to participate in this meeting, please call the City Manager's Office at 352-629-8401 at least 48 hours in advance so arrangements can be made.

1. **Call To Order**
2. **Roll Call**
3. **Public Notice**
4. **Minutes Approval**
 - 4a. [Approve minutes from July 15, 2025 CRA meeting](#)
Presentation By: Angel Jacobs
5. **Agenda Items**
 - 5a. [Approve an Affordable Housing Incentive Fund disbursement to Delva One Construction, LLC for the construction of a new single-family affordable housing unit at 1316 NW Eighth Street, in an amount not to exceed \\$5,699](#)
Presentation By: James Haynes
 - 5b. [Approve an Affordable Housing Incentive Fund disbursement to Delva One Construction, LLC for the construction of a new single-family affordable housing unit in the West Ocala Community Redevelopment Agency subarea, in an amount not to exceed \\$9,303](#)
Presentation By: James Haynes
 - 5c. [Approve Redevelopment Agreement for Project Hometown - Downtown Ocala Marriott AC between the City of Ocala and Domach, LLC, with total city incentives not to exceed \\$5,619,644](#)
Presentation By: Aubrey Hale
6. **Public Comments**
7. **Adjournment**



Ocala

Legislation Text

110 SE Watula Avenue
Ocala, FL 34471

www.ocalafl.gov

File #: 2025-1853

Agenda Item #: 4a.

Submitted By: Angel Jacobs

Presentation By: Angel Jacobs

Department: City Clerk

STAFF RECOMMENDATION (Motion Ready):
Approve minutes from July 15, 2025 CRA meeting

OCALA'S RELEVANT STRATEGIC GOALS:
Operational Excellence

PROOF OF PUBLICATION:
N/A



Ocala

Community Redevelopment Area Agency Board

Minutes

110 SE Watula Avenue
Ocala, FL 34471

www.ocalafl.gov

Tuesday, July 15, 2025

3:45 PM

1. Call To Order

2. Roll Call

Present

Mayor Ben Marciano
Vice Chair Ire J. Bethea Sr
James P. Hilty Sr
Jay A. Musleh
Barry Mansfield
Chairperson Kristen M. Dreyer

3. Public Notice

Public Notice for the July 15, 2025 Community Redevelopment Area Agency Board Meeting was posted on July 3, 2025

4. Minutes Approval

4a. June 17, 2025 minutes

RESULT: APPROVED
MOVER: James P. Hilty Sr
SECONDER: Ire J. Bethea Sr
AYE: Bethea Sr, Hilty Sr, Mansfield, and Dreyer
ABSENT: Musleh

5. Agenda Items

5a. Approve revisions to the East Ocala Community Redevelopment Agency subarea commercial property improvement grant program

Economic Development Manager Roberto Ellis discussed the approval of revision to the East Ocala Community Redevelopment Agency sub area commercial property improvement grant program. The maximum award will be increased from \$20,000 to \$50,000. The applicant is responsible for up to 40% of the project costs. Staff recommends approval.

There being no further discussion the motion carried by roll call vote.

RESULT: APPROVED
MOVER: Ire J. Bethea Sr
SECONDER: James P. Hilty Sr

- AYE:** Bethea Sr, Hilty Sr, Musleh, Mansfield, and Dreyer
- 5b.** Approve an East Ocala Community Redevelopment Area Residential Property Improvement Grant for property located at 1114 NE 12th Avenue, in an amount not to exceed \$13,474

Economic Development Manager Roberto Ellis discussed a grant application for the property located at 1114 NE 12th Avenue. The grant funds will be allocated towards improvements. The request is to replace the windows and repaint the exterior of the building. The requested grant amount is \$13,474.00; staff recommend approval.

There being no further discussion the motion carried by roll call vote.

RESULT: APPROVED

MOVER: Barry Mansfield

SECONDER: Ire J. Bethea Sr

- AYE:** Bethea Sr, Hilty Sr, Musleh, Mansfield, and Dreyer
- 5c.** Approve an East Ocala Community Redevelopment Area Residential Property Improvement Grant for property located at 224 NE 10th Avenue, in an amount not to exceed \$15,083

Economic Development Manager Roberto Ellis discussed a grant application for the property located at 224 NE 10th Avenue. The grant funds will be allocated towards improvements. The project involves the HVAC unit, adding landscaping improvements and installing a new fence. The requested grant amount is \$15,083.00; staff recommends approval.

There being no further discussion the motion carried by roll call vote.

RESULT: APPROVED

MOVER: James P. Hilty Sr

SECONDER: Barry Mansfield

- AYE:** Bethea Sr, Hilty Sr, Musleh, Mansfield, and Dreyer
- 5d.** Approve an East Ocala Community Redevelopment Area Residential Property Improvement Grant for property located at 956 NE Fifth Street, in an amount not to exceed \$12,289

Economic Development Manager Roberto Ellis discussed a grant application for the property located at 956 NE Fifth Street. The grant funds will be allocated towards improvements. The request is to replace 19 windows for the building. The requested grant amount is \$12,289.00; staff recommend approval.

There being no further discussion the motion carried by roll call vote.

RESULT: APPROVED

MOVER: Ire J. Bethea Sr

SECONDER: Barry Mansfield

AYE: Bethea Sr, Hilty Sr, Musleh, Mansfield, and Dreyer

- 5e.** Approve an East Ocala Community Redevelopment Area Residential Property Improvement Grant for property located at 428 NE Seventh Terrace, in an amount not to exceed \$20,000

Economic Development Manager Roberto Ellis discussed a grant application for the property located at 428 NE Seventh Terrace. The grant funds will be allocated towards improvements. The request includes replacing the roof, repainting the property and making landscaping improvements. The requested grant amount is \$20,000.00; staff recommend approval.

There being no further discussion the motion carried by roll call vote.

RESULT: APPROVED

MOVER: Barry Mansfield

SECONDER: Jay A. Musleh

AYE: Bethea Sr, Hilty Sr, Musleh, Mansfield, and Dreyer

- 5f.** Approve an East Ocala Community Redevelopment Area Residential Property Improvement Grant for property located at 837 NE Second Street, in an amount not to exceed \$19,810

Economic Development Manager Roberto Ellis discussed a grant application for the property located at 837 NE Second Street. The grant funds will be allocated towards improvements. The request is for multiple work items. Removing or replacing the HVAC unit and replacing the roof. The requested grant amount is \$19,810.00; staff recommend approval.

There being no further discussion the motion carried by roll call vote.

RESULT: APPROVED

MOVER: James P. Hilty Sr

SECONDER: Ire J. Bethea Sr

AYE: Bethea Sr, Hilty Sr, Musleh, Mansfield, and Dreyer

- 5g.** Approve an East Ocala Community Redevelopment Area Residential Property Improvement Grant for property located at 923 NE Second Street, in an amount not to exceed \$20,000

Economic Development Manager Roberto Ellis discussed a grant application for the property located at 923 NE Second Street. The grant funds will be allocated towards improvements. The request is to replace the original windows of the home constructed in 1948. The requested grant amount is \$20,000.00; staff recommend approval.

There being no further discussion the motion carried by roll call vote.

RESULT: APPROVED

MOVER: Jay A. Musleh

SECONDER: Barry Mansfield

AYE: Bethea Sr, Hilty Sr, Musleh, Mansfield, and Dreyer

- 5h.** Approve an East Ocala Community Redevelopment Area Residential Property

Improvement Grant for property located at 1030 NE Fifth Street for an amount not to exceed \$12,774

Economic Development Manager Roberto Ellis discussed a grant application for the property located at 1030 NE Fifth Street. The grant funds will be allocated towards improvements. The request is for property located in the East Ocala CRA to replace 22 windows and add insulation for more energy efficiency. The requested grant amount is \$12,774.00; staff recommend approval.

There being no further discussion the motion carried by roll call vote.

RESULT: APPROVED

MOVER: Ire J. Bethea Sr

SECONDER: Jay A. Musleh

AYE: Bethea Sr, Hilty Sr, Musleh, Mansfield, and Dreyer

- 5i. Approve an East Ocala Community Redevelopment Area Residential Property Improvement Grant for property located at 948 NE Fourth Street, in an amount not to exceed \$20,000

Economic Development Manager Roberto Ellis discussed a grant application for the property located at 948 NE Fourth Street. The grant funds will be allocated towards improvements. The request is to replace the HVAC unit and install new windows at the property. The upgrades will improve the home's energy efficiency. The requested grant amount is \$20,000.00; staff recommend approval.

There being no further discussion the motion carried by roll call vote.

RESULT: APPROVED

MOVER: James P. Hilty Sr

SECONDER: Barry Mansfield

AYE: Bethea Sr, Hilty Sr, Musleh, Mansfield, and Dreyer

- 5j. Approve an East Ocala Community Redevelopment Area Commercial Property Improvement Grant for property located at 1531 NE Second Street, in an amount not to exceed \$6,404

Economic Development Manager Roberto Ellis discussed a grant application for the property located at 1531 NE Second Street. The grant funds will be allocated towards improvements. The property is being used as an office. They are requesting to replace the windows. The requested grant amount is \$6,404.00; staff recommend approval. Given the amount of grants approved, staff will bring back to Council a resolution to make more funds available for additional applications.

There being no further discussion the motion carried by roll call vote.

RESULT: APPROVED

MOVER: Ire J. Bethea Sr

SECONDER: Jay A. Musleh

AYE: Bethea Sr, Hilty Sr, Musleh, Mansfield, and Dreyer

6. Public Comments - None

7. Adjournment

Adjourned at 3:57 pm

Minutes

Kristen M. Dreyer
Chairperson

Angel B. Jacobs
City Clerk



Ocala

Legislation Text

110 SE Watula Avenue
Ocala, FL 34471

www.ocalafl.gov

File #: 2025-1732

Agenda Item #: 5a.

Submitted By: Roberto Ellis

Presentation By: James Haynes

Department: Growth Management

STAFF RECOMMENDATION (Motion Ready):

Approve an Affordable Housing Incentive Fund disbursement to Delva One Construction, LLC for the construction of a new single-family affordable housing unit at 1316 NW Eighth Street, in an amount not to exceed \$5,699

OCALA'S RELEVANT STRATEGIC GOALS:

Quality of Place

PROOF OF PUBLICATION:

N/A

BACKGROUND:

The City encourages new construction and rehabilitation of affordable housing by offering a housing incentive fund to offset development charges. These benefits are intended to promote affordable housing while maintaining quality construction and site design.

Per Section 106-105 (e), City of Ocala, Code of Ordinances, housing incentive fund distributions shall not exceed \$20,000 per affordable housing unit across all eligible fees and stages of development and will be distributed after an application for funds is reviewed and approved.

Staff is proposing the reimbursement of development fees tied to the construction of a new single-family residential dwelling unit in the West Ocala Community Redevelopment Agency (CRA) subarea.

Application Summary

Applicant: Delva One Construction, LLC

Application ID: AHA25-0004

Project Description: three-bedroom, two-bathroom home with 1,295 square feet of living space and a garage

Parcel ID: 25649-000-01

Fee Estimate: \$5,699

Building Permit: BLD25-0677

FINDINGS AND CONCLUSIONS:

- The applicant will construct the "Winker II Model" single-family home, comprising three bedrooms, two bathrooms, living spaces, and a garage. The unit will have 1,295 square feet of living space. The vacant lot, located at 1316 NW Eighth Street, spans 0.26 acres. The estimated cost for construction is \$138,264. Please refer to the attached application, *Application AHA25-0004 - 25649-000-01*.
- Impact fee credits from previous development on the property have been applied to the project. Please refer to the attached *Fee Estimate* document for a breakdown of eligible fees.
- The City will place a lien on the property at the time of housing incentive fund distribution to ensure that the unit remains with a low to moderate income household for at least ten years after issuance of a certificate of occupancy.
- The Internal Review Board supports the proposed project, recognizing the immediate need for housing solutions in Ocala. The applicant is required to sell or rent the home to a low-to-moderate-income family when completed. The target selling price is \$252,000.
- This request is also presented on August 19, 2025, at the Ocala City Council meeting.

FISCAL IMPACT:

Projects located within an eligible CRA may utilize the CRA to pay eligible fees in lieu of the housing incentive fund. The West Ocala CRA grants account (623-016-560-559-55-82010) currently has a balance of \$550,976. The payment will be made in the fiscal year when the project is completed. The proposed investment is expected to increase the taxable value of the property.

PROCUREMENT REVIEW:

N/A

LEGAL REVIEW:

N/A

ALTERNATIVE:

- Approve
- Approve with Changes
- Table
- Deny



1316 NW 8th St.
25649-000-01

BLD25-0677 (Issued)

Approved August 2023



City of Ocala

Affordable Housing Incentive Fund Application Information

Overview

The purpose of the Affordable Housing Incentive Fund is to encourage the rehabilitation and new construction of affordable housing in the City of Ocala by offering a housing incentive to offset city-imposed development charges and allowing the relaxation of certain development requirements for developers of new, affordable housing units. These benefits are intended to promote the creation of affordable housing while maintaining quality construction and site design.

Definitions:

Affidavit means a written declaration made under oath attesting to the applicant's eligibility as low-income household.

Affordability Threshold means the maximum amount (including mortgage principal, interest, taxes, insurance, rent, and utilities) that a dwelling unit can be sold or rented for to be considered affordable housing. This threshold must be no greater than 30 percent of the household income for households classified as very low, low, or moderate income based upon the median household income for the Ocala MSA.

Affordable Housing means quality housing which is financially accessible to an eligible low to moderate income household. Rental units must be at or below Fair Market Rents for low-income households as established by the United States Department of Housing and Urban Development (HUD). Affordable housing units, whether detached or attached single- or multiple-family units, shall meet minimum housing quality standards for Section 8 housing, as established by HUD.

Affordable Housing Internal Review Board means the Community Development Services Director or designee, Growth Management Director or designee, and the Economic Development Director or designee, shall comprise the internal review board.

Certification means a written and signed statement confirming that the claim for an affordable housing project is true and accurate, and that the development conforms to applicable federal and state regulations.

Housing Incentive Fund refers to funds as may be made available for affordable housing purposes as funded through the City's annual budget process, with local, state, or federal funds.

Low-Income Household means a household with a total household income at or below 80% of the median household income for the Ocala MSA, adjusted for household size, as set annually by HUD.

Moderate-Income Household means a household with a total household income 81% to 120% of the median household income for the Ocala MSA, adjusted for household size, as set annually by HUD.

Total household income consists of all sources of wage income, such as base pay, overtime, bonuses, and other sources of non-wage income, including disability pensions, public assistance, alimony, and child support payments. Household income includes income from all members of the household over the age of 18.

Process

At a pre-application conference, prior to applying for building permits or a site plan, the developer will inform the City's Growth Management Department of the intent to apply for payment of fees from the affordable housing incentive fund. The developer must submit a conceptual site plan and data including a layout of the project showing buildings, parking, and internal streets, the frontage of the project along city streets, and information on the units including square footage and number of bedrooms. Housing incentive fund credits will be pro-rated based on the percentage of affordable units. Development projects including at least four units must consist of a minimum of 20% affordable units to qualify for housing incentive fund payments. Housing incentive fund payments may be attributed to a maximum of 40% of the units of a development project. Developers will certify that the proposed affordable housing units will be affordable, as defined in this application, and meet minimum housing standards for participation in this program. A written agreement must be submitted to the Internal Review Board by the developer, or his agent, which states that the set-aside and affordable unit requirements will be met, representing a contract between the City and the applicant.

Application Review. After an application is submitted, the Internal Review Board shall complete their review within fifteen (15) business days of receiving the application. The Internal Review Board will send their decision in writing to the applicant regarding whether the Board will recommend distributing affordable housing incentive funds, and the amount, and may reasonably condition a housing incentive fund distribution. The applicant may request additional conferences with the Board to reach an agreement if necessary. The applicant shall submit a statement in writing that they agree or disagree with the Board's recommendation no more than thirty (30) days after the Board issues their recommendation. Otherwise, the application shall be deemed withdrawn. The Board's recommendation, the application, and the applicant's acceptance letter shall be included as an agenda item at the first available City Council meeting.

Eligible Fees

Fees eligible for payment from the housing incentive fund. Permitting fees must be paid in their entirety by the developer for the percentage of dwelling units not set aside for eligible low-income households. Eligible fees include:

- a. Building.
- b. Plumbing.
- c. Electrical.
- d. Mechanical.
- e. Gas.
- f. Fire review.
- g. Site plan review.
- h. Site permit.
- i. Access city-owned drainage retention areas.
- j. Water and sewer impact fees.
- k. Water meter charges.
- l. Sidewalks.
- m. Fire impact fee.
- n. Education impact fee.
- o. Transportation impact fee.

Funding

Housing Incentive Fund Distributions. Housing incentive fund distributions shall not exceed \$10,000 per affordable housing unit. A minimum of 20% of the units must be affordable and no more than 40% of affordable units will be eligible for incentive funds per application.

City Commitment of payment. City Council may commit payment from the Affordable Housing Incentive Fund after application has been made. City Council may waive eligible fees if there are insufficient housing incentive funds. Once approved by City Council, all properly documented eligible fees will be processed for reimbursement by the City department managing the project (Community Development Services or Growth Management).

Affordability Period

Prior to issuance of a certificate of occupancy for any affordable housing unit within any development under this program, the proposed occupant of the unit must submit documentation and complete and sign a Letter of Certification, as provided by the City, attesting to qualifications as an eligible low-income household. The City will place a lien on the properties at the time of transfer to the homeowner to ensure that the units remain occupied by an eligible low-income household for at least twenty (20) years. The value of the lien will be reduced by 5% of the total original lien value each year that the unit is occupied by a low-income household until the lien is released at the end of the twentieth year. If the unit is sold, leased, transferred, or rented to an ineligible household during that period, the City may require repayment of the remaining lien amount for all fees paid out of the affordable housing incentive fund or waived by City Council.

City Contacts

For further information contact James Haynes, Director, Community Development Services, at jhaynes@ocalafl.gov or 352-629-8312 for single family projects or Aubrey Hale, Director, Economic Development at ahale@ocalafl.gov or 352-629-8550 for multi-family projects.

Identify the number of accessible units and the specific type of accessibility modifications that will be incorporated:

___ The new construction home will be built in compliance with current Florida Residential Building code requirements as it relates to accessibility _____

Project Proposal

Please provide the following information as separate attachments to the application.

- A. **Project Description** – Provide a description of the proposed project to include project type and location, including legal description of the property and the population(s) to be served.
- B. **Need** - Explain why this site was chosen and how it helps the City to expand affordable housing opportunities where most needed? Describe the neighborhood and surrounding community. Provide a map indicating project location.
- C. **Project Readiness** – Provide evidence of organizational experience and capacity to manage the project, pursue and acquire land, site control, required zoning variance and permitting (if applicable), and financial commitments for the project.
- D. **Site** - Identify any existing buildings on the proposed site, noting any that are currently occupied. Describe the planned demolition of any buildings on the site.
- E. **Prior Activities** - Provide a summary of similar activities completed by the organization and project team.
- F. **Project Budget** – Provide a detailed description of the proposed project budget showing sources and amounts of additional funding.
- G. E. **Project Schedule** – Indicate the proposed project schedule, including pre-development, anticipated pursuit and acquisition timeline (if applicable), site control, zoning approval, financing and construction milestones to project completion.

Authorization:

Organization Name: _____ Delva One Construction, LLC _____

I, _____ Bridgette Delva _____ certify that I am authorized to apply for
(Authorized Organization Official)

Funding from the City of Ocala. I certify that all information contained herein is accurate to the best of my knowledge.



Signature

_____ 5/30/2025 _____
Date

_____ Bridgette Delva _____
Print Name

_____ President _____
Title



City of Ocala
Affordable Housing Incentive Fund
Fee Estimate

Application ID: AHA25-0004

Project Description: 3 bedroom, 2 bath home with 1,295 sf of living space and a garage.

Parcel ID: 25649-000-01

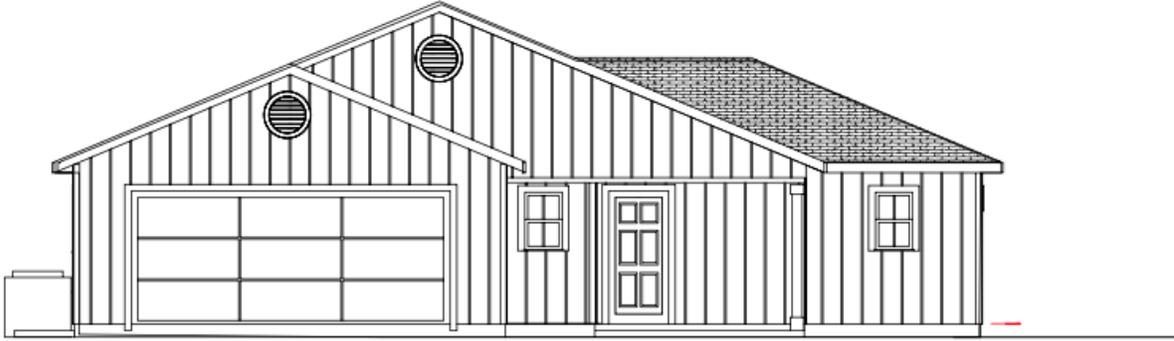
Building Permit #: BLD25-0677

Date of Estimate: 7/28/2025

Eligible Fees	Estimated Amount
Building	\$1,008
Fire review	\$0
Site plan review	\$0
Site permit	\$0
Access city-owned drainage retention areas	\$0
Water and sewer impact fees	\$0
Water meter charges	\$0
Sidewalks	\$0
Fire impact fee	\$30
Education impact fee	\$4,332
Transportation impact fee	\$329
TOTAL	\$5,699

Note: This sheet estimates fees eligible for reimbursement through the AHIF grant. Other fees or charges may apply to the project. The amounts indicated are subject to change.

Single Family New Construction Proposal: “The Winker II Model ”



1316 NW 8th St, Ocala, FL 34475
Parcel ID 25649-000-01

Delva One Construction, LLC. has expanded the mission of Team Delva Properties, Inc. and Team Delva is now vertically integrated so that we may continue to fulfill the community need for new construction affordable housing.

The vacant lot is located within the city limits of Ocala and will be a new 3 bedroom, 2 bath home with 1,295 sf of living space and a garage.

Exclusively Presented to you by:



Delva One Construction, LLC | 3035 SE Maricamp Rd, #104-302 | Ocala, FL 34471
Bridgette Delva | bridgette@teamdelva.com | (352) 897-8326
Jean Delva | jd@teamdelva.com | (352) 897-8326

Need

Delva One construction is in the process of building The Winker II Model single family home. The new construction site is located in the Tucker Hill community at 1316 NW 8th St, Ocala, FL 34475 on parcel 25649-000-01. The Winker II Model is similar to the Winker I model, with several improvements that will enhance the flow, living space and quality of the residence.

Delva One Construction & Team Delva Properties own several lots on the NW 8th St and NW 13th Ave block. We have completed or are in the process of building new single family homes, duplexes and single family home renovations. We continue to actively work in this community to acquire more properties so that we may further our mission of providing affordable, high quality housing options to the Ocala community.

There is still a significantly unmet need to fill the void of affordable housing and this new construction project will help satisfy the community. The neighborhood contains a significant number of revitalized homes as well as homes in need of revitalization and lots in need of development.

The new build will have 3 bedrooms & 2 bathrooms, with 1,295 sf of living space. We're expecting this new build to take less than 12 months.

The new build will be centrally located on the north west side of Ocala, accessible to public transportation, schools and easy access to necessary amenities.

Project Readiness

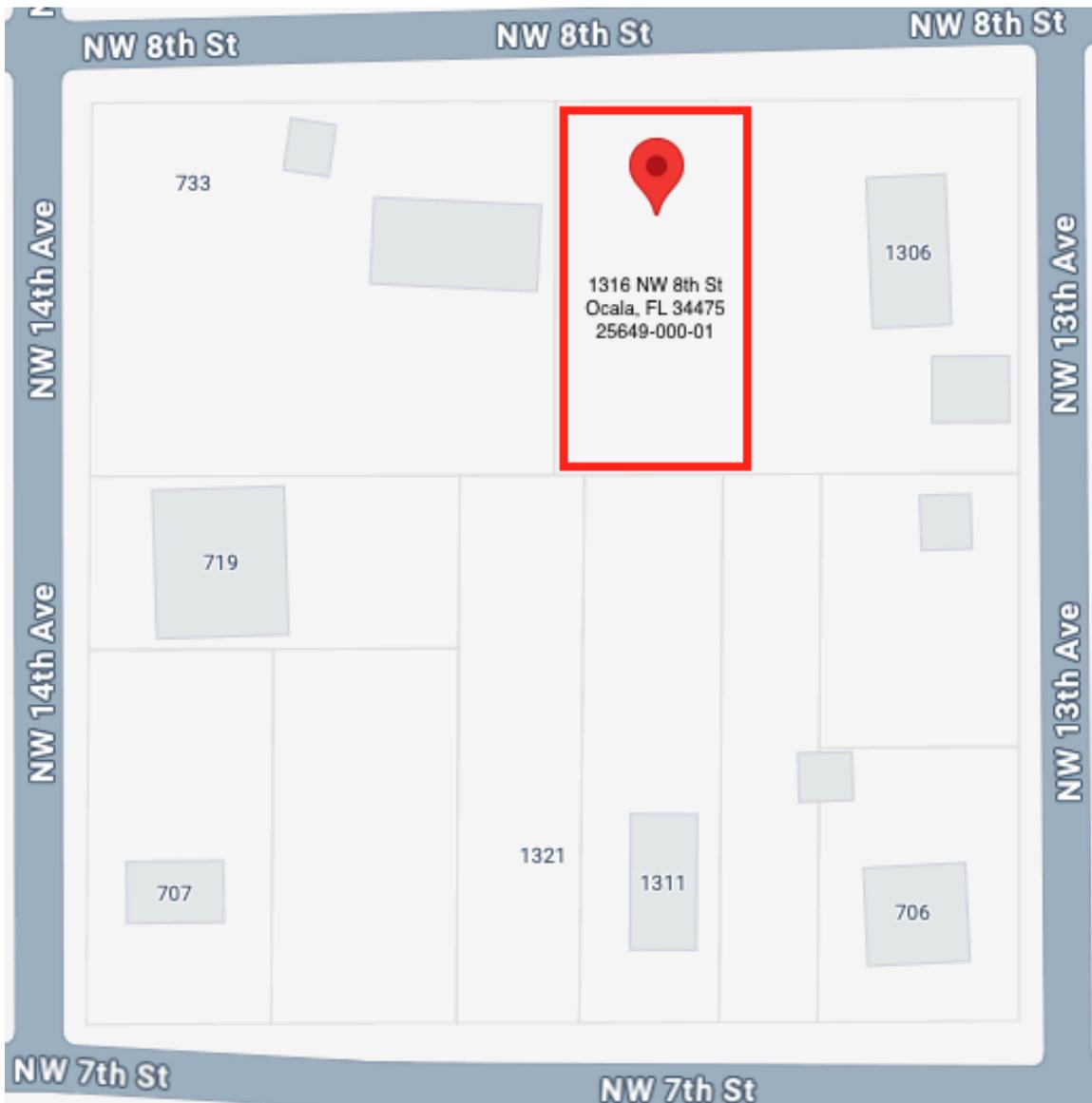
Delva One Construction & Team Delva Properties has been in the real estate business for 8 years and have worked in the construction industry for more than 25 years.

The project site is currently owned by Delva One Construction, which will dedicate the Project Management and Site Supervisor resources. Delva One Construction will ensure the project remains on track and in compliance with building code requirements.

This project is wholly funded by Delva One Construction's private funds.

Site

The current site is a vacant lot, with no existing buildings. The site clearing has been completed and involved minimal brush clearing along the side & rear perimeters of the property line. There is one single family residence located on the west side of the lot. The home previously located at 1306 was demolished by Delva One Construction and is now the site of a duplex new construction property.



Delva One Construction, LLC | 3035 SE Maricamp Rd, #104-302 | Ocala, FL 34471
Bridgette Delva | bridgette@teamdelva.com | (352) 897-8326
Jean Delva | jd@teamdelva.com | (352) 897-8326

Prior Activities

Project Type	Address
NEW BUILD	817 NW 13th Ave, Ocala, FL
NEW BUILD	1306 NW 8TH ST, OCALA, FL
NEW BUILD	1316 NW 8TH ST, OCALA, FL
NEW BUILD	0 NW 13TH AVE, OCALA, FL
NEW BUILD	922 SE 13TH ST, OCALA, FL
ADDITION/RENOVATION	1211 NW 8TH ST, OCALA, FL
ADDITION/RENOVATION	1409 NW 19TH CT, OCALA, FL
ADDITION/RENOVATION	1501 NW 19TH CT, OCALA, FL
ADDITION/RENOVATION	1505 NW 19TH CT, OCALA, FL
ADDITION/RENOVATION	607 SE 30TH AVE, OCALA, FL
ADDITION/RENOVATION	2811 SE 28TH RD, OCALA, FL
ADDITION/RENOVATION	1326 SE 36th Ave, Ocala, FL
ADDITION/RENOVATION	10523 SW 62nd Terrace Rd, OCALA, FL
ADDITION/RENOVATION	14360 SW 39th Ct Rd, OCALA, FL
ADDITION/RENOVATION	4635 SE 59th St, OCALA, FL
ADDITION/RENOVATION	2346 NE 10th Ct, OCALA, FL

Delva One Construction, LLC | 3035 SE Maricamp Rd, #104-302 | Ocala, FL 34471

Bridgette Delva | bridgette@teamdelva.com | (352) 897-8326

Jean Delva | jd@teamdelva.com | (352) 897-8326

Project Budget & Schedule

PROPOSED SCHEDULE						
PROJECT TITLE		THE WINKER II - 1316 NW 8TH ST, OCALA, FL 34475				
PROJECT MANAGER		BRIDGETTE DELVA				
WBS NUMBER	TASK TITLE	TASK OWNER	START DATE	DUE DATE	BUDGET	DURATION
1	PERMITTING					
1.1	SUBMIT PERMIT	DELVA ONE	1/13/25	8/31/25	\$10,000.00	228
	1.1.2 SURVEY	ELITE PROPERTY			\$850.00	
1.1.4	ENGINEERING	KERMIT HUGHES			\$1,350.00	
2	BUILDING SHELL				\$12,200.00	
2.1	CLEARING/PAD	PRO TOUCH	4/28/25	5/5/25	\$6,000.00	5
2.2	FORM	SILVER CONCRETE	5/6/25	5/8/25	\$0.00	2
2.3	ROUGH PLUMBING	YANSNEL	5/9/25	5/12/25	\$2,300.00	1
	DUMPSTER	SE RENTALS	per month	4	\$2,000.00	0
	PORTOLET	SE RENTALS	per month	4	\$600.00	0
2.5	SLAB PREP	PRO TOUCH	5/13/25	5/14/25	\$1,500.00	1
2.4	400 INSPECTION	CITY OF OCALA	5/15/25	5/16/25	\$0.00	1
2.6	SPRAY	STANDLEY	5/19/25	5/20/25	\$189.18	1
2.7	100 INSPECTION	CITY OF OCALA	5/21/25	5/22/25	\$0.00	1
2.8	POUR SLAB	SILVER CONCRETE	5/23/25	5/26/25	\$2,500.00	1
2.9	DELIVER FRAMING PACKAGE	TIBBETS	5/27/25	5/28/25	\$3,000.00	1
2.9.1	DELIVER TRUSSES	ROMAC	5/29/25	5/30/25	\$8,500.00	1
2.10	BLOCK UP	C&J MASONARY	6/2/25	6/3/25	\$0.00	1
2.11	119 INSPECTION	CITY OF OCALA	6/4/25	6/5/25	\$0.00	1
2.12	PUMP LINTEL	SILVER CONCRETE	6/6/25	6/9/25	\$0.00	1
2.13	SET TRUSSES	FRANCISCO	6/10/25	6/11/25	\$0.00	1
2.14	FRAME HOUSE	FRANCISCO	6/12/25	6/17/25	\$7,500.00	3
	EXTERIOR DOOR PACKAGE	ROMAC			\$2,500.00	
2.15	124 INSPECTION	CITY OF OCALA	6/18/25	6/19/25	\$0.00	1
2.16	RELEASE SHINGLES TO STOCK	BRIDGETTE	6/20/25	6/23/25	\$0.00	1
2.17	TUBSET PLUMBING	YANSNEL	6/24/25	6/25/25	\$1,500.00	1
2.18	ROUGH HVAC	SUNKOOL	6/26/25	6/27/25	\$2,500.00	1
2.20	ROUGH ELECTRIC	MPC ELECTRIC	6/30/25	7/1/25	\$4,000.00	1
2.21	DELIVER EXTERIOR DOORS	ROMAC	7/2/25	7/3/25	\$0.00	1
2.22	152 INSPECTION	CITY OF OCALA	7/4/25	7/7/25	\$0.00	1
2.23	SHINGLE HOUSE	DELVA ONE	7/8/25	7/10/25	\$8,000.00	2
	SOFFIT	C. FL SCREEN &	7/11/25	7/14/25	\$1,500.00	1
2.24	INSTALL WINDOWS	POUNDS	7/15/25	7/16/25	\$3,000.00	1
2.25	INSTALL EXTERIOR DOORS	RON	7/17/25	7/18/25	\$500.00	1
2.26	STUCCO GRADE AND CLEAN UP	PRO TOUCH	7/21/25	7/22/25	\$500.00	1
2.27	113 , 208, 264, 244 INSPECTIONS	CITY OF OCALA	7/23/25	7/24/25	\$0.00	1
2.28	INSTALL SIDING	DELVA ONE	7/25/25	7/29/25	\$7,500.00	2
2.29	INSTALL INSULATION	ARP	7/30/25	7/31/25	\$2,000.00	1
2.30	262 INSPECTION	CITY OF OCALA	8/1/25	8/4/25	\$0.00	1
2.31	STOCK DRYWALL	HOME DEPOT	8/5/25	8/6/25	\$0.00	1

Delva One Construction, LLC | 3035 SE Maricamp Rd, #104-302 | Ocala, FL 34471

Bridgette Delva | bridgette@teamdelva.com | (352) 897-8326

Jean Delva | jd@teamdelva.com | (352) 897-8326

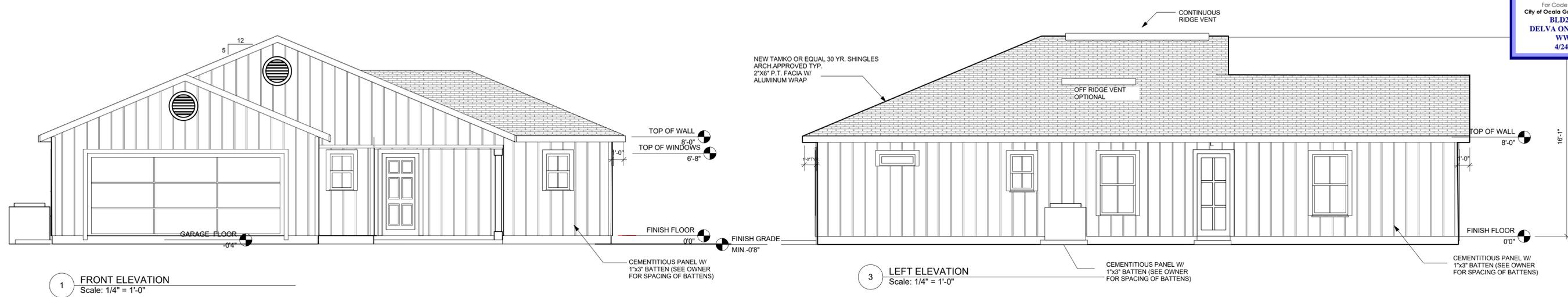
3	INTERIOR COMPLETION				\$67,589.18	
3.1	DRYWALL	GUTIERREZ & ORTIZ	8/7/25	8/18/25	\$6,500.00	7
3.2	DELIVER TRIM	ROMAC	8/19/25	8/20/25	\$3,000.00	1
3.3	INSTALL TRIM	DELVA ONE	8/21/25	8/25/25	\$650.00	2
3.4	PAINT	DELVA ONE	8/26/25	8/28/25	\$3,000.00	2
3.5	INSTALL CABINETS	DELVA ONE	8/29/25	9/1/25	\$5,500.00	1
3.6	INSTALL TOPS	MINAMI GRANITE	9/2/25	9/3/25	\$3,000.00	1
3.8	INSTALL FLOORING	SKA FLOORING	9/4/25	9/8/25	\$4,500.00	2
3.9	INSTALL TILE	YUL	9/9/25	9/10/25	\$2,500.00	1
	TILE		9/11/25	9/12/25	\$1,000.00	1
3.10	DRIVEWAY GRADE	PRO TOUCH	9/15/25	9/16/25	\$350.00	1
3.11	FORM DRIVEWAY	SILVER CONCRETE	9/17/25	9/18/25	\$0.00	1
3.12	125 & 354 INSPECTION	CITY OF OCALA/ARGO'S	9/19/25	9/22/25	\$0.00	1
3.13	POUR DRIVEWAY	SILVER CONCRETE	9/23/25	9/24/25	\$5,000.00	1
	FINAL GRADE	PRO TOUCH	9/25/25	9/26/25	\$500.00	1
3.14	FINAL PLUMBING TRIM	YANSNEL	9/29/25	9/30/25	\$2,500.00	1
3.15	FINAL HVAC	SUNKOOL	10/1/25	10/2/25	\$3,000.00	1
3.16	FINAL ELECTRICAL TRIM	MPC ELECTRIC	10/3/25	10/6/25	\$3,800.00	1
	GARAGE DOOR	MARION GARAGE	10/7/25	10/8/25	\$3,000.00	1
3.17	213 PREPOWER INSPECTION	CITY OF OCALA	10/9/25	10/10/25	\$0.00	1
3.18	2ND TRIMS AND LOCK OUT	DELVA ONE	10/13/25	10/14/25	\$1,000.00	1
3.19	METER SET	CITY OF OCALA	10/15/25	10/22/25	\$0.00	5
3.20	HOT CHECK	MPC ELECTRIC	10/23/25	10/24/25	\$0.00	1
3.21	AC START UP	SUNKOOL	10/27/25	10/28/25	\$0.00	1
3.22	BLOWER DOOR TEST	SUNKOOL	10/29/25	10/30/25	\$0.00	1
3.23	SOD	ALLEN'S	10/31/25	11/3/25	\$4,500.00	1
3.24	LANDSCAPE	ONE LOVE CLEANERS	11/4/25	11/5/25	\$1,500.00	1

Delva One Construction, LLC | 3035 SE Maricamp Rd, #104-302 | Ocala, FL 34471

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4	FINALS				\$54,800.00	
4.1	DRYWALL PUNCH	GUTIERREZ & ORTIZ	11/6/25	11/4/24	\$0.00	1
4.2	SPRAY	BATES	11/5/24	11/5/24	\$125.00	1
	MIRRORS & SHELVING	DELVA ONE	11/6/24	11/6/24	\$500.00	
4.3	FINAL PAINT	DELVA ONE	11/7/24	11/7/24	\$0.00	1
4.4	108,201,260,241,352 INSPECTIONS	CITY OF OCALA	11/8/24	11/8/24	\$0.00	1
4.5	CO	CITY OF OCALA	11/11/24	11/9/24	\$0.00	1
4.6	FINAL CLEAN		11/11/24	11/10/24	\$550.00	1
4.7	APPLIANCES	HOME DEPOT	11/11/24	11/11/24	\$2,500.00	
					\$3,675.00	
TOTAL COST					\$138,264.18	



1 FRONT ELEVATION
 Scale: 1/4" = 1'-0"

3 LEFT ELEVATION
 Scale: 1/4" = 1'-0"

THESE PLANS ARE NOT TO BE REPRODUCED OR REPLICATED IN ANY MANNER WITHOUT THE WRITTEN CONSENT OF KERMIT HUGHES ARCHITECT. ANY REVISIONS OF THESE PLANS WITHOUT WRITTEN CONSENT OF KERMIT HUGHES ARCHITECT SHALL UNDERMINE ANY RESPONSIBILITY RELATED TO THE PROJECT.

DATE ISSUED	03/12/2025
REVISIONS	
DRAWN BY	CAROLINE
APPROVED BY	KERMIT

ELEVATIONS
 FRONT, RIGHT, REAR & LEFT ELEVATIONS,
 ROOF PLAN

Ventilation Calculation

Area of conditioned space **1295 SQ. FT.**
 Convert to square inches **186480 SQ. IN.**

Required vented area is 1/300 of total conditioned space.
 If 40-50% of ventilation is within 3' of ridge
 Total vented area is $1/300 \times 186480 = 621.6$ SQ. IN

50% of the total vented area is **310.8 SQ. IN.**

RIDGE VENT PORTION OF VENTILATION

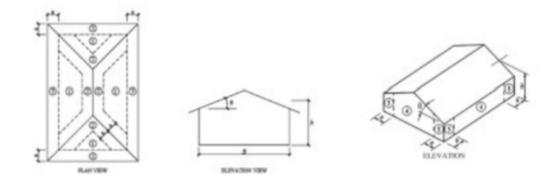
TOTAL FEET OF RIDGE VENT **12 FT**
 RIDGE VENT TYPICAL 20 SQ. IN. CLEAR SPACE PER FOOT
 $20 \text{ SQ. IN.} \times 12 = 240 \text{ SQ. IN.}$

REMAINDER REQUIRED IN OFF RIDGE VENTS $310.8 - 240 = 70.8$

OFF RIDGE VENT PORTION OF VENTILATION
 122SQ. IN. PER 6' OF OFF RIDGE VENT
 REMAINDER REQUIRED **70.8**
 OFF RIDGE VENT PORTION OF VENTILATION = $70.8 / 0.580328 = 122.15$
 NUMBER OF OFF RIDGE VENTS REQUIRED **1**
 1 NO OFF RIDGE VENT REQUIRED

SOFFIT VENT
 TOTAL FEET OF SOFFIT **156**
 4 SQ. IN. OPEN PER FOOT OF SOFFIT VENT FOR 12" OVERHANG
 $4 \text{ SQ. IN.} \times 156 = 624$

PROVIDE 12 FT. RIDGE VENT TOTAL 3 LOCATIONS
 1 OFF RIDGE VENT AT 6' EACH NO OFF RIDGE VENT REQUIRED
 CONTINUOUS SOFFIT VENT



- ZONE 2, 2 & 3 USE FASTENERS @ 4" O.C. ON SHEET EDGES AND 4" O.C. IN SHEET FIELD
- SPACE FASTENERS 4" O.C. MIN. @ GABLE ENDWALL OR GABLE TRUSS.

FASTENERS SHALL BE 8D RING SHANKED

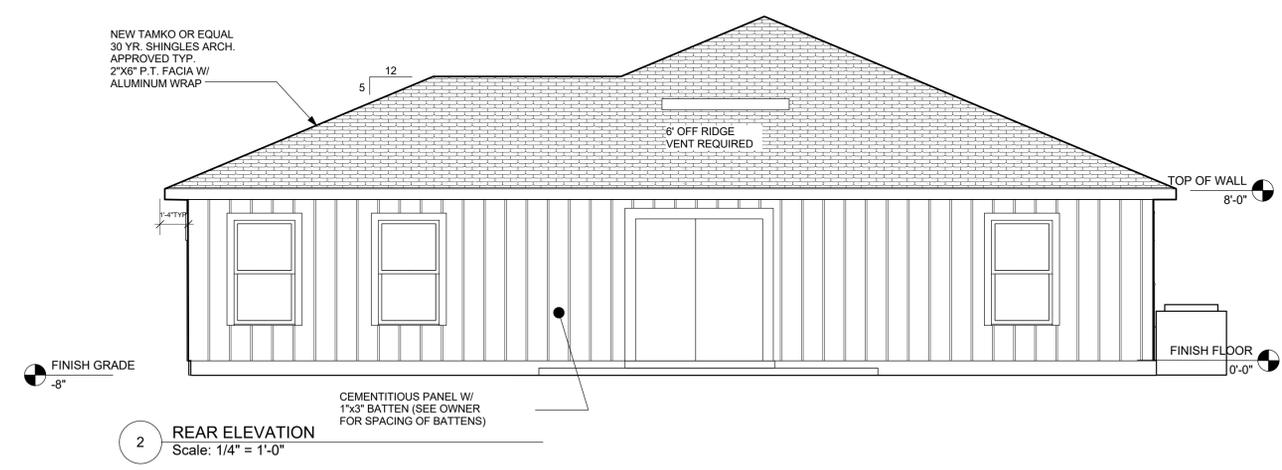
COMPONENT & CLADDING DESIGN PRESSURES:

COMPONENT & CLADDING DESIGN PRESSURE LOADS: SUPPLIERS / MANUFACTURERS OF ALL CLADDING AND COMPONENTS (INCLUDING, BUT NOT LIMITED TO: SIDING, ROOFING, DOORS, WINDOWS, AWNINGS, ETC.) WILL SUBMIT REPORTS & DATA SIGNED AND SEALED BY A LICENSED STRUCTURAL ENGINEER IN THE STATE OF FLORIDA DOCUMENTING COMPLIANCE WITH THIS PROVISION OF THE FLORIDA BUILDING CODE; 2023 8th EDITION WITH SUPPLIMENTS

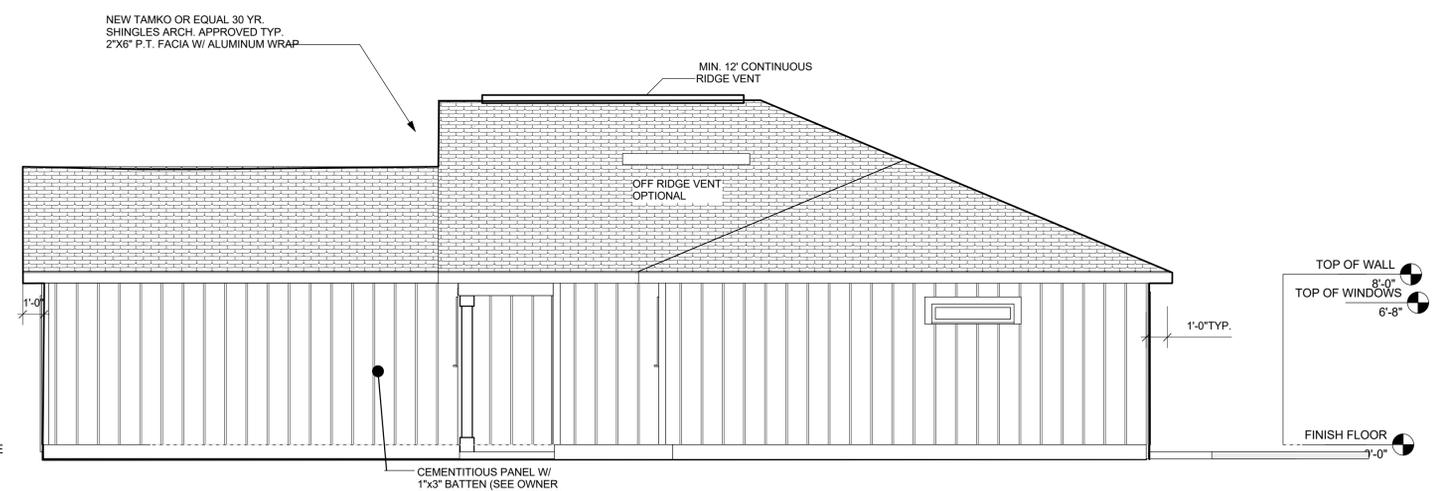
BASIC WIND SPEED 140 MPH ROOF SLOPE 20'-27" INTERNAL PRESSURE COEFFICIENT .18
 'A' DIMENSION = 4'

COMPONENT & CLADDING
 COMPONENT AND CLADDING WIND LOADS FOR A BUILDING WITH A MEAN ROOF HEIGHT OF 30 FEET LOCATED IN EXPOSURE B (psf RISK CATEGORY II)

ZONE	EFFECTIVE WIND AREA	POS NEG	
		POS	NEG
HIP ROOF >20 TO 27 DEGREES	1	10	-28.3
	1	20	-25.1
	1	50	-20.8
	1	100	-17.6
	2e, 2r, 3	10	-39.1
	2e, 2r, 3	20	-34.9
WALLS	2e, 2r, 3	50	-29.4
	2e, 2r, 3	100	-25.3
	4	10	21.2
	4	20	20.2
	4	50	19.0
	4	100	18.0
	4	500	15.8
	5	10	21.2
	5	20	20.2
	5	50	19.0
5	100	18.0	
5	500	15.8	



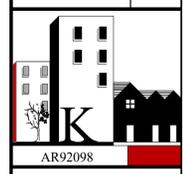
2 REAR ELEVATION
 Scale: 1/4" = 1'-0"



4 RIGHT ELEVATION
 Scale: 1/4" = 1'-0"

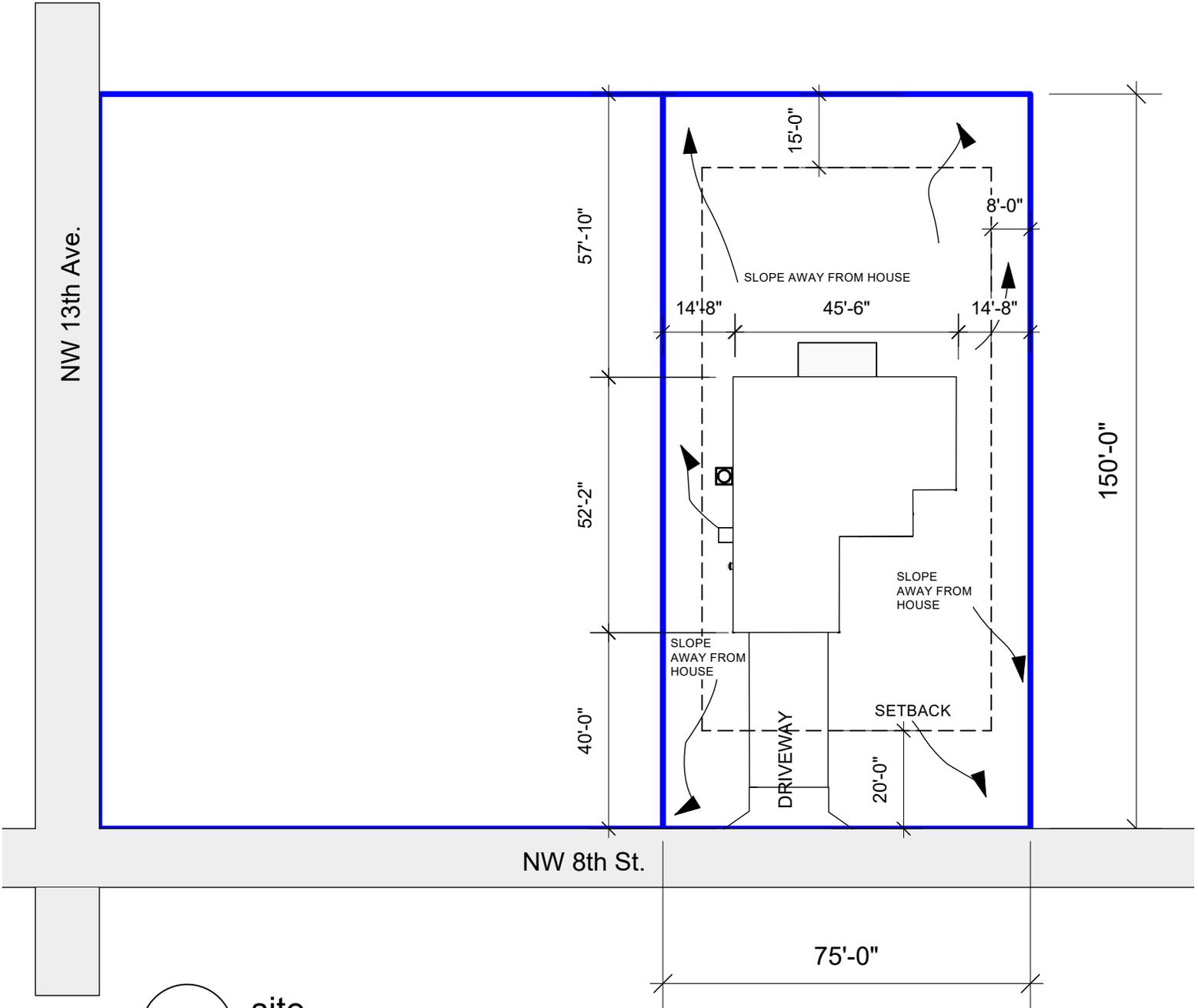
MODEL PLAN
 Winker II Model
 NW 8TH ST.
 OCALA, FL

KERMIT HUGHES
 ARCHITECT
 971 NE 71ST LANE OCALA, FL 34479
 TELEPHONE (352)875-3464
 E-MAIL kermithughesarchitect@gmail.com



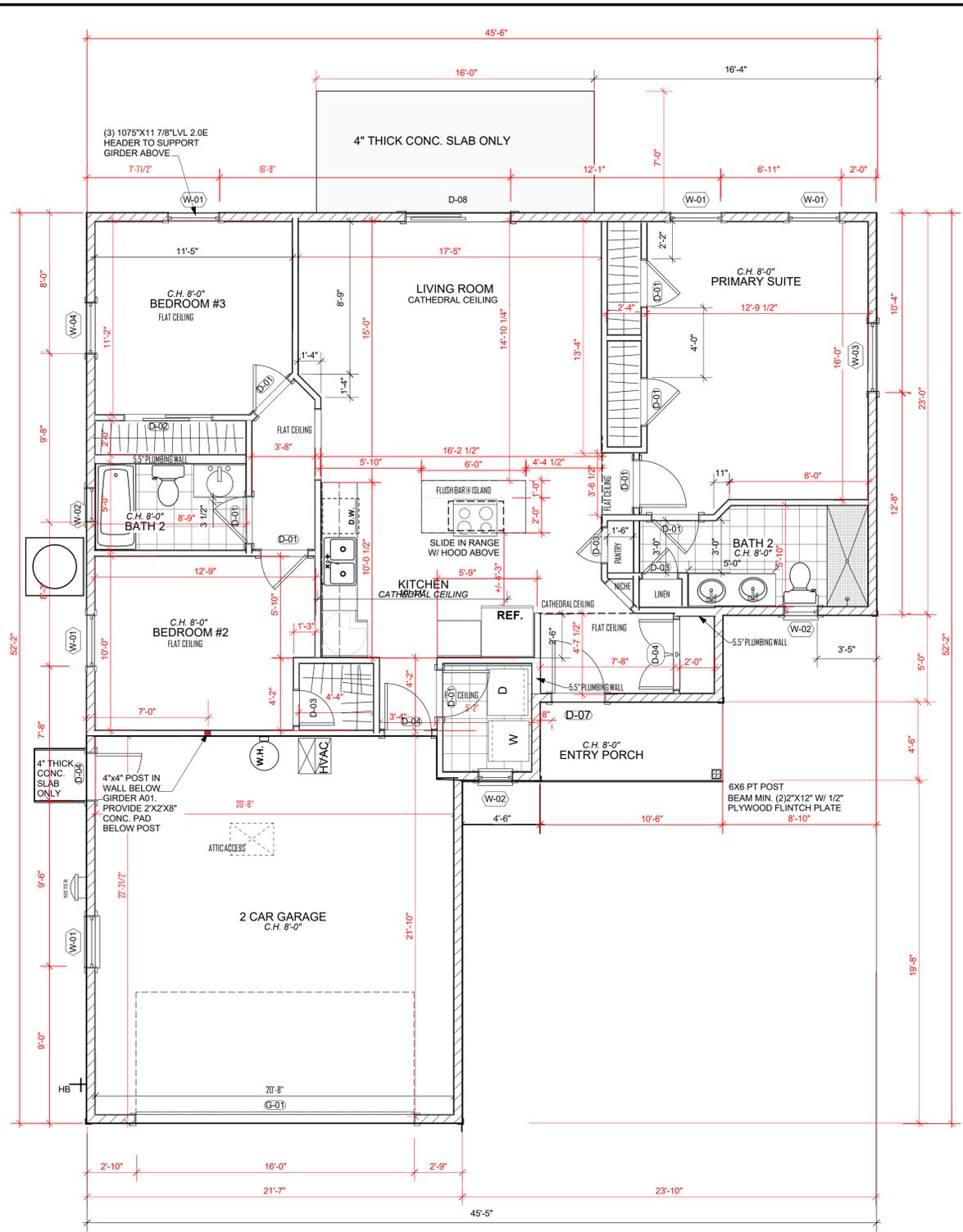
REVIEWED

For Code Compliance
City of Ocala Growth Management
BLD25-0677
DELVA ONE NEW SFR
WWP1 4
4/24/2025



8 site
Scale: 1" = 30'-0"

BUILDING AREA	
NEW	1,295
LIVING CONDITIONED	47
ENTRY PORCH	476
CAR GARAGE	1,818
GRAND TOTAL	



1 FLOORPLAN
 Scale: 1/4" = 1'-0"

WALL SCHEDULE	
	6" EXTERIOR LOAD BEARING WALL W/ DBL. TOP PLATE (SHOWN ACTUAL 5 1/2")
	6" PLUMBING WALL, (SHOWN ACTUAL 5 1/2")
	4" PARTITION WALL (SHOWN ACTUAL 3 1/2")
	7/8" HIGH PARTITION WALL W/ PLANT SHELF ABOVE

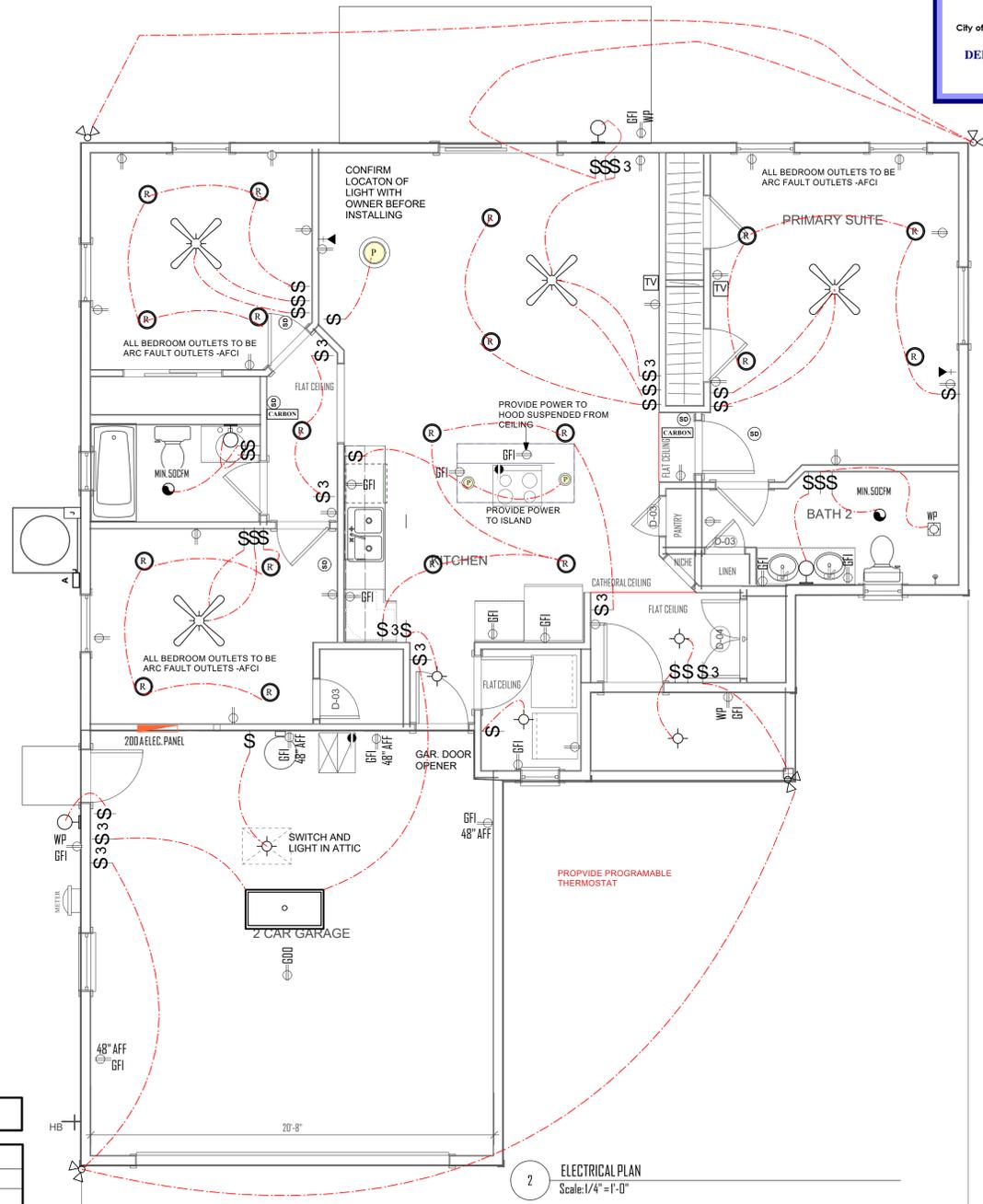
FLORIDA RESIDENTIAL CODE 2023 8th EDITION WITH UPDATES.
 OCCUPANCY CLASS RESIDENTIAL R3
 TYPE OF CONSTRUCTION V-B
 UNPROTECTED
 UNSPRINKLED

- GENERAL CONSTRUCTION NOTES**
- ALL DIMENSIONS ARE TO THE FACE OF STUD UNLESS NOTED OTHERWISE.
 - FIELD VERIFY ALL DIMENSIONS.
 - PROVIDE 2X4 BLOCKING BEHIND ALL WALL MOUNTED CABINETS.
 - PROVIDE MOISTURE RESISTANT GYPSUM BOARD OR CEMENT BOARD, BEHIND ALL SINKS AND IN WET AREAS.
 - COORDINATE INTERIOR FINISHES WITH OWNER
 - ALL GROUND FLOOR PLANS SHALL BE 8' CEILING UNLESS OTHERWISE NOTED.
 - PROVIDE R-38 (MIN.) INSULATION ABOVE CEILING. IN ATTIC. PROVIDE R-13 INSULATION @ ALL WOOD FRAME WALLS
 - FIELD VERIFY ALL CABINETS DIMENSIONS BEFORE MANUFACTURING

WINDOW SCHEDULE				
ID	MANUFACTURER ID	WIDTH	HEIGHT	REMARK
W 01	SH3050	36"	60"	
W 02	SH2030	24"	36"	ORSURE/ FROSTED- BATHROOMS ONLY
W 03	48"X12" TRANSOM	48"	12"	N/A
W 04	36"X12" TRANSOM	36"	12"	N/A

DOOR SCHEDULE				
ID	MANUFACTURER ID	WIDTH	HEIGHT	REMARK
INTERIOR DOORS				
D01	2868	32"	80"	(2) 2868 BI-PASS DOOR
D02	5068	60"	80"	
D03	2068	24"	80"	
D04	5068	60"	80"	(2) 2868 SWING DOOR
D05	2468	28"	80"	
EXTERIOR DOORS				
D08	6068	72"	80"	(2) 36" GLASS SLIDING DOORS
D07	3068	36"	80"	EXTERIOR METAL FRONT DOOR
G01	160" X 70"	192"	84"	GARAGE DOOR
D04	2866	32"	80"	SOLID CORE, METAL

DIMENSIONS SHOWN ARE FINISH DIMENSIONS. SEE MANUFACTURERS ROUGH OPENING REQUIREMENTS BEFORE BEGINNING CONSTRUCTION
 SUPPLIER SHALL PROVIDE ROUGH OPENING DIMENSIONS FOR ALL WINDOWS AND DOORS BEFORE CONSTRUCTION BEGINS. SUPPLIER SHALL ALSO PROVIDE INSTALLATION DETAILS THAT SUPPORT THE MANUFACTURERS WARRANTY AND FLORIDA PRODUCT APPROVAL NUMBERS FOR ALL OPENINGS



2 ELECTRICAL PLAN
 Scale: 1/4" = 1'-0"

ELECTRICAL LEGEND			
SYMBOL	DESCRIPTION	SYMBOL	DESCRIPTION
	WALL MOUNTED LIGHT, STYLE BY OWNER		DUPLEX FLOOR RECEPTACLE COORDINATE LOCATION IN FIELD
	MOISTURE RESISTANT EXTERIOR GRADE WALL MOUNTED LIGHT, STYLE BY OWNER		110 DUPLEX RECEPTACLE MOUNTED 18" A.F.F.
	DECORATIVE WALL SCONCE, STYLE BY OWNER		220 DUPLEX RECEPTACLE
	WALL MOUNTED LIGHT		110 RECEPTACLE GROUND FAULT
	EXTERIOR FLOOD LIGHT		110 RECEPTACLE GROUND FAULT AND WATER PROOF
	DIRECTIONAL RECESSED CAN LIGHT		110 RECEPTACLE W/GROUND FAULT MOUNTED 48" AFF
	RECESSED CAN		110 RECEPTACLE CEILING MOUNTED FOR GARAGE DOOR OPENER
	SMALL PENDANT LIGHT		SWITCHED RECEPT MOUNTED IN EXTERIOR SOFFIT
	CHANDLIER PENDANT LIGHT		TELEPHONE/DATA OUTLET
	WATER PROOF CAN LIGHT		SWITCH
	CEILING FAN WITH LIGHT KIT, STYLE BY OWNER		3 WAY SWITCH
	12"x48" FLUORESCENT LIGHT		EXHAUST FAN 50 CFM UNLESS NOTED OTHERWISE
	24"x48" FLUORESCENT LIGHT		CABLE OUTLET, COORDINATE LOCATION AND AMOUNT W/ OWNER.
	12"x24" FLUORESCENT LIGHT		SMOKE DETECTOR
	SMALL FLUORESCENT UNDER CABINET LIGHT		A/C DISCONNECT
	CARBON MONOXIDE DETECTOR		JUNCTION BOX
			METER
			PANEL BOX

NOTE: ALL ELECTRICAL RECEPTACLES IN FAMILY ROOMS, DINING ROOMS, LIVING ROOMS, PARLORS, LIBRARIES, DEN, BEDROOMS, SUNROOFS, RECREATION ROOMS, CLOSETS, HALLWAYS OR SIMILAR ROOMS OR AREA SHALL BE PROTECTED BY A LISTED ARC-FAULT CIRCUIT INTERRUPTER, COMBINATION TYPE, INSTALLED TO PROVIDE PROTECTION OF THE BRANCH CIRCUIT.

DATE ISSUED	03/12/2025
REVISED	
DRAWN BY	CAROLINE
APPROVED BY	KERMIT

FLOOR PLAN/ELECTRICAL
 FLOOR PLAN/NOTES/ELECTRICAL PLAN

MODEL PLAN
 Winker II Model
 NW 8TH ST.
 OCALA, FL

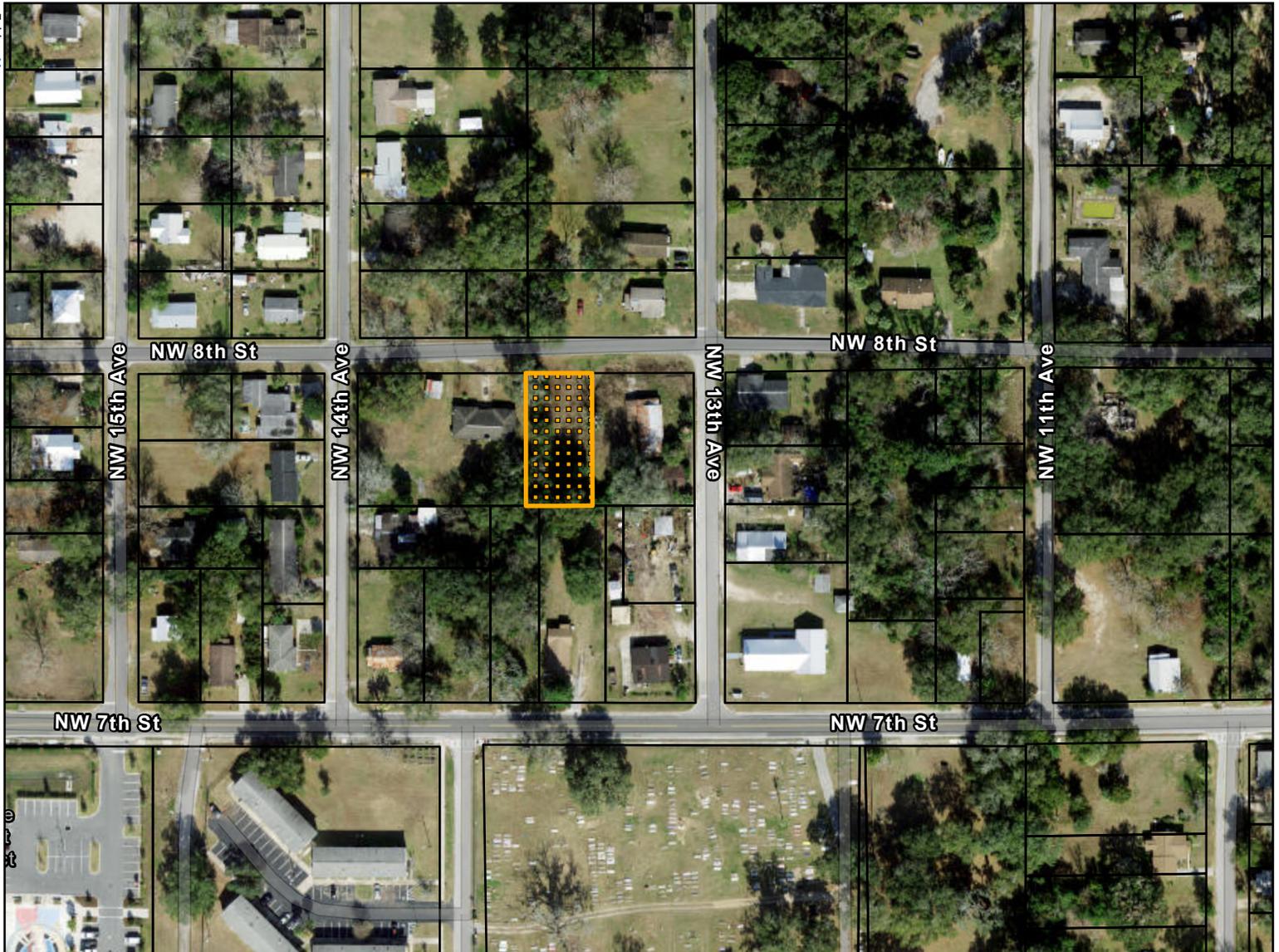
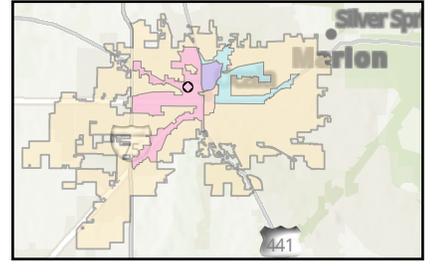
KERMIT HUGHES
 ARCHITECT
 971 NE 71ST LANE OCALA, FL 34479
 TELEPHONE (352) 875-3464
 E-MAIL: kermitarchitect@gmail.com



AR92098
 SHEET NO.
 A100
 1 OF 4

AERIAL MAP

Parcel: 25649-000-01
Case Number: AH25-0004
Property Size: 0.26 acres
CRA Location: West Ocala
Proposal: A Request for CRA fund use.



 Subject Parcel

 Parcels

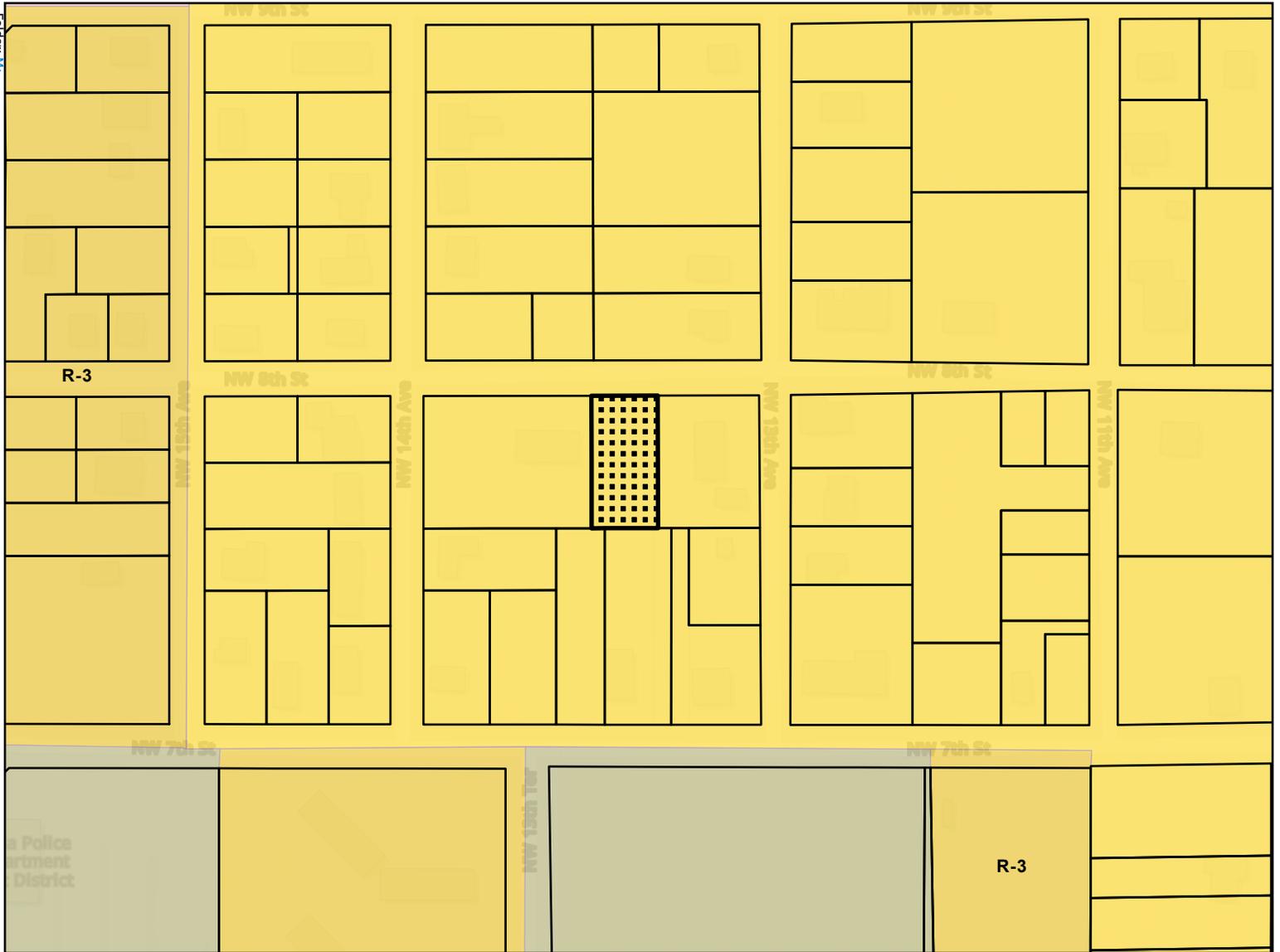
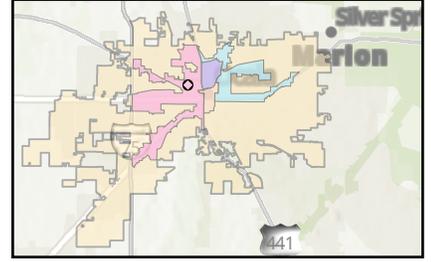


This information is provided as a visual representation only and is not intended to be used as a legal or official representation of legal boundaries. All GIS data which is provided by the City of Ocala should be considered a generalized spatial representation which may be subject to revisions. The feature boundaries are not to be used to establish legal boundaries. For specific information contact the appropriate City of Ocala department or agency.

Folder: M:
 \GIS\Department\TT\Evan\EconomDev\Robert\AugustRequest

CASE MAP

Parcel: 25649-000-01
 Case Number: AH25-0004
 Property Size: 0.26 acres
 CRA Location: West Ocala
 Proposal: A Request for CRA fund use.



- Parcels
- R-3: Multi-Family Residential
- B-1: Neighborhood Business
- West Ocala CRA
- GU: Governmental Use
- Subject Parcel
- R-2: Two-Family Residential



Folder: M:\GIS\Department\TT\Evan\EconomDev\Robert\AugustRequest



Ocala

Legislation Text

110 SE Watula Avenue
Ocala, FL 34471

www.ocalafl.gov

File #: 2025-1734

Agenda Item #: 5b.

Submitted By: Roberto Ellis

Presentation By: James Haynes

Department: Growth Management

STAFF RECOMMENDATION (Motion Ready):

Approve an Affordable Housing Incentive Fund disbursement to Delva One Construction, LLC for the construction of a new single-family affordable housing unit in the West Ocala Community Redevelopment Agency subarea, in an amount not to exceed \$9,303

OCALA'S RELEVANT STRATEGIC GOALS:

Quality of Place

PROOF OF PUBLICATION:

N/A

BACKGROUND:

The City encourages new construction and rehabilitation of affordable housing by offering a housing incentive fund to offset development charges. These benefits are intended to promote affordable housing while maintaining quality construction and site design.

Per Section 106-105 (e), City of Ocala, Code of Ordinances, housing incentive fund distributions shall not exceed \$20,000 per affordable housing unit across all eligible fees and stages of development and will be distributed after an application for funds is reviewed and approved.

Staff is proposing the reimbursement of development fees tied to the construction of a new single-family residential dwelling unit in the West Ocala Community Redevelopment Agency (CRA) subarea.

Application Summary

Applicant: Delva One Construction, LLC

Application ID: AHA25-0003

Project Description: three-bedroom, two-bathroom home with 1,295 square feet of living space and a garage

Parcel ID: 2570-402-301

Fee Estimate: \$9,303

Building Permit #: BLD25-1212

FINDINGS AND CONCLUSIONS:

- The applicant will construct the "Winker II Model" single-family home, comprising three bedrooms, two bathrooms, living spaces, and a garage. The unit will have 1,295 square feet of living space. The vacant lot, located at the intersection of NW 13th Avenue and NW Ninth Street, spans 0.26 acres. The estimated cost for construction is \$138,264. Please refer to the attached application, *Application AHA25-0003 - 2570-402-301*.
- The City will place a lien on the property at the time of housing incentive fund distribution to ensure that the unit remains with a low-to-moderate income household for at least ten years after issuance of a certificate of occupancy.
- The Internal Review Board supports the proposed project, recognizing the immediate need for housing solutions in Ocala. The Applicant is required to sell or rent the home to a low- to moderate-income family when completed. The target selling price is \$252,000.
- This request is also presented on August 19, 2025, at the Ocala City Council meeting.

FISCAL IMPACT:

Projects located within an eligible Community Redevelopment Area (CRA) may utilize the CRA to pay eligible fees in lieu of the housing incentive fund. The West Ocala CRA grants account (623-016-560-559-55-82010) currently has a balance of \$550,976. The payment will be made in the fiscal year when the project is completed. The proposed investment is expected to increase the taxable value of the property.

PROCUREMENT REVIEW:

N/A

LEGAL REVIEW:

N/A

ALTERNATIVE:

- Approve
- Approve with Changes
- Table
- Deny



NW 13th Ave - 2570-402-301

BLD25-1212

Approved August 2023



City of Ocala

Affordable Housing Incentive Fund Application Information

Overview

The purpose of the Affordable Housing Incentive Fund is to encourage the rehabilitation and new construction of affordable housing in the City of Ocala by offering a housing incentive to offset city-imposed development charges and allowing the relaxation of certain development requirements for developers of new, affordable housing units. These benefits are intended to promote the creation of affordable housing while maintaining quality construction and site design.

Definitions:

Affidavit means a written declaration made under oath attesting to the applicant's eligibility as low-income household.

Affordability Threshold means the maximum amount (including mortgage principal, interest, taxes, insurance, rent, and utilities) that a dwelling unit can be sold or rented for to be considered affordable housing. This threshold must be no greater than 30 percent of the household income for households classified as very low, low, or moderate income based upon the median household income for the Ocala MSA.

Affordable Housing means quality housing which is financially accessible to an eligible low to moderate income household. Rental units must be at or below Fair Market Rents for low-income households as established by the United States Department of Housing and Urban Development (HUD). Affordable housing units, whether detached or attached single- or multiple-family units, shall meet minimum housing quality standards for Section 8 housing, as established by HUD.

Affordable Housing Internal Review Board means the Community Development Services Director or designee, Growth Management Director or designee, and the Economic Development Director or designee, shall comprise the internal review board.

Certification means a written and signed statement confirming that the claim for an affordable housing project is true and accurate, and that the development conforms to applicable federal and state regulations.

Housing Incentive Fund refers to funds as may be made available for affordable housing purposes as funded through the City's annual budget process, with local, state, or federal funds.

Low-Income Household means a household with a total household income at or below 80% of the median household income for the Ocala MSA, adjusted for household size, as set annually by HUD.

Moderate-Income Household means a household with a total household income 81% to 120% of the median household income for the Ocala MSA, adjusted for household size, as set annually by HUD.

Total household income consists of all sources of wage income, such as base pay, overtime, bonuses, and other sources of non-wage income, including disability pensions, public assistance, alimony, and child support payments. Household income includes income from all members of the household over the age of 18.

Process

At a pre-application conference, prior to applying for building permits or a site plan, the developer will inform the City's Growth Management Department of the intent to apply for payment of fees from the affordable housing incentive fund. The developer must submit a conceptual site plan and data including a layout of the project showing buildings, parking, and internal streets, the frontage of the project along city streets, and information on the units including square footage and number of bedrooms. Housing incentive fund credits will be pro-rated based on the percentage of affordable units. Development projects including at least four units must consist of a minimum of 20% affordable units to qualify for housing incentive fund payments. Housing incentive fund payments may be attributed to a maximum of 40% of the units of a development project. Developers will certify that the proposed affordable housing units will be affordable, as defined in this application, and meet minimum housing standards for participation in this program. A written agreement must be submitted to the Internal Review Board by the developer, or his agent, which states that the set-aside and affordable unit requirements will be met, representing a contract between the City and the applicant.

Application Review. After an application is submitted, the Internal Review Board shall complete their review within fifteen (15) business days of receiving the application. The Internal Review Board will send their decision in writing to the applicant regarding whether the Board will recommend distributing affordable housing incentive funds, and the amount, and may reasonably condition a housing incentive fund distribution. The applicant may request additional conferences with the Board to reach an agreement if necessary. The applicant shall submit a statement in writing that they agree or disagree with the Board's recommendation no more than thirty (30) days after the Board issues their recommendation. Otherwise, the application shall be deemed withdrawn. The Board's recommendation, the application, and the applicant's acceptance letter shall be included as an agenda item at the first available City Council meeting.

Eligible Fees

Fees eligible for payment from the housing incentive fund. Permitting fees must be paid in their entirety by the developer for the percentage of dwelling units not set aside for eligible low-income households. Eligible fees include:

- a. Building.
- b. Plumbing.
- c. Electrical.
- d. Mechanical.
- e. Gas.
- f. Fire review.
- g. Site plan review.
- h. Site permit.
- i. Access city-owned drainage retention areas.
- j. Water and sewer impact fees.
- k. Water meter charges.
- l. Sidewalks.
- m. Fire impact fee.
- n. Education impact fee.
- o. Transportation impact fee.

Funding

Housing Incentive Fund Distributions. Housing incentive fund distributions shall not exceed \$10,000 per affordable housing unit. A minimum of 20% of the units must be affordable and no more than 40% of affordable units will be eligible for incentive funds per application.

City Commitment of payment. City Council may commit payment from the Affordable Housing Incentive Fund after application has been made. City Council may waive eligible fees if there are insufficient housing incentive funds. Once approved by City Council, all properly documented eligible fees will be processed for reimbursement by the City department managing the project (Community Development Services or Growth Management).

Affordability Period

Prior to issuance of a certificate of occupancy for any affordable housing unit within any development under this program, the proposed occupant of the unit must submit documentation and complete and sign a Letter of Certification, as provided by the City, attesting to qualifications as an eligible low-income household. The City will place a lien on the properties at the time of transfer to the homeowner to ensure that the units remain occupied by an eligible low-income household for at least twenty (20) years. The value of the lien will be reduced by 5% of the total original lien value each year that the unit is occupied by a low-income household until the lien is released at the end of the twentieth year. If the unit is sold, leased, transferred, or rented to an ineligible household during that period, the City may require repayment of the remaining lien amount for all fees paid out of the affordable housing incentive fund or waived by City Council.

City Contacts

For further information contact James Haynes, Director, Community Development Services, at jhaynes@ocalafl.gov or 352-629-8312 for single family projects or Aubrey Hale, Director, Economic Development at ahale@ocalafl.gov or 352-629-8550 for multi-family projects.

AFFORDABLE HOUSING INCENTIVE FUND APPLICATION

Proposal Title: _____ Winker II New Single-Family Residence _____

Amount of Funds Requested: _____ \$10,000 (City of Ocala fee reimbursement) _____

Name of Applicant: _____ Delva One Construction, LLC _____

Mailing Address: _____ 3035 SE Maricamp Rd, #104-302, Ocala, FL 34471 _____

Telephone: _____ (352) 897-8326 _____ Fax: _____

Admin Contact: _____ Bridgette Delva _____ Email: _____ bridgette@teamdelva.com _____

Project Contact: _____ Jean Delva _____ Email: _____ jd@teamdelva.com _____

Financial Contact: _____ Bridgette Delva _____ Email: _____ bridgette@teamdelva.com _____

Website: _____

Legal Status: For Profit Non-profit

Federal EIN: _____ 99-3718241 _____ DUNS #: _____

Project Type (check all that apply)

- Multifamily
- Single-family (detached)
- Single-family (attached)
- Other
- Homeowner
- Rental

Income restrictions on project (indicate the approximate number of units meeting each Area Median Income (AMI) category):

- 1 Incomes less than 30% AMI
- _____ Income between 30% and 50% AMI
- _____ Income between 50% and 80% AMI
- _____ Income over 80% AMI
- 1 Total Units**

Utilities included in rent: Water/Sewer Electric Gas Internet Other

Identify the number of accessible units and the specific type of accessibility modifications that will be incorporated:

_____ The new construction home will be built in compliance with current Florida Residential Building code requirements as it relates to accessibility _____

Project Proposal

Please provide the following information as separate attachments to the application.

- A. **Project Description** – Provide a description of the proposed project to include project type and location, including legal description of the property and the population(s) to be served.
- B. **Need** - Explain why this site was chosen and how it helps the City to expand affordable housing opportunities where most needed? Describe the neighborhood and surrounding community. Provide a map indicating project location.
- C. **Project Readiness** – Provide evidence of organizational experience and capacity to manage the project, pursue and acquire land, site control, required zoning variance and permitting (if applicable), and financial commitments for the project.
- D. **Site** - Identify any existing buildings on the proposed site, noting any that are currently occupied. Describe the planned demolition of any buildings on the site.
- E. **Prior Activities** - Provide a summary of similar activities completed by the organization and project team.
- F. **Project Budget** – Provide a detailed description of the proposed project budget showing sources and amounts of additional funding.
- G. **E. Project Schedule** – Indicate the proposed project schedule, including pre-development, anticipated pursuit and acquisition timeline (if applicable), site control, zoning approval, financing and construction milestones to project completion.

Authorization:

Organization Name: _____ Delva One Construction, LLC _____

I, _____ Bridgette Delva _____ certify that I am authorized to apply for
(Authorized Organization Official)

Funding from the City of Ocala. I certify that all information contained herein is accurate to the best of my knowledge.



Signature

_____ 5/30/2025 _____
Date

_____ Bridgette Delva _____
Print Name

_____ President _____
Title



City of Ocala
Affordable Housing Incentive Fund
Fee Estimate

Application ID: AHA25-0003

Project Description: 3 bedroom, 2 bath home with 1,295 sf of living space and a garage.

Parcel ID: 2570-402-301

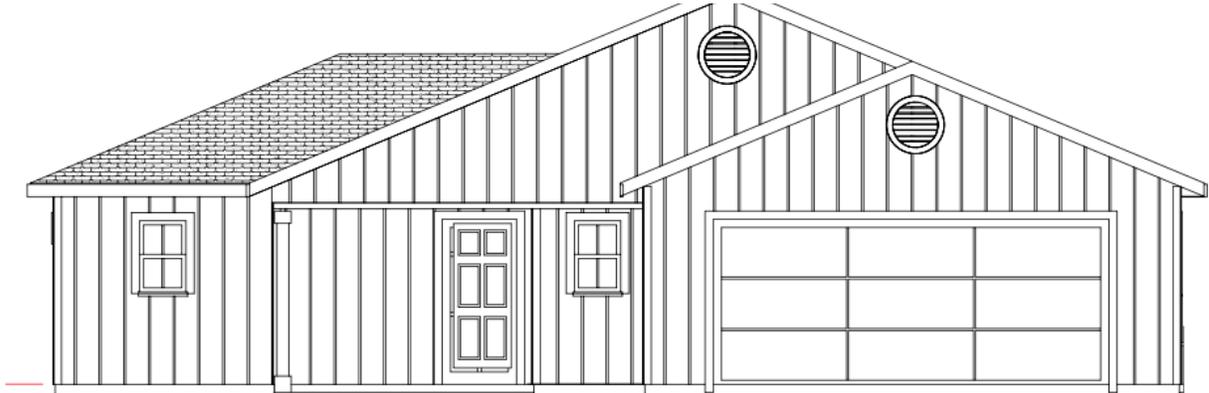
Building Permit #: BLD25-1212

Date of Estimate: 7/28/2025

Eligible Fees	Estimated Amount
Building	\$858
Fire review	\$0
Site plan review	\$0
Site permit	\$0
Access city-owned drainage retention areas	\$0
Water and sewer impact fees	\$2,383
Water meter charges	\$0
Sidewalks	\$0
Fire impact fee	\$308
Education impact fee	\$4,332
Transportation impact fee	\$1,422
TOTAL	\$9,303

Note: This sheet estimates fees eligible for reimbursement through the AHIF grant. Other fees or charges may apply to the project. The amounts indicated are subject to change.

Single Family New Construction Proposal: "The Winker III Model "



0 NW 13th Ave, Ocala, FL 34475
Parcel ID 2570-402-301

Delva One Construction, LLC. has expanded the mission of Team Delva Properties, Inc. and Team Delva is now vertically integrated so that we may continue to fulfill the community need for new construction affordable housing.

The vacant lot is located within the city limits of Ocala and will be a new 3 bedroom, 2 bath home with 1,295 sf of living space and a garage.

Exclusively Presented to you by:



Delva One Construction, LLC | 3035 SE Maricamp Rd, #104-302 | Ocala, FL 34471

Bridgette Delva | bridgette@teamdelva.com | (352) 897-8326

Jean Delva | jd@teamdelva.com | (352) 897-8326

Need

Delva One construction is in the process of building The Winker III Model single family home. The new construction site is located in the Tucker Hill community at “address TBD” NW 13th Ave, Ocala, FL 34475 on parcel 2570-402-301. The Winker III Model is the right garage facing model of the Winker II model.

Delva One Construction & Team Delva Properties own several lots on the NW 8th St and NW 13th Ave block. We have completed or are in the process of building new single family homes, duplexes and single family home renovations. We continue to actively work in this community to acquire more properties so that we may further our mission of providing affordable, high quality housing options to the Ocala community.

There is still a significantly unmet need to fill the void of affordable housing and this new construction project will help satisfy the community. The neighborhood contains a significant number of revitalized homes as well as homes in need of revitalization along with vacant lots, in need of development.

The new build will have 3 bedrooms & 2 bathrooms, with 1,295 sf of living space. We’re expecting this new build to take less than 12 months.

The new build will be centrally located on the north west side of Ocala, accessible to public transportation, schools and easy access to necessary amenities.

Project Readiness

Delva One Construction & Team Delva Properties has been in the real estate business for 8 years and have worked in the construction industry for more than 25 years.

The project site is currently owned by Delva One Construction, which will dedicate the Project Management and Site Supervisor resources. Delva One Construction will ensure the project remains on track and in compliance with building code requirements.

This project is wholly funded by Delva One Construction's private funds.

Site

The current site is a vacant lot, with no existing buildings. The site clearing has been completed and involved minimal brush clearing along the side & rear perimeters of the property line. There is one single family residence located on the west side of the lot. The home previously located at 1306 was demolished by Delva One Construction and is now the site of a duplex new construction property.



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Prior Activities

Project Type	Address
NEW BUILD	817 NW 13th Ave, Ocala, FL
NEW BUILD	1306 NW 8TH ST, OCALA, FL
NEW BUILD	1316 NW 8TH ST, OCALA, FL
NEW BUILD	0 NW 13TH AVE, OCALA, FL
NEW BUILD	922 SE 13TH ST, OCALA, FL
ADDITION/RENOVATION	1211 NW 8TH ST, OCALA, FL
ADDITION/RENOVATION	1409 NW 19TH CT, OCALA, FL
ADDITION/RENOVATION	1501 NW 19TH CT, OCALA, FL
ADDITION/RENOVATION	1505 NW 19TH CT, OCALA, FL
ADDITION/RENOVATION	607 SE 30TH AVE, OCALA, FL
ADDITION/RENOVATION	2811 SE 28TH RD, OCALA, FL
ADDITION/RENOVATION	1326 SE 36th Ave, Ocala, FL
ADDITION/RENOVATION	10523 SW 62nd Terrace Rd, OCALA, FL
ADDITION/RENOVATION	14360 SW 39th Ct Rd, OCALA, FL
ADDITION/RENOVATION	4635 SE 59th St, OCALA, FL
ADDITION/RENOVATION	2346 NE 10th Ct, OCALA, FL

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Project Budget & Schedule

PROPOSED SCHEDULE						
PROJECT TITLE		THE WINKER III - 0 NW 13TH Ave, OCALA, FL 34475				
PROJECT MANAGER		BRIDGETTE DELVA				
WBS NUMBER	TASK TITLE	TASK OWNER	START DATE	DUE DATE	BUDGET	DURATION
1	PERMITTING					
1.1	SUBMIT PERMIT	DELVA ONE	3/17/25	10/1/25	\$10,000.00	194
1.1.2	SURVEY	ELITE PROPERTY			\$850.00	
1.1.4	ENGINEERING	KERMIT HUGHES			\$1,350.00	
2	BUILDING SHELL				\$12,200.00	
2.1	CLEARING/PAD	PRO TOUCH	6/16/25	6/23/25	\$6,000.00	5
2.2	FORM	SILVER CONCRETE	6/24/25	6/26/25	\$0.00	2
2.3	ROUGH PLUMBING	YANSNEL	6/27/25	6/30/25	\$2,300.00	1
	DUMPSTER	SE RENTALS	per month	4	\$2,000.00	0
	PORTOLET	SE RENTALS	per month	4	\$600.00	0
2.5	SLAB PREP	PRO TOUCH	7/1/25	7/2/25	\$1,500.00	1
2.4	400 INSPECTION	CITY OF OCALA	7/3/25	7/4/25	\$0.00	1
2.6	SPRAY	STANDLEY	7/7/25	7/8/25	\$189.18	1
2.7	100 INSPECTION	CITY OF OCALA	7/9/25	7/10/25	\$0.00	1
2.8	POUR SLAB	SILVER CONCRETE	7/11/25	7/14/25	\$2,500.00	1
2.9	DELIVER FRAMING PACKAGE	TIBBETS	7/15/25	7/16/25	\$3,000.00	1
2.9.1	DELIVER TRUSSES	ROMAC	7/17/25	7/18/25	\$8,500.00	1
2.10	BLOCK UP	C&J MASONARY	7/21/25	7/22/25	\$0.00	1
2.11	119 INSPECTION	CITY OF OCALA	7/23/25	7/24/25	\$0.00	1
2.12	PUMP LINTEL	SILVER CONCRETE	7/25/25	7/28/25	\$0.00	1
2.13	SET TRUSSES	FRANCISCO	7/29/25	7/30/25	\$0.00	1
2.14	FRAME HOUSE	FRANCISCO	7/31/25	8/5/25	\$7,500.00	3
	EXTERIOR DOOR PACKAGE	ROMAC			\$2,500.00	
2.15	124 INSPECTION	CITY OF OCALA	8/6/25	8/7/25	\$0.00	1
2.16	RELEASE SHINGLES TO STOCK	BRIDGETTE	8/8/25	8/11/25	\$0.00	1
2.17	TUBSET PLUMBING	YANSNEL	8/12/25	8/13/25	\$1,500.00	1
2.18	ROUGH HVAC	SUNKOOL	8/14/25	8/15/25	\$2,500.00	1
2.20	ROUGH ELECTRIC	MPC ELECTRIC	8/18/25	8/19/25	\$4,000.00	1
2.21	DELIVER EXTERIOR DOORS	ROMAC	8/20/25	8/21/25	\$0.00	1
2.22	152 INSPECTION	CITY OF OCALA	8/22/25	8/25/25	\$0.00	1
2.23	SHINGLE HOUSE	DELVA ONE	8/26/25	8/28/25	\$8,000.00	2
	SOFFIT	C. FL SCREEN &	8/29/25	9/1/25	\$1,500.00	1
2.24	INSTALL WINDOWS	POUNDS	9/2/25	9/3/25	\$3,000.00	1
2.25	INSTALL EXTERIOR DOORS	RON	9/4/25	9/5/25	\$500.00	1
2.26	STUCCO GRADE AND CLEAN UP	PRO TOUCH	9/8/25	9/9/25	\$500.00	1
2.27	113, 208, 264, 244 INSPECTIONS	CITY OF OCALA	9/10/25	9/11/25	\$0.00	1
2.28	INSTALL SIDING	DELVA ONE	9/12/25	9/16/25	\$7,500.00	2
2.29	INSTALL INSULATION	ARP	9/17/25	9/18/25	\$2,000.00	1
2.30	262 INSPECTION	CITY OF OCALA	9/19/25	9/22/25	\$0.00	1
2.31	STOCK DRYWALL	HOME DEPOT	9/23/25	9/24/25	\$0.00	1

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3	INTERIOR COMPLETION				\$67,589.18	
3.1	DRYWALL	GUTIERREZ & ORTIZ	9/25/25	10/6/25	\$6,500.00	7
3.2	DELIVER TRIM	ROMAC	10/7/25	10/8/25	\$3,000.00	1
3.3	INSTALL TRIM	DELVA ONE	10/9/25	10/13/25	\$650.00	2
3.4	PAINT	DELVA ONE	10/14/25	10/16/25	\$3,000.00	2
3.5	INSTALL CABINETS	DELVA ONE	10/17/25	10/20/25	\$5,500.00	1
3.6	INSTALL TOPS	MINAMI GRANITE	10/21/25	10/22/25	\$3,000.00	1
3.8	INSTALL FLOORING	SKA FLOORING	10/23/25	10/27/25	\$4,500.00	2
3.9	INSTALL TILE	YUL	10/28/25	10/29/25	\$2,500.00	1
	TILE		10/30/25	10/31/25	\$1,000.00	1
3.10	DRIVEWAY GRADE	PRO TOUCH	11/3/25	11/4/25	\$350.00	1
3.11	FORM DRIVEWAY	SILVER CONCRETE	11/5/25	11/6/25	\$0.00	1
3.12	125 & 354 INSPECTION	CITY OF OCALA/ARGO'S	11/7/25	11/10/25	\$0.00	1
3.13	POUR DRIVEWAY	SILVER CONCRETE	11/11/25	11/12/25	\$5,000.00	1
	FINAL GRADE	PRO TOUCH	11/13/25	11/14/25	\$500.00	1
3.14	FINAL PLUMBING TRIM	YANSNEL	11/17/25	11/18/25	\$2,500.00	1
3.15	FINAL HVAC	SUNKOOL	11/19/25	11/20/25	\$3,000.00	1
3.16	FINAL ELECTRICAL TRIM	MPC ELECTRIC	11/21/25	11/24/25	\$3,800.00	1
	GARAGE DOOR	MARION GARAGE	11/25/25	11/26/25	\$3,000.00	1
3.17	213 PREPOWER INSPECTION	CITY OF OCALA	11/27/25	11/28/25	\$0.00	1
3.18	2ND TRIMS AND LOCK OUT	DELVA ONE	12/1/25	12/2/25	\$1,000.00	1
3.19	METER SET	CITY OF OCALA	12/3/25	12/10/25	\$0.00	5
3.20	HOT CHECK	MPC ELECTRIC	12/11/25	12/12/25	\$0.00	1
3.21	AC START UP	SUNKOOL	12/15/25	12/16/25	\$0.00	1
3.22	BLOWER DOOR TEST	SUNKOOL	12/17/25	12/18/25	\$0.00	1
3.23	SOD	ALLEN'S	12/19/25	12/22/25	\$4,500.00	1
3.24	LANDSCAPE	ONE LOVE CLEANERS	12/23/25	12/24/25	\$1,500.00	1
4	FINALS				\$54,800.00	

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4	FINALS				\$54,800.00	
4.1	DRYWALL PUNCH	GUTIERREZ & ORTIZ	12/25/25	12/26/25	\$0.00	1
4.2	SPRAY	BATES	12/29/25	12/30/25	\$125.00	1
	MIRRORS & SHELVING	DELVA ONE	12/31/25	12/31/25	\$500.00	
4.3	FINAL PAINT	DELVA ONE	1/1/26	1/2/26	\$0.00	1
4.4	108,201,260,241,352 INSPECTIONS	CITY OF OCALA	1/5/26	1/6/26	\$0.00	1
4.5	CO	CITY OF OCALA	1/7/26	1/8/26	\$0.00	1
4.6	FINAL CLEAN		1/9/26	1/12/26	\$550.00	1
4.7	APPLIANCES	HOME DEPOT	1/13/26	1/13/26	\$2,500.00	
					\$3,675.00	
TOTAL COST					\$138,264.18	



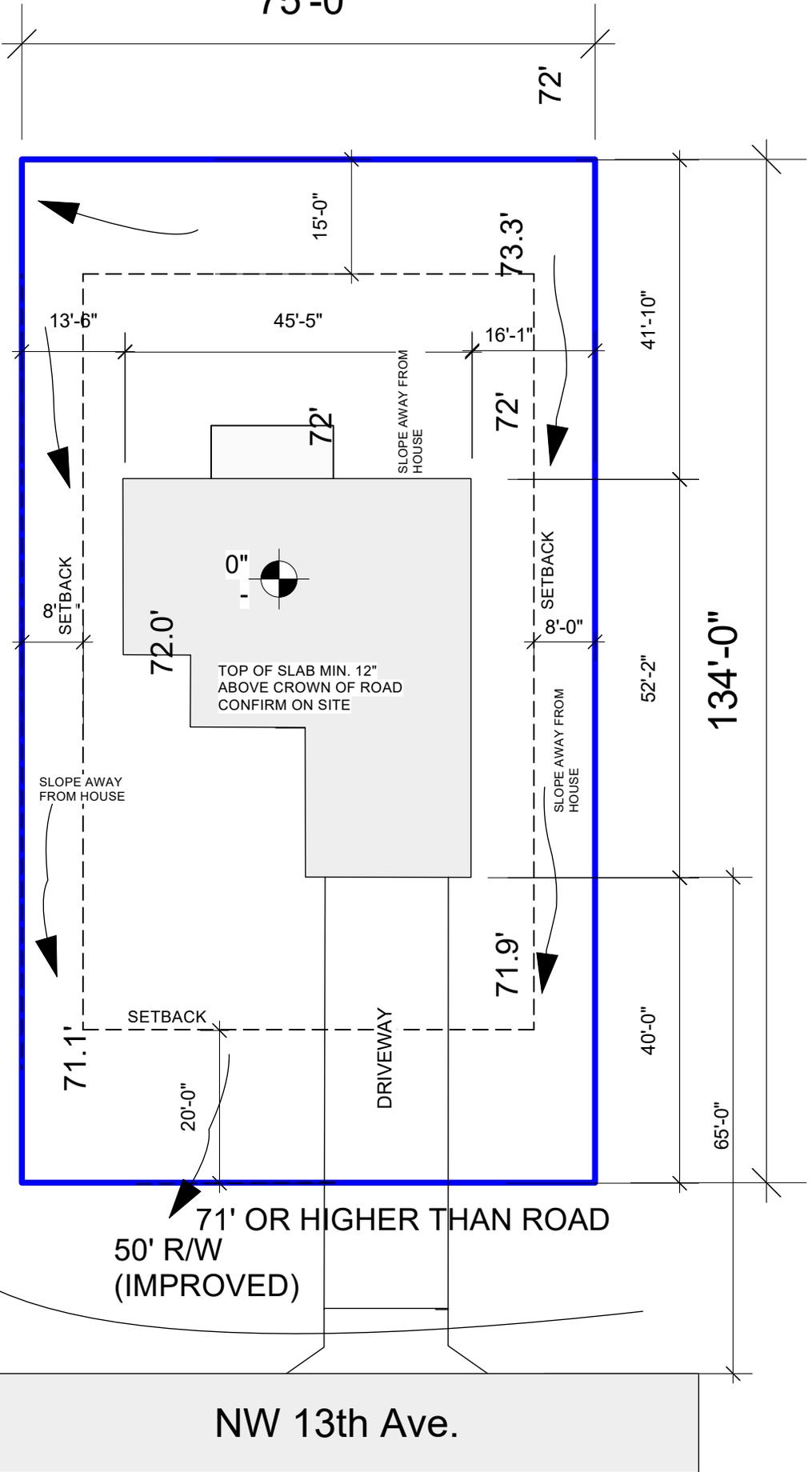
NW 9th St.

40' R/W (IMPROVED)

71' OR HIGHER THAN ROAD

75'-0"

72'



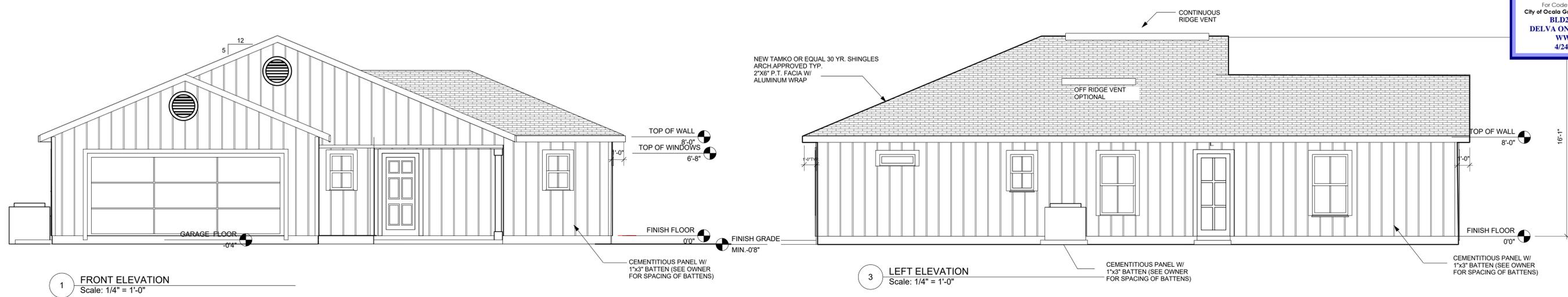
50' R/W (IMPROVED)

NW 13th Ave.

1

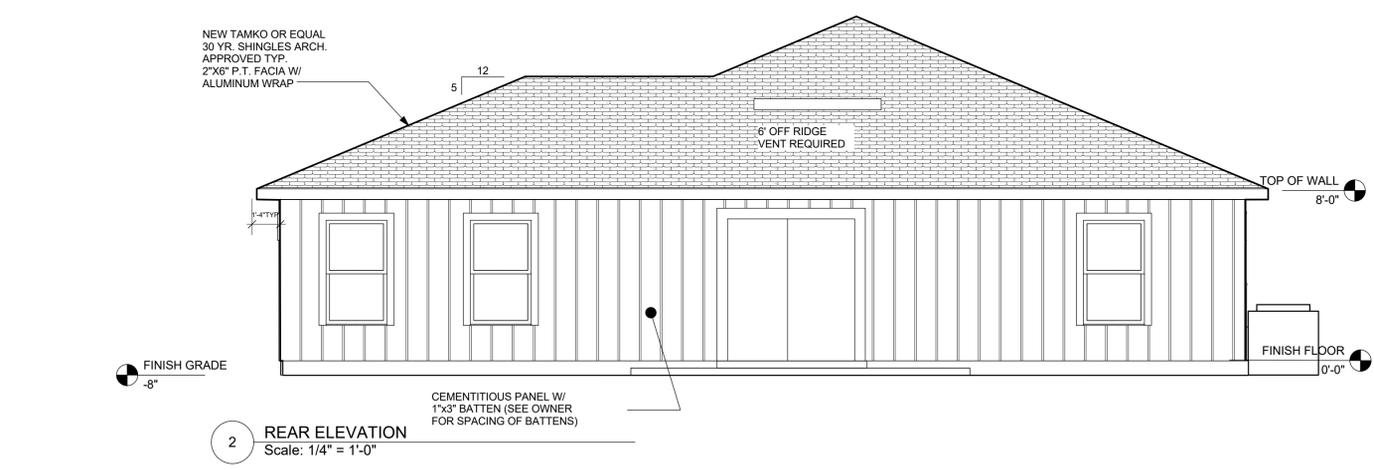
SITE PLAN

Scale: 1" = 20'-0"

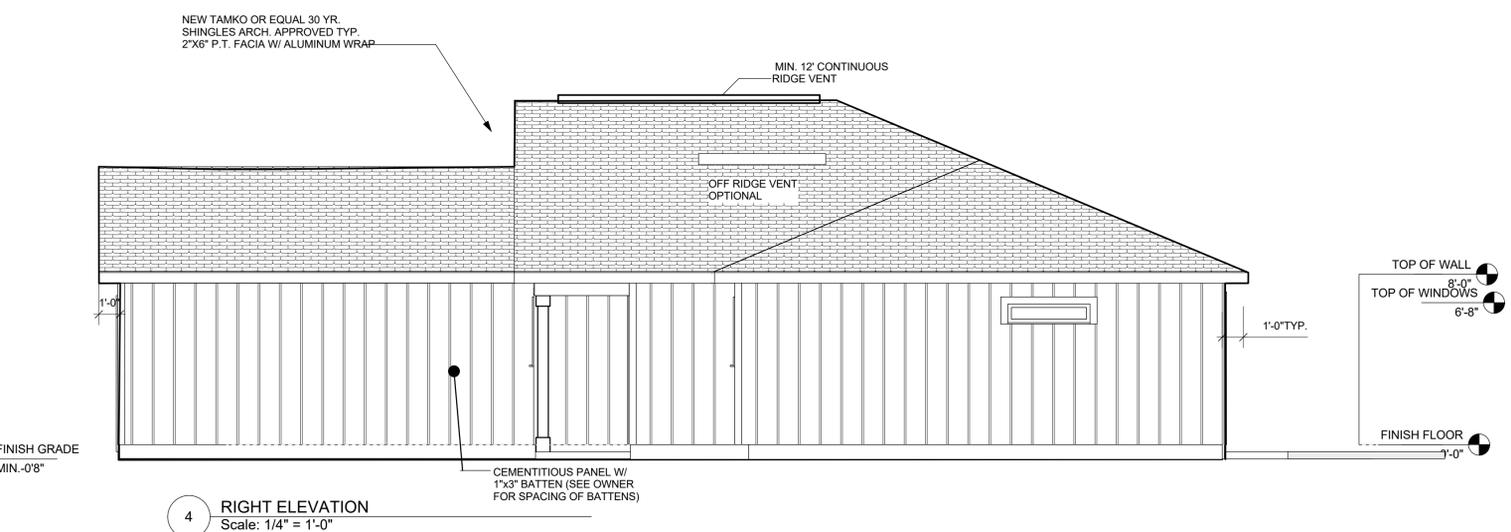


1 FRONT ELEVATION
 Scale: 1/4" = 1'-0"

3 LEFT ELEVATION
 Scale: 1/4" = 1'-0"



2 REAR ELEVATION
 Scale: 1/4" = 1'-0"



4 RIGHT ELEVATION
 Scale: 1/4" = 1'-0"

Ventilation Calculation

Area of conditioned space 1295 SQ. FT.
 Convert to square inches 186480 SQ. IN.

Required vented area is 1/300 of total conditioned space.
 If 40-50% of ventilation is within 3' of ridge
 Total vented area is 1/300 X 186480 = 621.6 SQ. IN

50% of the total vented area is 310.8 SQ. IN.

RIDGE VENT PORTION OF VENTILATION

TOTAL FEET OF RIDGE VENT 12 FT
 RIDGE VENT TYPICAL 20 SQ. IN. CLEAR SPACE PER FOOT
 20 SQ. IN. X 12 = 240 SQ. IN.

REMAINDER REQUIRED IN OFF RIDGE VENTS 310.8 - 240 = 70.8

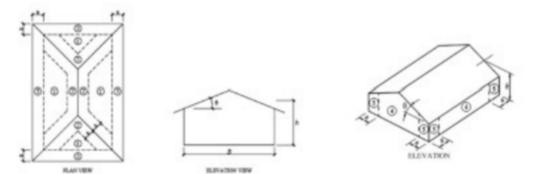
OFF RIDGE VENT PORTION OF VENTILATION

122SQ. IN. PER 6' OF OFF RIDGE VENT
 REMAINDER REQUIRED 70.8
 OFF RIDGE VENT PORTION OF VENTILATION = 70.8 / 122 = 0.580328
 NUMBER OF OFF RIDGE VENTS REQUIRED = 0.580328 / 1 = 0.580328
 ROUNDED TO 1
 1 NO OFF RIDGE VENT REQUIRED

SOFFIT VENT

TOTAL FEET OF SOFFIT 156
 4 SQ. IN. OPEN PER FOOT OF SOFFIT VENT FOR 12" OVERHANG
 4 SQ. IN. X 156 = 624

PROVIDE 12 FT. RIDGE VENT TOTAL 3 LOCATIONS
 1 OFF RIDGE VENT AT 6' EACH NO OFF RIDGE VENT REQUIRED
 CONTINUOUS SOFFIT VENT



- ZONE 2, 2 & 3 USE FASTENERS @ 4" O.C. ON SHEET EDGES AND 4" O.C. IN SHEET FIELD
 - SPACE FASTENERS 4" O.C. MIN. @ GABLE ENDWALL OR GABLE TRUSS.
- FASTENERS SHALL BE 8D RING SHANKED

COMPONENT & CLADDING DESIGN PRESSURES:

COMPONENT & CLADDING DESIGN PRESSURE LOADS: SUPPLIERS / MANUFACTURERS OF ALL CLADDING AND COMPONENTS (INCLUDING, BUT NOT LIMITED TO: SIDING, ROOFING, DOORS, WINDOWS, AWNINGS, ETC.) WILL SUBMIT REPORTS & DATA SIGNED AND SEALED BY A LICENSED STRUCTURAL ENGINEER IN THE STATE OF FLORIDA DOCUMENTING COMPLIANCE WITH THIS PROVISION OF THE FLORIDA BUILDING CODE; 2023 8th EDITION WITH SUPPLEMENTS

BASIC WIND SPEED 140 MPH ROOF SLOPE 20'-27' INTERNAL PRESSURE COEFFICIENT .18
 'A' DIMENSION = 4'

COMPONENT & CLADDING

COMPONENT AND CLADDING WIND LOADS FOR A BUILDING WITH A MEAN ROOF HEIGHT OF 30 FEET LOCATED IN EXPOSURE B (psf RISK CATEGORY II)

ZONE	EFFECTIVE WIND AREA	POS NEG	
		POS	NEG
HIP ROOF >20 TO 27 DEGREES	1	10	-28.3
	1	20	-25.1
	1	50	-20.8
	1	100	-17.6
	2e, 2r, 3	10	-39.1
	2e, 2r, 3	20	-34.9
WALLS	2e, 2r, 3	50	-29.4
	2e, 2r, 3	100	-25.3
	4	10	21.2
	4	20	20.2
	4	50	19.0
	4	100	18.0
	4	500	15.8
	5	10	21.2
	5	20	20.2
	5	50	19.0
5	100	18.0	
5	500	15.8	

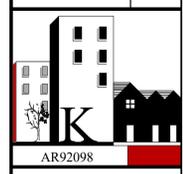
THESE PLANS ARE NOT TO BE REPRODUCED OR REPLICATED IN ANY MANNER WITHOUT THE WRITTEN CONSENT OF KERMIT HUGHES ARCHITECT. ANY REVISIONS OF THESE PLANS WITHOUT WRITTEN CONSENT OF KERMIT HUGHES ARCHITECT SHALL UNDERMINE ANY RESPONSIBILITY RELATED TO THE PROJECT.

DATE ISSUED	03/12/2025
REVISION	
DRAWN BY	CAROLINE
APPROVED BY	KERMIT

ELEVATIONS
 FRONT, RIGHT, REAR & LEFT ELEVATIONS,
 ROOF PLAN

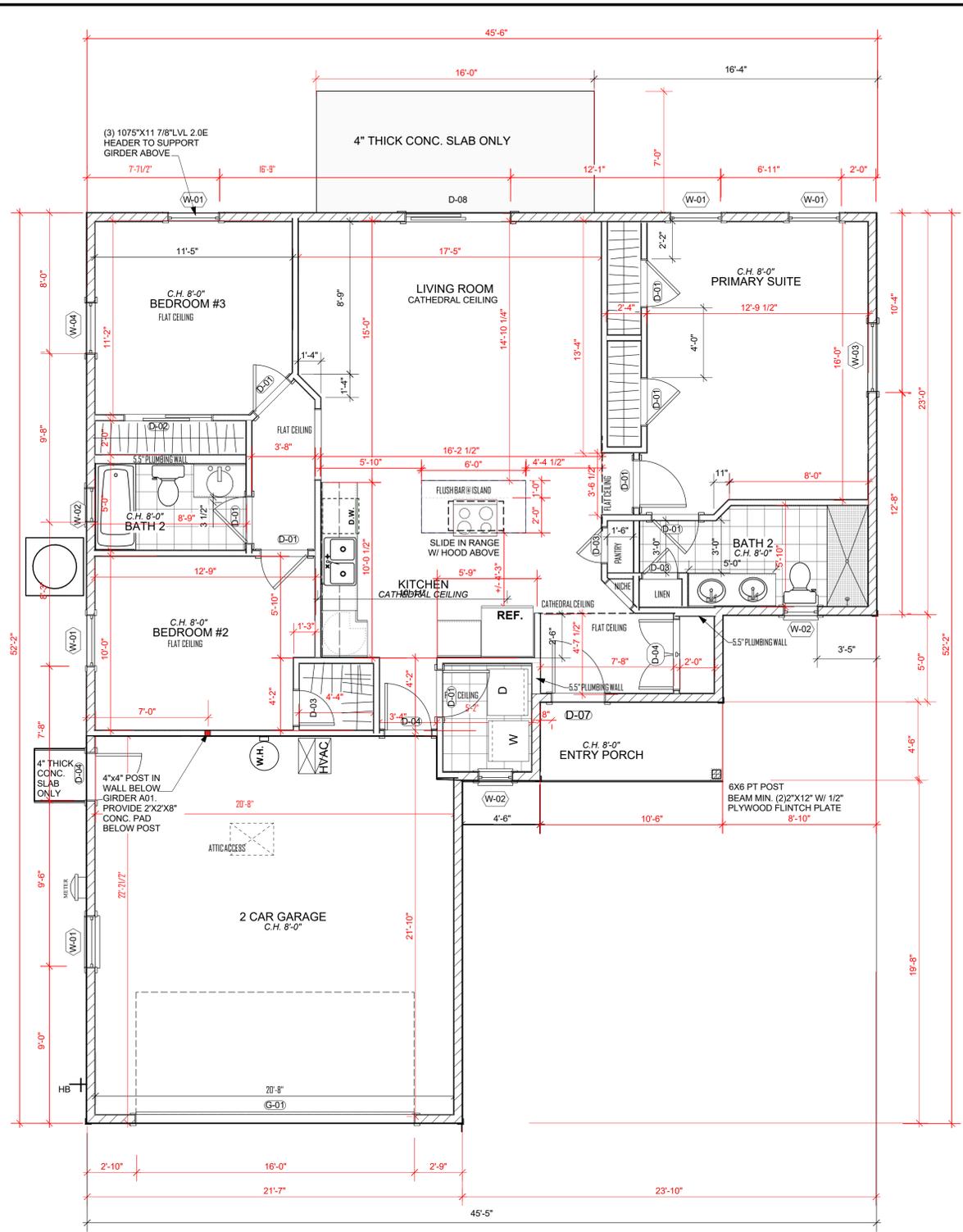
MODEL PLAN
Winker II Model
 NW 8TH ST.
 OCALA, FL

KERMIT HUGHES
ARCHITECT
 971 NE 71ST LANE OCALA, FL 34479
 TELEPHONE (352) 875-3464
 E-MAIL kermitarchitect@gmail.com



REVIEWED
 For Code Compliance
 City of Ocala Growth Management
 BLD25-0677
 DELVA ONE NEW SFR
 WWP1 4
 4/24/2025

BUILDING AREA	
NEW	1,295
LIVING CONDITIONED	47
ENTRY PORCH	476
CAR GARAGE	1,818
GRAND TOTAL	



1 FLOORPLAN
 Scale: 1/4" = 1'-0"

WALL SCHEDULE	
	6" EXTERIOR LOAD BEARING WALL W/ DBL. TOP PLATE (SHOWN ACTUAL 5 1/2")
	6" PLUMBING WALL, (SHOWN ACTUAL 5 1/2")
	4" PARTITION WALL (SHOWN ACTUAL 3 1/2")
	7/8" HIGH PARTITION WALL W/ PLANT SHELF ABOVE

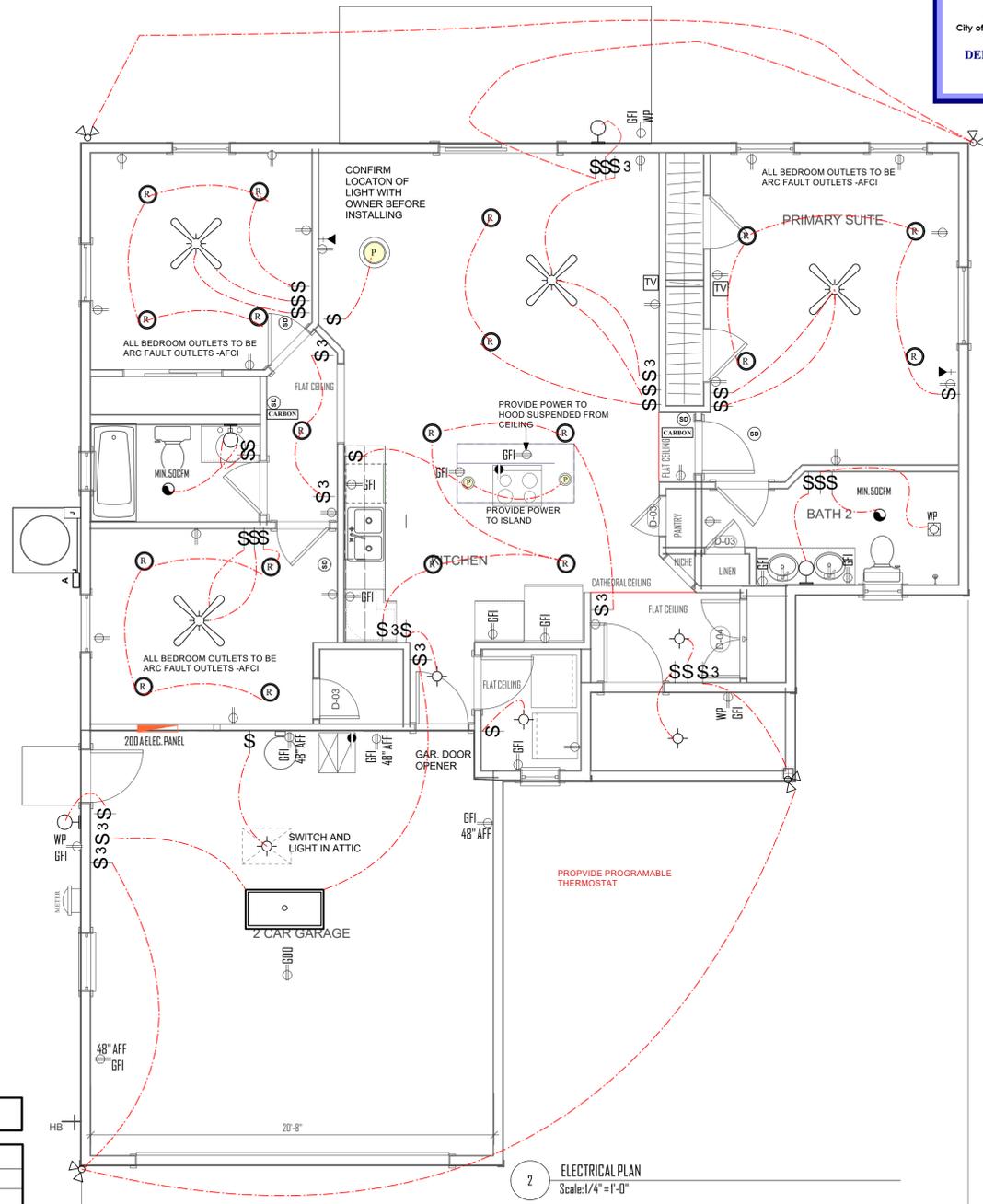
FLORIDA RESIDENTIAL CODE 2023 8th EDITION WITH UPDATES.
 OCCUPANCY CLASS RESIDENTIAL R3
 TYPE OF CONSTRUCTION V-B
 UNPROTECTED
 UNSPRINKLED

- GENERAL CONSTRUCTION NOTES**
- ALL DIMENSIONS ARE TO THE FACE OF STUD UNLESS NOTED OTHERWISE.
 - FIELD VERIFY ALL DIMENSIONS.
 - PROVIDE 2X4 BLOCKING BEHIND ALL WALL MOUNTED CABINETS.
 - PROVIDE MOISTURE RESISTANT GYPSUM BOARD OR CEMENT BOARD, BEHIND ALL SINKS AND IN WET AREAS.
 - COORDINATE INTERIOR FINISHES WITH OWNER
 - ALL GROUND FLOOR PLANS SHALL BE 8' CEILING UNLESS OTHERWISE NOTED.
 - PROVIDE R-38 (MIN.) INSULATION ABOVE CEILING. IN ATTIC. PROVIDE R-13 INSULATION @ ALL WOOD FRAME WALLS
 - FIELD VERIFY ALL CABINETS DIMENSIONS BEFORE MANUFACTURING

WINDOW SCHEDULE				
ID	MANUFACTURER ID	WIDTH	HEIGHT	REMARK
W 01	SH3050	36"	60"	
W 02	SH2030	24"	36"	ORSURE/ FROSTED- BATHROOMS ONLY
W 03	48"X12" TRANSOM	48"	12"	N/A
W 04	36"X12" TRANSOM	36"	12"	N/A

DOOR SCHEDULE				
ID	MANUFACTURER ID	WIDTH	HEIGHT	REMARK
INTERIOR DOORS				
D01	2868	32"	80"	(2) 2868 BI-PASS DOOR
D02	5068	60"	80"	
D03	2068	24"	80"	
D04	5068	60"	80"	(2) 2868 SWING DOOR
D05	2468	28"	80"	
EXTERIOR DOORS				
D08	6068	72"	80"	(2) 36" GLASS SLIDING DOORS
D07	3068	36"	80"	EXTERIOR METAL FRONT DOOR
G01	160" X 70"	192"	84"	GARAGE DOOR
D04	2868	32"	80"	SOLID CORE, METAL

DIMENSIONS SHOWN ARE FINISH DIMENSIONS. SEE MANUFACTURERS ROUGH OPENING REQUIREMENTS BEFORE BEGINNING CONSTRUCTION
 SUPPLIER SHALL PROVIDE ROUGH OPENING DIMENSIONS FOR ALL WINDOWS AND DOORS BEFORE CONSTRUCTION BEGINS. SUPPLIER SHALL ALSO PROVIDE INSTALLATION DETAILS THAT SUPPORT THE MANUFACTURERS WARRANTY AND FLORIDA PRODUCT APPROVAL NUMBERS FOR ALL OPENINGS



2 ELECTRICAL PLAN
 Scale: 1/4" = 1'-0"

ELECTRICAL LEGEND			
SYMBOL	DESCRIPTION	SYMBOL	DESCRIPTION
	WALL MOUNTED LIGHT, STYLE BY OWNER		DUPLEX FLOOR RECEPTACLE COORDINATE LOCATION IN FIELD
	MOISTURE RESISTANT EXTERIOR GRADE WALL MOUNTED LIGHT, STYLE BY OWNER		110 DUPLEX RECEPTACLE MOUNTED 18" A.F.F.
	DECORATIVE WALL SCONCE, STYLE BY OWNER		220 DUPLEX RECEPTACLE
	WALL MOUNTED LIGHT		110 RECEPTACLE GROUND FAULT
	EXTERIOR FLOOD LIGHT		110 RECEPTACLE GROUND FAULT AND WATER PROOF
	DIRECTIONAL RECESSED CAN LIGHT		110 RECEPTACLE W/GROUND FAULT MOUNTED 48" AFF
	RECESSED CAN		110 RECEPTACLE CEILING MOUNTED FOR GARAGE DOOR OPENER
	SMALL PENDANT LIGHT		SWITCHED RECEPT MOUNTED IN EXTERIOR SOFFIT
	CHANDELIER PENDANT LIGHT		TELEPHONE/DATA OUTLET
	WATER PROOF CAN LIGHT		SWITCH
	CEILING FAN WITH LIGHT KIT, STYLE BY OWNER		3 WAY SWITCH
	12"x48" FLUORESCENT LIGHT		EXHAUST FAN 50 CFM UNLESS NOTED OTHERWISE
	24"x48" FLUORESCENT LIGHT		CABLE OUTLET. COORDINATE LOCATION AND AMOUNT W/ OWNER.
	12"x24" FLUORESCENT LIGHT		SMOKE DETECTOR
	SMALL FLUORESCENT UNDER CABINET LIGHT		AC DISCONNECT
	CARBON MONOXIDE DETECTOR		JUNCTION BOX
			METER
			PANEL BOX

NOTE: ALL ELECTRICAL RECEPTACLES IN FAMILY ROOMS, DINING ROOMS, LIVING ROOMS, PARLORS, LIBRARIES, DEN, BEDROOMS, SUNROOMS, RECREATION ROOMS, CLOSETS, HALLWAYS OR SIMILAR ROOMS OR AREA SHALL BE PROTECTED BY A LISTED ARC-FAULT CIRCUIT INTERRUPTER, COMBINATION TYPE, INSTALLED TO PROVIDE PROTECTION OF THE BRANCH CIRCUIT.

DATE ISSUED	03/12/2025
REVISED	
DRAWN BY	CAROLINE
APPROVED BY	KERMIT

FLOOR PLAN/ELECTRICAL
 FLOOR PLAN/NOTES/ELECTRICAL PLAN

MODEL PLAN
Winker II Model
 NW 8TH ST.
 OCALA, FL

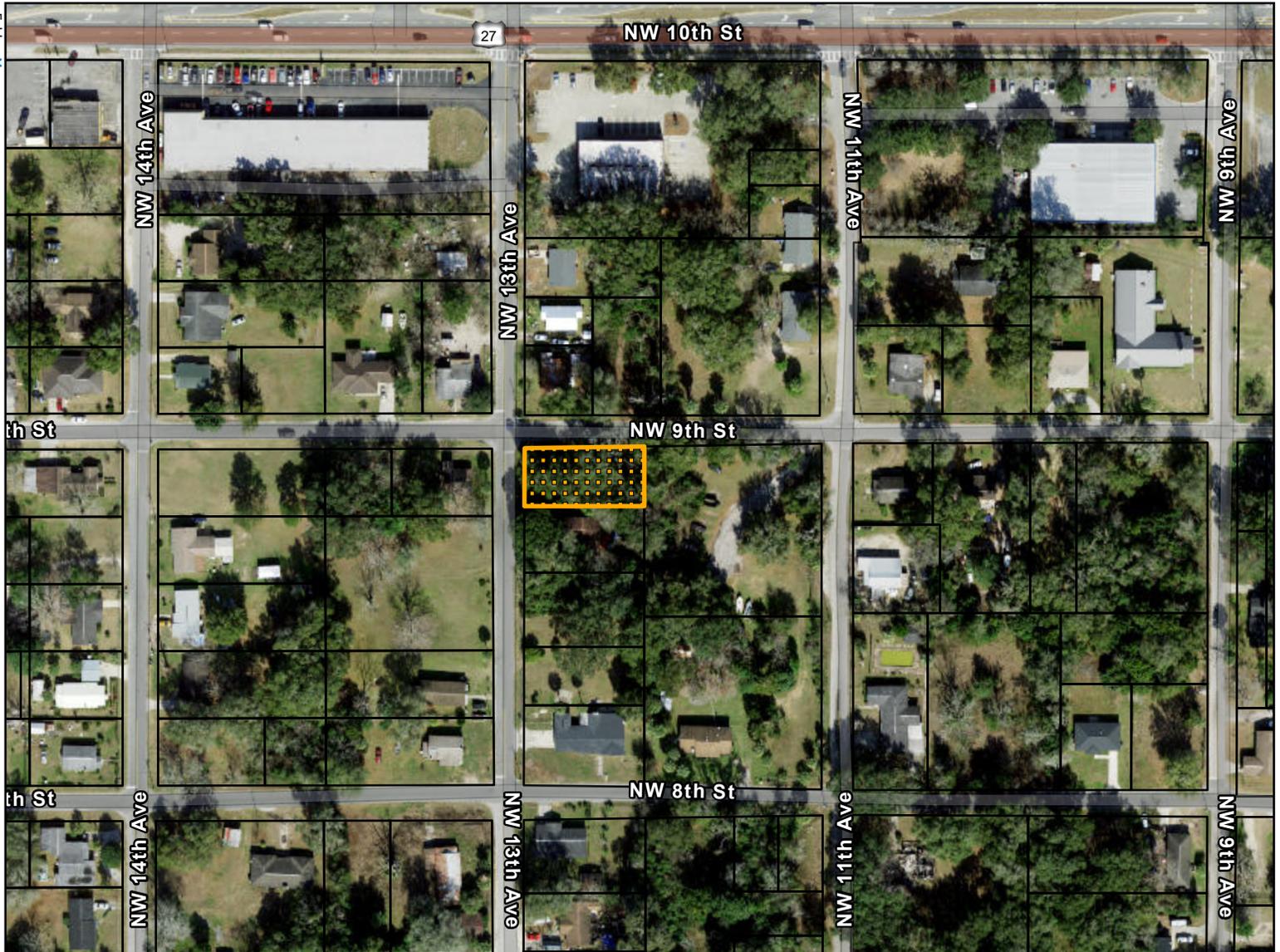
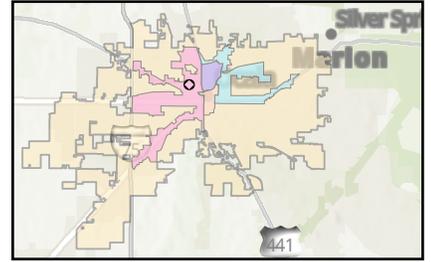
KERMIT HUGHES
ARCHITECT
 971 NE 71ST LANE OCALA, FL 34479
 TELEPHONE (352) 875-3464
 E-MAIL: kermitarchitect@gmail.com



AR92098
 SHEET NO.
A100
 1 OF 4

AERIAL MAP

Parcel: 2570-402-301
Case Number: AH25-0003
Property Size: 0.26 acres
CRA Location: West Ocala
Proposal: A Request for CRA fund use.



 Subject Parcel

 Parcels

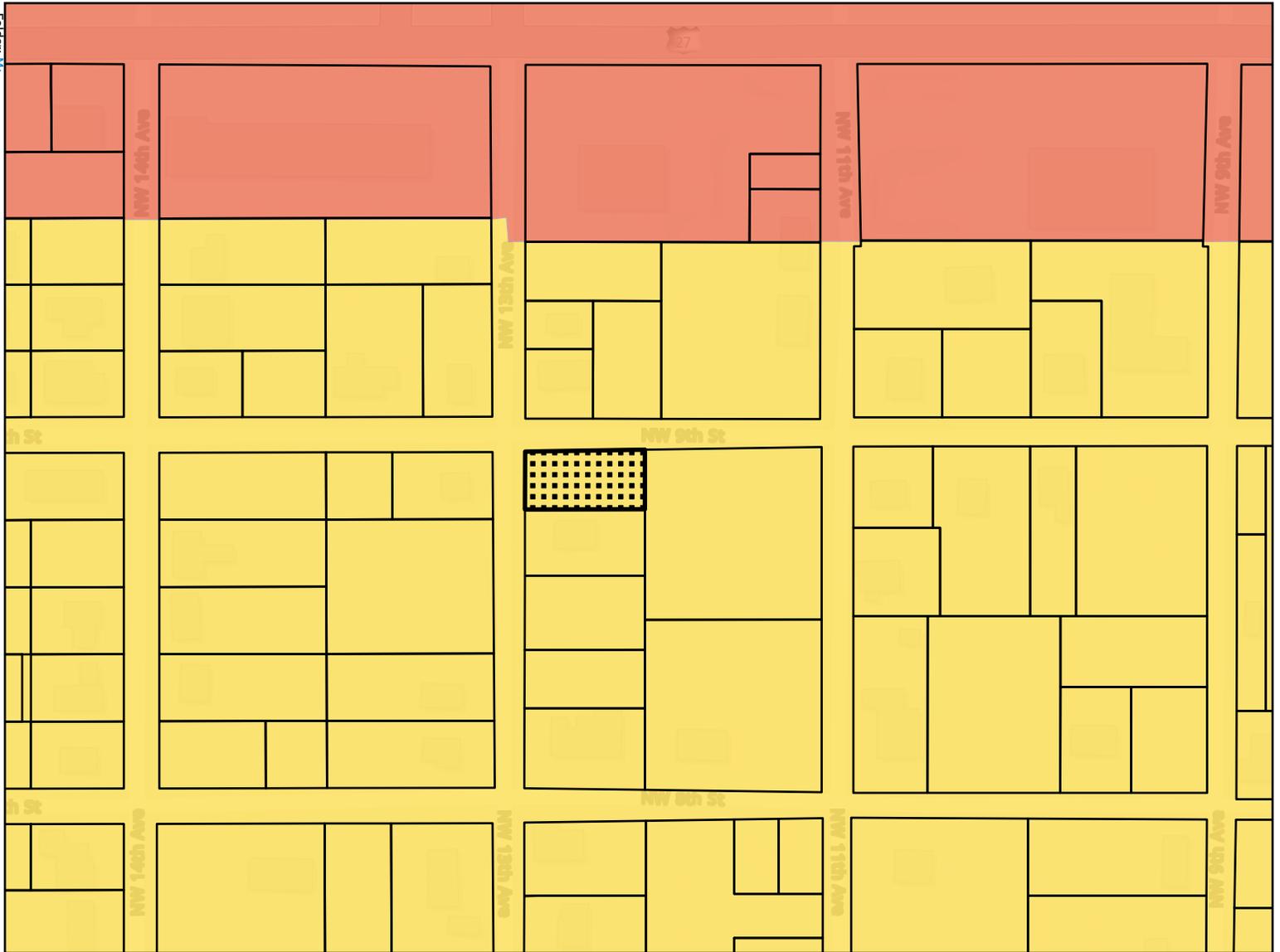
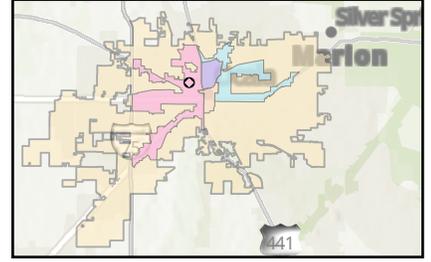


This information is provided as a visual representation only and is not intended to be used as a legal or official representation of legal boundaries. All GIS data which is provided by the City of Ocala should be considered a generalized spatial representation which may be subject to revisions. The feature boundaries are not to be used to establish legal boundaries. For specific information contact the appropriate City of Ocala department or agency.

Folder: M:
GIS\Department\IT\Evan\Comunic\dev\Robert\August\request

CASE MAP

Parcel: 2570-402-301
Case Number: AH25-0003
Property Size: 0.26 acres
CRA Location: West Ocala
Proposal: A Request for CRA fund use.



- Parcels
- B-4: General Business
- R-2: Two-Family Residential
- West Ocala CRA
- Subject Parcel



Folder: M:\GIS\Department\IT\Evan\EconomicDev\Robert\AugustRequest\



Ocala

Legislation Text

110 SE Watula Avenue
Ocala, FL 34471

www.ocalafl.gov

File #: 2025-1765

Agenda Item #: 5c.

Submitted By: Roberto Ellis

Presentation By: Aubrey Hale

Department: Growth Management

STAFF RECOMMENDATION (Motion Ready):

Approve Redevelopment Agreement for Project Hometown - Downtown Ocala Marriott AC between the City of Ocala and Domach, LLC, with total city incentives not to exceed \$5,619,644

OCALA'S RELEVANT STRATEGIC GOALS:

Quality of Place, Economic Hub

PROOF OF PUBLICATION:

NA

BACKGROUND:

In 2004, the City of Ocala (City) completed the *Downtown Ocala Master Plan (Master Plan)*, which provides implementable redevelopment and reinvestment strategies. The overall revitalization and success of downtown Ocala depend upon these strategies. The Master Plan aims to concentrate new development within the downtown core while ensuring that development concepts achieve the highest and best use of properties. Additionally, the Master Plan highlights numerous parking lots, vacant parcels, and underutilized properties located within the city center. These sites represent prime opportunities for new development, which is an essential component of downtown's long-term success.

Subsequently, the City has continued its reinvestment and redevelopment initiative as evidenced by the completion of the Ocala 2035 Vision, Comprehensive Plan update, and additional focus area studies/master plans. In 2024, the city began the process of updating the 2035 Vision to extend it to the year 2050. The city selected Urban 3, a financial stability consultant, to conduct a study, *Economics of Community Design*, examining the land-value economics, property and retail tax analysis, and community design of Ocala. A primary focus of the study was the downtown core with an emphasis on the importance of mixed-use, high-intensity development in the downtown area to establish and maintain key revenue sources.

The subject property, located at 210 West Silver Springs Boulevard (Parcel ID: 2854-025-001), falls within the Community Redevelopment Agency (CRA) Downtown subarea. The subject property was acquired in 2023 and previously served as the location of a repair garage. The building was demolished, making way for a redevelopment opportunity. The property is considered a catalytic opportunity due to its prime location,

investment possibilities, and the potential economic benefit to surrounding businesses and properties.

FINDINGS AND CONCLUSIONS:

City Incentives

The City of Ocala (City) and the CRA, on a case-by-case basis, support projects within redevelopment areas that have the potential for catalytic impact while furthering the City Council's strategic priorities, specifically, Quality of Place and Economic Hub. Incentives designed to encourage private investment in these areas have proven successful in advancing the City's redevelopment goals. For this project, the City has established a maximum incentive target not to exceed a total of 10 percent of the proposed development costs when compared to the City's incentive. The Developer has proposed a project of no less than \$56,196,441, qualifying for a maximum City incentive of \$5,619,644. The proposed agreement allows for flexibility in the disbursement of the City incentives utilizing Tax Increment Financing (TIF), parking incentive, in conjunction with a downtown CRA grant paid out over a three-year period. The Downtown CRA is set to expire in 2038, allowing the distribution of TIF for the duration of the Downtown CRA. The parking incentive will provide free parking up to the maximum total incentive of \$5,619,644. An anticipated breakdown of the incentive is further defined below and in the attached *City Incentive Summary*.

Per the redevelopment agreement, Non-Adjustable Incentives include the City Elevator Incentive, City Review Contributions, City Improvements, and the City Grant. Adjustable Incentives include the City Parking Incentive and City CRA Payments (Tax Increment Financing), which will be determined annually based on valorem taxes paid and parking rates. Please refer to the attached sheet - *City Incentives Summary* for the estimated value of each incentive. The incentives to be provided and details of the project are summarized below. Refer to the attached document labeled *Redevelopment Agreement for Project Hometown* for more information on the terms and conditions established for the City and Domach, LLC (Developer).

- **City Grant:** The City will pay the Developer a grant of \$500,000, to be disbursed in three equal payments within 24 months of the City's verification of Development Costs.
- **City Review Contributions:** The City will pay on behalf of the Developer, all applicable building permit and impact fees to be incurred for the project. The fees are estimated at \$199,686. Payment of the Transportation Impact Fees will be the sole responsibility of the Developer. Please refer to the attached document labeled *City Incentives Summary* for a breakdown of the fees.
- **City Improvements:** The City, at its sole cost and expense, will pay or reimburse the Developer for right-of-way improvements adjacent to the Property. The proposed improvements are intended to improve the balance between facilitating traffic and creating a walkable, pedestrian-friendly environment. The estimated cost of the city improvements is \$559,323. The majority of the costs are attributed to improvements necessary to offset the anticipated impacts on infrastructure from the construction of the Parking Garage and the hotel project. To review the proposed improvement plans, please refer to the document attached as *Exhibits E1-E4*.
- **City Parking Incentive and City Elevator Incentive:** The city will be providing 225 exclusive parking spaces to the Developer. Parking is a prime concern for most development projects downtown and often influences the final project design and business operation. A parking agreement, the *Parking Agreement for Project Hometown - Downtown Ocala Marriott AC*, is presented for approval in a subsequent agenda item. This will allow for future amendments as the exclusive parking will remain in effect long after all other City incentive obligations outlined in the redevelopment agreement are met. The project is located in the block north of the new parking garage site (Parcel ID: 2853-026-002). The

value provided by virtue of waiving the regular fees for long-term contract parking is included in the total incentives.

- The original designs for the new parking garage included plans to install at least two elevators. The Developer has proposed adding a third elevator to enhance access to the dedicated parking spaces. The City will provide the City Elevator Incentive, covering 50 percent of the cost for the third elevator, which will be designated for the Developer’s use, except during certain events organized by the City.
- **City CRA Payments:** The City will make an annual payment to the Developer representing 100 percent of the tax increment to be realized from the increase in property value. The amount will be calculated based on the applicable City and County ad valorem taxes.
 - The Developer must provide documentation to show that all taxes have been paid before each disbursement.
 - Payments will terminate upon the earlier of either the expiration date of the Downtown CRA or the date on which the City CRA payments and other incentives cause the City Incentives Target to be met.

Project Summary

- **Development Cost:** The Developer is required to invest a minimum of \$56,196,441, which covers acquisition, demolition, soft costs, building construction, furnishing, finishing, and equipment. The developer will also cover 50 percent of the cost of adding a third elevator to the parking garage, which will be restricted to support hotel operations.
- **Project Description:** Per the approved plans, the project includes a six-story, 176-room “Marriott AC” hotel together with a sixth-floor restaurant and bar, first-floor bar and lounge, Class-A office space, and hotel amenities including meeting rooms, business center, gym, and patios.
- **Project Design:** The project’s architectural design, floor plan, density, and site plan align with the principles of the Form-Based Code zoning district for Downtown Ocala.
- **Project Schedule:** The developer has a period of 24 months from the effective date of the agreement to complete the project. The intention is to finish the project ahead of schedule with an accelerated target date of December 2026.
- **Development Team:** The Developer is represented by the law firm Gooding & Batsel, PLLC, which formerly represented the City. On November 11, 2023, the Ocala City Council granted a Request for Conflict Waiver. Please refer to the attached document labeled *Request for Conflict Waiver*.

The Downtown CRA subarea has the highest levels of productivity based on Taxable Value Per Acre, when compared to the rest of the city. The City anticipates that this project will establish another anchor development in the downtown CRA, having a marked increase in the site’s property value once redevelopment is complete. Staff supports the proposed agreement given the project’s close alignment with City Council’s strategic priorities, specifically, Economic Hub and Quality of Place.

FISCAL IMPACT:

The current taxable value within the Downtown CRA is approximately \$145 million. The investment of this

project is projected to increase the tax base by approximately \$20 million upon completion. Investment of this level exceeds the average taxable value per acre, which is noteworthy given that 53 percent of downtown properties are tax-exempt. The estimated discounted payback period for the City's proposed \$5,619,644 investment is approximately nine years. This is calculated based on the estimated annual electric revenue of \$488,541 and ad valorem revenue of \$219,518. *Refer to the ROI Analysis Summary document attached for additional information on the other assumptions made.*

The incentives to be provided are spread across multiple fiscal years. City Review Contributions will be paid from the Economic Investment Fund. The City Grant, City CRA Payments, and City Improvements will be funded through the Downtown CRA. The City Elevator Incentive is currently budgeted in the costs for the parking garage. The value of the City Parking Incentive will equate to \$72,660 per year based on existing rates for long-term parking.

PROCUREMENT REVIEW:

NA

LEGAL REVIEW:

This Agreement has been reviewed and approved for form and legality by City Attorney, William E. Sexton.

ALTERNATIVE:

- Approve
- Approve with Changes
- Table
- Deny

**REDEVELOPMENT AGREEMENT
FOR PROJECT HOMETOWN
DOWNTOWN OCALA MARRIOTT AC**

BETWEEN

**CITY OF OCALA,
a Florida municipal corporation,**

and

**DOMACH, LLC,
a Florida limited liability company**

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**REDEVELOPMENT AGREEMENT
FOR PROJECT HOMETOWN**

THIS REDEVELOPMENT AGREEMENT (“Agreement”), is entered into effective as of this ____ day of _____, 2025 (the “Effective Date,” as defined below) by and between:

- City of Ocala, a Florida municipal corporation (“City”); and
- DOMACH, LLC, a Florida limited liability company (“Developer”).

WHEREAS:

- A. City is committed to the redevelopment and revitalization of downtown Ocala.
- B. City, like many local governments, has focused on economic development to improve its local economy by attracting business, creating jobs, and encouraging private investment.
- C. The Developer is the owner of the Property¹ located in downtown Ocala being more particularly described on **Exhibit A** (the “Property”).
- D. City desires the Property be redeveloped for use consistent with the aesthetic of downtown Ocala, and in furtherance of City’s Master Plan.
- E. City has established, pursuant to Part III, Chapter 163, Florida Statutes (the “CRA Act”) a community redevelopment area (the “CRA”).
- F. The CRA Act includes downtown Ocala, and specifically the Property.
- G. The City recognizes a certain amount of joint effort and investment by both parties is necessary to advance the type of development it desires in downtown ; however, the potential benefits derived from the Project to both City and Developer are great. If successful, the Project will likely contribute greatly to the revitalization and redevelopment of downtown Ocala.
- H. City Council, finding this economic development opportunity to be in the best interest of City and the health, safety and welfare of the citizens of Ocala, has offered to facilitate the Project by providing certain economic incentives to the Developer and making certain specific investments in, and improvements to, downtown Ocala with the expectation the City’s involvement will encourage and accelerate the timing of redevelopment, thus generating additional tax revenues, benefiting the downtown economy and enhancing the potential for future development and re-occupancy of neighboring properties.
- I. City Council finds the City’s provision of economic incentives and investments pursuant to this Agreement constitutes a public purpose.
- J. The Florida Legislature has found government sponsored public-private arrangements and the promotion and support, including financial assistance, of economic development activities are in the public interest and achieve a public benefit.

¹ Terms capitalized in these whereas clauses and not otherwise defined are defined in paragraph 1.1 below.

- K. City and Developer wish to memorialize their understanding of the development of the Property, the economic incentives, the City's investment, infrastructure and improvements to downtown Ocala and the respective duties and responsibilities of the parties.

NOW THEREFORE, in consideration of the foregoing matters (which are incorporated herein by reference) and the mutual covenants contained herein, and for other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged by all parties, the parties hereto agree as follows:

1. **Definitions.**

- 1.1. Generally. In addition to the terms defined elsewhere in this Agreement, the following terms shall have the following meanings.
- 1.1.1. *Agreement* – This agreement, including any Exhibits attached hereto, and any revisions or amendments to this agreement.
- 1.1.2. *Approval* – The final, unconditional approvals (i.e., site plan, building approval) from all applicable governmental agencies reasonably necessary to allow for the immediate issuance of building permits and commencement of construction of the Project, and the expiration of time for the filing of an appeal or other challenge, without such an appeal or challenge having been filed.
- 1.1.3. *Approval Date* – The date on which Project Approval is obtained for the Project.
- 1.1.4. *Approved Plans* – The Plans for the Project submitted by Developer and on file with City in connection with a pending application for Site Plan approval, subject to approval or revisions thereto arising from City comments or Developer amendments, as well as subsequent plans submitted in future permitting.
- 1.1.5. *Building* – The building to be constructed by Developer as part of the Project.
- 1.1.6. *Business Day* (regardless of whether the term is capitalized) – Any day other than Saturday, Sunday, any legal holiday, any day on which the government offices of City are closed, and any other day on which commercial banks in the State of Florida are required or authorized to be closed.
- 1.1.7. *City Code* – The Code of Ordinances of City of Ocala.
- 1.1.8. *City CRA Payments* – City's payments of the amounts set forth in paragraph 4.1.
- 1.1.9. *City Elevator Incentive* – The amount of One Hundred Eight Thousand and 00/100 Dollars (\$108,000.00), being one-half of the estimated cost of constructing the Dedicated Elevator (as defined in the Parking Agreement and utilized herein), as set forth in paragraph 4.6.
- 1.1.10. *City Grant* – City's payments of the amounts set forth in paragraph 4.3.
- 1.1.11. *City Improvements* – The improvements set forth in paragraph 4.4.
- 1.1.12. *City Incentives* – One or more of the following:
- a). The City CRA Payments.

- b). The City Parking Incentive.
- c). The City Grant.
- d). The City Improvements.
- e). The City Review Contribution.
- f). The City Elevator Incentive.

- 1.1.13. *City Incentives Target* – As set forth in paragraph 4.7.3.
- 1.1.14. *City Investments Total* – The sum of the value of all City Incentives calculated as set forth in paragraph 4.7.4.
- 1.1.15. *City Parking Incentive* – City’s waiver of Regular City Parking Charges otherwise to be made by, or City’s payment of Regular City Parking Charges on behalf of, Developer pursuant to paragraph 4.2.
- 1.1.16. *Completion* (regardless of whether the term is capitalized) – When construction of the Project is substantially completed as determined pursuant to paragraph 9.2.1.
- 1.1.17. *Construction Costs* (regardless of whether the phrase is capitalized) – All actual costs of construction, renovations and site development work incurred by Developer in connection with the Project.
- 1.1.18. *Control* – The power to direct the management and policies of an entity or business by ownership, beneficial interest, contract or otherwise.
- 1.1.19. *Develop* (regardless of whether the term is capitalized) – To perform activity associated with the development of the Project including the design and construction of the Project on the Property pursuant to this Agreement. The term is synonymous with “redevelop” under this Agreement.
- 1.1.20. *Developer Principal* – Collectively, Douglas P. Cone, Jr. and Navroz F. Saju.
- 1.1.21. *Development Costs* (regardless of whether the phrase is capitalized) – All costs incurred in connection with or directly attributable to the Project, regardless of whether they were incurred prior or subsequent to the Effective Date of this Agreement, including acquisition of the Property; demolition of prior improvements; Construction Costs; furniture; fixture and equipment costs; and directly related “soft costs” (i.e. design, permitting, professional fees, consulting fees, etc.).
- 1.1.22. *Development Order* (regardless of whether the term is capitalized) – Site plan approvals, issuance of building permits or similar action by City and all other government entities with jurisdiction over the Project, or any portion thereof, necessary for Developer, as may be applicable, to develop such portions of the Project pursuant to the requirements of this Agreement.

- 1.1.23. *Effective Date* – The date or effective date of this Agreement is the date upon which City or Developer last signs this Agreement. [The last party executing this Agreement is authorized to fill in the Effective Date in the blank in the first paragraph of this Agreement.]
- 1.1.24. *Force Majeure* – Those conditions beyond the reasonable control of City or the Developer which will excuse any delay in the performance of their respective obligations and covenants hereunder as such conditions are set forth in paragraph 13 of this Agreement.
- 1.1.25. *Hotel* – The Marriott AC hotel to be constructed as part of the Project as further described in this Agreement.
- 1.1.26. *Master Plan* – The City of Ocala Downtown Master Plan adopted by City Council on January 20, 2004, as may be amended by City Council from time to time.
- 1.1.27. *Month* (regardless of whether the term is capitalized) – When used with reference to calculation of dates, shall refer to the monthly anniversary of the starting date or event for example, two (2) months after February 15, 2026, is April 15, 2026.
- 1.1.28. *Parking Agreement* – The agreement between City and Developer concerning the Parking Garage referred to in paragraph 6.
- 1.1.29. *Parking Garage* – The parking garage to be constructed by City on the real property lying immediately south of the Property, which was historically utilized by Mount Moriah Missionary Baptist Church (Marion County Parcel ID Nos. 2853-026-001, 2853-026-002, 2853-026-003, and 2853-026-004).
- 1.1.30. *Person* (regardless of whether the term is capitalized) – An individual, corporation, limited liability company, partnership, or similar entity or group of individuals or persons.
- 1.1.31. *Phase* – One or more Phases of completion of the Project as set forth in greater detail in paragraph 9.2.
- 1.1.32. *Plans* – The site plan and building plan for the Project, and other applications necessary to obtain a building permit and other development approvals for the Project.
- 1.1.33. *Project* – The construction of the Building, including the Hotel, and other improvements to be constructed on the Property described herein.
- 1.1.34. *Property* – The real property described on the attached **Exhibit A**, upon which the Project shall be constructed.
- 1.1.35. *Redevelopment Program* – The development of the Property and the construction of the Project, pursuant to this Agreement.
- 1.1.36. *Regular City Parking Charge* – As defined in the Parking Agreement.

- 1.1.37. *Schedule* – The schedule for performance of certain requirements of the Project as set forth in paragraph 9.
- 1.1.38. *Substantial Change* – A change wherein the Project has been revised such that, in the reasonable opinion of City, the Approved Plans has been substantially modified to: (a) reduce the size or scale of the Project as denoted by the proposed total area; or (b) adversely impact the uses and amenities set forth in paragraph 3.3.2.
- 1.2. Rules of Construction. For the purposes of the interpretation, construction, administration, and implementation of this Agreement, unless otherwise stated in this Agreement or the context clearly indicates to the contrary, the following rules of construction shall apply:
- 1.2.1. Words importing the singular number shall include the plural, and vice versa.
- 1.2.2. Where a provision involves two or more items, conditions, provisions or events connected by the conjunction “and,” “or” or “either or,” the conjunction shall be interpreted as follows: “and” indicates that all the connected terms shall apply; “or” indicates that the connected terms may apply singly or in any combination; and “either or,” indicates that only one of the connected terms may apply.
- 1.2.3. The word “includes” shall be assumed to be followed by the phrase “with-out limitation,” and therefore shall not limit a term to the specific example but is intended to extend its meaning to all other instances or circumstances of like kind or character.
- 1.2.4. The terms “herein,” “hereunder,” “hereby,” “hereto,” “hereof,” and any similar terms, shall refer to this Agreement.
- 1.2.5. The term “heretofore” shall mean prior to the execution of this Agreement.
2. **Purpose.** The purpose of this Agreement is to provide for the redevelopment of a portion of downtown Ocala in accordance with the Redevelopment Program, so as to improve quality of place, enhance the quality of life and the aesthetic and useful enjoyment of the downtown area, promote economic development and investment in the downtown area, and further the objectives of the Master Plan.
3. **Requirements of Developer.**
- 3.1. Generally. Developer’s development of the Property consistent with this Agreement is a material inducement for City to enter into this Agreement. The opportunity for Developer to develop the Project pursuant to this Agreement, and the other obligations of City pursuant to this Agreement, are material inducements for Developer to enter into this Agreement.
- 3.2. Land Use and Zoning. The parties intend that the Property is to be developed for commercial use consisting of the Hotel, and other uses as set forth in paragraph 3.3.2. The parties understand and agree that the Project will be developed to be consistent with the Form Based Code zoning district and High Intensity/Central Core future land use classification and that no change to such zoning or land use classifications shall be required.
- 3.3. Project.

- 3.3.1. The Plans for the Project shall be generally consistent with the preliminary architectural renderings attached hereto as **Exhibit B**. The City Designee may determine whether there has been a Substantial Change in the proposed Development plan and Developer may then request City Council to determine whether there has been a Substantial Change and, if so, whether the Plans are acceptable to City. If the City Designee determines that there has been a Substantial Change, and Developer does not request City Council to determine whether there has been a Substantial Change, the City may, in its sole discretion, reject the Plans until City Council determines that the Plans are acceptable to City.
- 3.3.2. Developer shall cause to be designed and constructed consistent with the Approved Plans, including a six-story, 176-room “Marriott AC” hotel together with a sixth-floor restaurant and bar, first-floor bar and lounge, Class-A office space, and hotel amenities including meeting rooms, business center, gym and patios (the “Project”).
- 3.3.3. Developer’s total Development Costs shall be no less than Fifty-Six Million, One Hundred Ninety-Six Thousand, Four Hundred and Forty-One and 00/100 Dollars (\$56,196,441.00) as set forth on the schedule attached hereto as **Exhibit C**.
 - a). For purposes of this paragraph, Developer’s Development Cost shall consist solely of the Development Costs paid by Developer for the Project and should not consider the value or amount of any City Incentives.
 - b). Upon completion of the Project, Developer shall provide to City documentation (consisting of copies of applicable invoices and corresponding copies of cancelled checks relating to development and construction of the Project) of its Development Costs establishing that Developer’s actual Development Costs incurred in connection with the Project were equal to, or in excess of, the amount set forth in paragraph 3.3.3. Developer shall not be required to provide any documentation concerning Development Costs in excess of such amount.
 - c). If Developer’s total Development Costs are less than the amount set forth in paragraph 3.3.3, the amount of the deficit shall reduce the City Incentives Target pursuant to paragraph 4.7, thereby reducing the amount of the City Incentives that may be paid to Developer pursuant to paragraph 4.7.
- 3.3.4. Developer shall cause Completion of the Project to occur set forth in paragraph 9.2.1.
- 3.4. Developer Payment of Fees. Except to the extent they are paid by the City Review Contributions, Developer is responsible for all charges or fees for plan review, permits and inspections for the Project.
- 3.5. Utility Requirement. Developer will comply with all of the following (the “Utility Requirement”).
 - 3.5.1. Developer shall purchase from City all electricity and fiber optic Internet service (“Internet Service”) needed on the Property.

3.5.2. Developer shall not:

- a). Obtain electricity or Internet Service from a provider of electricity or Internet Service or source other than City.
- b). Sell, transfer, exchange, give or otherwise transmit electricity or Internet Service generated by Developer to any other person, or any improvements, located off of the Property.

3.5.3. Nothing set forth in paragraphs 3.5.1 or 3.5.2 shall preclude Developer from:

- a). Utilizing one or more generators to provide electricity when the City is unable to provide electricity; or
- b). Obtaining, and utilizing, a backup provider of Internet Service to utilize when City is unable to provide Internet Service.
- c). Using a provider other than City for Internet Service after all the City CRA Payments have been made, if Developer determines, in its reasonable discretion, that the other provider can provide better or less expensive Internet Service than City is then providing.

3.5.4. Developer acknowledges and agrees as follows:

- a). The Utility Requirement is a reasonable condition imposed by City in consideration for City's agreement to provide the City Incentives.
- b). The Utility Requirement is not designed to be an unreasonable or impermissible prohibition, impairment or limitation on Developer's generation, purchase or consumption of electric energy, including renewable energy as defined under Florida law (currently set forth in Section 366.91(2)(d), Florida Statutes); rather, it is merely a condition of the City Incentives which Developer has accepted.
- c). The Utility Requirement does not constitute a regulation of renewable energy or a supplier thereof.
- d). The Utility Requirement is not a condition of developing, occupying or using the Project; rather, it is merely a condition of the City Incentives.

3.5.5. It is the intent of the parties hereto that the Utility Requirement is not severable from the obligations of City to provide the City Incentives. Thus, in the event that the litigation as hereafter instituted by or on behalf of Developer concerning the Utility Requirement and, in such litigation, the Utility Requirement is determined by a final judgment to be unenforceable, the parties agree that:

- a). City may terminate the City Parking Incentive and any further installments of the City CRA Payments or the City Grant; and
- b). Developer may not recover any amounts from City previously paid by Developer to comply with the Utility Requirement.

4. **Requirements of City.**

- 4.1. City CRA Payments. City shall pay to Developer the following amounts (the “City CRA Payments”) pursuant to the provisions of this paragraph 4.1.
- 4.1.1. As an incentive to construct the desired improvements associated with the Project, and in anticipation of the benefits to be received by downtown Ocala and the public if the Project is constructed, City shall pay, to Developer, City CRA Payments calculated as set forth in paragraph 4.1.3 pursuant to the schedule (the “City CRA Payments Schedule”) attached hereto as **Exhibit D**. The City CRA Payments shall terminate upon the earlier of: (a) the last payment date based on the City CRA Payments Schedule; or (b) the date that the City Incentives Total equals the City Incentives Target as set forth in paragraph 4.7.
- 4.1.2. The City CRA Payments shall be paid in annual installments, with the first installment being paid on the March 1 of the second year after the date of Completion of the Project (as determined pursuant to paragraph 9.2.1) and the last installment being paid as set forth in paragraph 4.1.1. Nothing set forth herein shall preclude City from paying any installment payment prior to the date it is due hereunder.
- 4.1.3. The amount of each installment shall be the percentage (the “Tax Increment Percentage”) of the Tax Increment set forth on the City CRA Payments Schedule. For purposes of this Agreement, “Tax Increment” shall equal (1) the amount of City and County ad valorem taxes assessed against the Property for the calendar year preceding the year in which the City CRA Payment is due (regardless of the calendar year during which such taxes were assessed) that are paid into the CRA (being the percentage set forth by resolution then in effect or 95% of such City and County taxes) in excess of (2) the City and County ad valorem taxes the Property for the calendar year in which Completion of the Project occurs. The Tax Increment shall not include any ad valorem taxes assessed by the Marion County School Board, the St. Johns River Water Management District or any governmental entity other than City and County.
- 4.1.4. Notwithstanding that installments of City CRA Payments may be calculated based on the Tax Increment:
- a). The Tax Increment is utilized only to calculate such installments, and the installments need not be paid from the ad valorem taxes that are utilized to calculate the Tax Increment.
 - b). The City CRA Payments do not constitute a rebate to Developer of any taxes collected by City on the Property.
 - c). City does not pledge its full faith and credit or taxing power in connection with its obligation to pay the City CRA Payments.
 - d). Neither Developer nor any other person or entity has a right to require City to impose any tax or establish any tax rate in order to generate funds for the City CRA Payments.

- e). City's obligation to pay the City CRA Payments does not constitute a lien upon any property of City.
- 4.1.5. City's obligation to pay Developer the City CRA Payments is conditioned upon the following; if such conditions do not occur or cease to exist, then City's obligation to pay the City CRA Payments shall be deemed terminated, and therefore, City shall be relieved from its obligation to pay Developer, any unpaid City CRA Payments due thereafter:
- a). Developer causing Completion of the Project as and when required by paragraph 9. City may not declare this condition has not occurred unless City first provides Developer with notice the Completion has not occurred, and the Completion does not occur within three (3) months after such notice. If someone other than Developer (i.e., mortgage lender) causes Completion of the Project to occur, this condition shall be deemed not to have occurred; City shall not be required to provide Developer with notice or an opportunity to cure in such situation.
 - b). Developer, paying all taxes and assessments (including real property and intangible personal property taxes and assessments) due on the Property (and its contents to the extent they are taxed) on or prior to the dates they are due under applicable law. City may not declare that this non-payment has not occurred unless City first provides Developer, new owner or assignee with notice that the condition has not occurred, and the condition does not occur within three (3) months after such notice.
 - c). The Hotel remaining open for business for at least six (6) years after the date of Completion of the Project. The Hotel shall not be deemed "open for business," but rather shall be deemed to be "closed for business," should it not be available for members of the public to obtain rooms in the manner that guests customarily do in a hotel. The Hotel shall be "open for business" even if the restaurant located therein is not available for members of the public to obtain meals in the manner that patrons customarily do in a restaurant. Should the Hotel close for business for more than thirty (30) consecutive days, or more than sixty (60) total days during any consecutive three hundred sixty-five (365) day period, the Hotel shall be deemed to have failed to remain open for purposes of this condition. The foregoing notwithstanding, periods of closure due to construction, remodeling, renovation or events qualifying as Force Majeure shall not be deemed to constitute failure to remain open for purposes of this paragraph.
 - d). The Developer retaining ownership of the Project until Completion of the Project. Failure to retain ownership during such time period shall be defined as the occurrence of any of the foregoing:
 - 1). Developer assigns this Agreement in whole or in part, or an Interest Transfer occurs, other than as permitted in paragraph 14.
 - 2). Conveyance of fee simple title in the Property to:
 - (a). An individual other than a Developer Principal; or

- (b). An entity: (a) in which the Developer Principals, individually or collectively, retain less than 51% of the ownership and voting interests; or (b) of which no Developer Principal maintains Control.
- 3). Developer enters into a lease of the Property or with a third party where Developer retains no Control over Hotel operations and is compensated solely for the use of the Hotel and not based upon performance thereof. This shall specifically exclude: (a) a lease customarily entered into such as a lease of the restaurant (if it is operated by a third party) or of retail space or of office space within the Project or (b) a management agreement with a third party where Developer either retains ultimate Control over management decisions or is compensated based upon performance of the Project.
- 4.1.6. Notwithstanding paragraph 4.1.5, Developer shall not, under any circumstances, be required to return to City any City CRA Payments received by Developer before the termination of City's obligation to pay City CRA Payments.
- 4.1.7. Developer shall be required to promptly provide notice to City of any change of ownership. If Developer fails to notify the City of such change of ownership, it may cause termination of City CRA Payments to Developer.
- 4.1.8. Developer's right to receive the City CRA Payments shall be appurtenant to, and run with title to, the portion of the Property upon which the Hotel is constructed.
- 4.1.9. City and Developer acknowledge that the City CRA Payments are to be paid through the City of Ocala Community Redevelopment Agency (CRA). In the event that, as a result of a change in law (e.g. substantial revisions to Florida law that eliminate or significantly reduce ad valorem taxes), it is no longer possible for City to pay the City CRA Payments pursuant to this paragraph 4.1, City and Developer will negotiate in good faith to amend this Agreement to provide an alternative mechanism for Developer to realize the benefit of the City CRA Payments.
- 4.2. City Parking Incentive. City shall provide Developer with the following City Incentive (the "City Parking Incentive") pursuant to the provisions of this paragraph 4.2.
 - 4.2.1. As an incentive to construct the desired improvements associated with the Project, and in anticipation of the benefits to be received by downtown Ocala and the public if the Project is constructed, City shall waive (or pay on behalf of Developer), the Regular City Parking Charges for the time period that commences with the Completion of the Project and ends twenty two (22) years and three (3) months thereafter, subject to paragraph 4.7. Example: Developer completes the Project on December 31, 2026. The City Parking Incentive shall extend from such date until the earlier of: (a) March 31, 2049; or (b) that the date that the City Incentives Total equals the City Incentives Target as set forth in paragraph 4.7.
 - 4.2.2. City's obligation to provide the City Parking Incentive is conditioned upon the occurrence of the same conditions that apply to City's obligation to pay Developer the City CRA Payments as set forth in paragraph 4.1.5.

- 4.2.3. Notwithstanding paragraph 4.2.2, Developer shall not, under any circumstances, be required to pay to City any Regular City Parking Charges not paid by Developer pursuant to the City Parking Incentive before the termination of City's obligation to provide the City Parking Incentive.
- 4.2.4. Developer shall be required to promptly provide notice to City of any change of ownership. If Developer fails to notify the City of such change of ownership, it may cause termination of the City Parking Incentive.
- 4.2.5. Developer's right to receive the City Parking Incentive shall be appurtenant to, and run with title to, the portion of the Property upon which the Hotel is constructed.

4.3. City Grant.

- 4.3.1. The City hereby acknowledges the significant benefit by virtue of redevelopment of the Project. Accordingly, subject to the limitations set forth herein, City shall provide a grant to Developer (the "City Grant") to be applied towards the total Development Costs in the amount of Five Hundred Thousand and no/100 Dollars (\$500,000.00).
- 4.3.2. City's obligation to pay Developer, the City Grant is conditioned upon the conditions set forth in paragraph 4.3.3.b); if such conditions do not occur or cease to exist, City's obligation to pay the City Grant shall be deemed terminated, and therefore, City shall be relieved from its obligation to pay Developer, any unpaid City Grant.
- 4.3.3. The City Grant shall be paid as follows:
 - a). The City Grant shall be payable in three equal payments (each an "Incremental Grant Payment").
 - 1). City shall cause the first Incremental Grant Payment to be made within thirty (30) days of satisfaction after the City Grant Payment Conditions.
 - 2). City shall cause the second Incremental Grant Payment to be made within twelve (12) months of satisfaction after the City Grant Payment Conditions.
 - 3). City shall cause the third Incremental Grant Payment to be made within twenty-four (24) months after the anniversary of the City Grant Payment Conditions.
 - b). The first Incremental Grant Payment shall be made upon satisfaction of the following conditions (the "City Grant Payment Conditions"):
 - 1). Upon Developer's Completion of the Project, City shall be provided with a certification from the Contractor that the Project has been Completed in substantial accordance with the Approved Plans. If someone other than Developer (i.e., mortgage lender) causes Completion of the Project to occur, this condition shall be deemed not to have occurred; City shall

not be required to provide Developer with notice or an opportunity to cure in such situation.

2). Developer shall provide to City documentation (consisting of copies of applicable invoices and corresponding copies of cancelled checks relating to development and construction of the Project) of its Development Costs, and such other reasonable information as City may request to provide proof of payment of such sums.

c). Developer's right to receive the City Grant shall be appurtenant to, and run with title to, the portion of the Property upon which the Project is constructed.

4.4. City Improvements. City agrees to perform or cause to be performed, at its sole cost and expense, the improvements adjacent to the Property set forth in the scope of work for the Parking Garage, the City's CIP, and this paragraph 4.4 (collectively the "City Improvements"). The City Improvements will provide a benefit to the Developer and the public by enhancing public safety, and promoting the redevelopment of downtown Ocala. The City Improvements will be constructed simultaneously with the Project for the sake of efficiency.

4.4.1. Sidewalks, Decorative Lighting and Streetscapes. City shall construct all sidewalk improvements on that portion of the public right-of-way immediately contiguous to the Property, and shall install decorative street lighting and streetscapes, on S.W. Broadway Street, S.W. 2nd Avenue, S.W. 3rd Avenue, and W. Silver Springs Boulevard. City and Developer shall cooperate with each other in connection with the City Improvements. Without limiting the foregoing, City shall use good faith reasonable efforts to construct the City Improvements in time and in a manner that does not interfere with Developer's construction of the Project, and Developer shall use reasonable efforts in constructing the Project so as not to interfere with City's construction of the City Improvements. The Developer shall have the ability to proceed with improvements identified in 4.3.4 on their behalf and request a reimbursement upon submittal and acceptance of the estimates by the City Engineer.

4.4.2. Right-of-Way; Utility Relocation. City shall relocate or construct those offsite City Improvements related to right of way and electrical, mechanical, water, sewer, storm water, gas, or other applicable utility lines depicted on the attached composite Exhibit E (incorporating Exhibits E-1 through Exhibit E-4). For clarity, any utility improvements located on the Developer's side of a connection (including the tapping of City utilities) shall be the responsibility of the Developer and not City. Costs of such work, including electric utility infrastructure serving the Project, shall be borne by Developer and can be included in the Development Cost. City will provide point(s) of connection for utilities and coordinate with Developer regarding the point(s) of connection.

4.4.3. Plans. City and Developer will work together to coordinate approval of the plans for the City Improvements.

4.4.4. Developer Election to Perform Improvements. Developer may, but shall not be required to, elect to relieve City from the obligation to construct such improvements, design and/or construct such improvements at its own cost and

expense, and be reimbursed such costs incurred in connection therewith. Upon completion, such improvements shall be maintained by the City. However, Developer may alter the City Improvements to enhance the design, appearance and pedestrian features of the Hotel and may, from time to time, upgrade landscaping or improvements or provide additional maintenance of such improvements to ensure the appearance meets or exceeds brand standards. Concerning the City's obligation to reimburse Developer, reimbursement shall be limited to the actual costs incurred by Developer in connection with the City Improvements originally intended by City and shall not include additional features such as upgrades constructed by Developer without prior, written consent from City pursuant to subparagraph 4.4.4.b). Concerning procedure applied to the Developer's election to perform City Improvements:

- a). Developer and City shall meet and confer in good faith to plan for efficient oversight of the work.
- b). The precise design and construction of the City Improvements may be altered, modified or revised upon the mutual agreement of the Developer and City Manager or designee, which agreement shall not be unreasonably conditioned, withheld or delayed. At the time of such modification, the Developer and City Manager or designee shall also determine whether any additional costs incurred shall be borne by the Developer or City, which shall be memorialized in writing but shall not require amendment to this Agreement unless the effect of the modification exceeds the City Manager's purchasing authority then in effect.
- c). Developer shall be responsible for obtaining all applicable permitting and governmental approvals relating to the City Improvements (the "City Improvements Permits"). The Parties shall cooperate in good faith to diligently obtain or issue all applicable City Improvements Permits. To the extent that any permits or approvals for the City Improvements must be obtained by City, City shall cooperate in doing so and agrees to be listed as the permittee if applicable. City shall inspect the City Improvements during construction and be provided access to all work and testing reports. Construction shall adhere to the requirements of the City Improvements Permits and the City Code in effect at the time such construction occurs.
- d). Developer shall commence construction of the City Improvements, and shall thereafter, diligently and without interruption or delay, subject to force majeure, pursue completion of the construction of the City Improvements in accordance with the City's plans and specifications (as modified pursuant to this Agreement, if applicable).
- e). Upon completion of construction of the City Improvements, including CIP inspection and oversight of improvements within the right of way, Developer shall provide to City a notice of completion (the "Completion Notice"), which Completion Notice shall be accompanied by the following items (the "Completion Materials"):
 - 1). As Built Survey(s) of the City Improvements.

- 2). Certification from a licensed civil engineer that the City Improvements have been completed in substantial accordance with the plans and specifications.
 - 3). Detailed City Improvement Costs, together with copies of invoices, payments to all contractors, subcontractors, vendors and materialmen and copies of lien releases from each contractor, subcontractor, vendor and materialman providing services in connection with the City Improvements.
- f). City shall within thirty (30) days from receipt of the Completion Notice and Completion Materials inspect the City Improvements and City Improvement Costs to confirm that they have been constructed in accordance with the requirements of this Agreement and the City Improvements Permits, and provide notice of their determination to Developer. If such notice sets forth deficiencies in the City Improvements or unreasonable City Improvement Costs (each as “Deficiency Notice”), City and Developer shall work in good faith to agree upon the nature of the deficiencies in the City Improvements or unreasonable City Improvement Costs (each a “Deficiency” and, if more than one, collectively the “Deficiencies”), the appropriate remedy for Deficiencies, and thereafter Developer shall work diligently to cure said Deficiencies until completion. Upon completion of remedying the Deficiencies, Developer shall provide to City written notice of Completion (a “Subsequent Completion Notice”) with updated Completion Materials and City shall have 15 days from receipt thereof to inspect and make a determination as to completion. At such time as City has determined that all City Improvements have been fully completed in substantial accordance with the requirements of this Agreement and the City Improvements Permits, City shall provide written notice of such final completion (the “Final Completion Acknowledgment”) within 10 days of such determination by City. City’s failure to respond within 25 days from receipt of a Subsequent Completion Notice shall be deemed to constitute City’s approval thereof, and a Final Completion Acknowledgment shall be deemed delivered on such 25th day.
- g). Upon issuance (or deemed issuance) of the Final Completion Acknowledgment, City shall reimburse Developer for based upon the following calculation (“Improvement Reimbursement”): City Improvement Costs incurred in completing the City Improvements LESS costs associated with remedying Deficiencies. City shall make such Improvement Reimbursement within 30 days after the Final Completion Acknowledgment.

4.5. City Review Contributions.

- 4.5.1. City shall pay on behalf of Developer (or waive, to the extent permitted by applicable law) all charges or fees for plan review, permits and inspections for the Project including, without limitation: building permit, building plan review fee, new construction plan review, fire plan review fee, radon fee, plan retention fee, electrical permit fees, plumbing permit fees, mechanical permit fees, fire sprinkler fire line underground permit, tree removal application fee, fire impact fees, storm water impact fees, water and sewer impact fees, electric review charges, and water meter charges (all of the foregoing being collectively referred to as the “City

Review Contributions”). City currently estimates that the City Review Contributions will not exceed Two Hundred Thousand and no/100 Dollars (\$200,000.00); such amount may be exceeded upon approval by the City Manager. The foregoing represents one-time payments for the foregoing; nothing set forth in this Agreement shall relieve Developer from its obligation to pay periodic (including monthly) charges for utilities and other services provided by City.

4.5.2. If Developer has paid any of the City Review Contributions prior to the Effective Date of this Agreement, City will reimburse Developer for amounts paid within thirty (30) days after the Effective Date.

4.5.3. During review of the plans for, and construction of the Project, City shall temporarily pay or defer payment of the City Review Contributions. If Developer causes Completion of the Project to occur as and when required by the Schedule, City shall make final payment of the City Review Contributions to City’s Building Department, and shall reimburse Developer for any charges or fees included in the City Review Contributions that were paid by Developer before the Effective Date of this Agreement. If Developer does not cause Completion of the Project to occur as and when required by the Schedule, Developer shall pay to City the amounts deferred or temporarily paid by City within thirty (30) days of City’s demand therefor. If City so elects, City shall provide notice to Developer that City shall retain, from any other amounts to be paid by City to Developer under the City Incentives, the amounts deferred and unpaid by Developer; the amount retained by City shall be deducted from the amount owed by Developer to City, and Developer shall pay the balance to City.

4.6. City Elevator Incentive.

4.6.1. As set forth in the Parking Agreement, City and Developer estimate that the costs of the Dedicated Elevator is \$216,000.00. Further, under the Parking Agreement, Developer is paying to City fifty percent (50%) of such amount, i.e., \$108,000.00 as the Elevator Reimbursement (as defined in the Parking Agreement).

4.6.2. City is providing to Developer, as the City Elevator Incentive, payment of the other fifty percent (50%) of the estimated costs to be incurred by City in constructing the Dedicated Elevator. For purposes of this Agreement, the City Elevator Incentive shall be deemed to be \$108,000.00 regardless of the actual costs incurred by City in constructing the Dedicated Elevator.

4.7. City Incentives Target.

4.7.1. In addition to the definitions contained elsewhere in this Agreement, the following terms have the following meanings:

- a). *Adjustable Incentives* – The City Incentives that are subject to adjustment under paragraph 4.7.7. The Adjustable Incentives are the City CRA Payments and City Parking Incentive.
- b). *City Incentives Target* – As defined in paragraph 4.7.3.
- c). *City Incentives Total* – As defined in paragraph 4.7.4.

- d). *Non-Adjustable Incentives* – The City Incentives that are not subject to adjustment under paragraph 4.7.7. The Non-Adjustable Incentives are the City Elevator Incentive, the City Grant, the City Improvements and the City Review Contributions.
- 4.7.2. Consistent with City policy, City is providing the City Incentives in amounts such that the City Incentives Total equals the City Incentives Target.
 - 4.7.3. The City Incentives Target shall be: (a) Ten Percent (10%) of the lesser of: (i) Developer’s total Development Costs; or (ii) the amount set forth in paragraph 3.3.3; (b) rounded to the nearest dollar.
 - 4.7.4. The City Incentives Total shall be the total of the following amounts, rounded to the nearest dollar:
 - a). The amount of the City Elevator Incentive as set forth in paragraph 4.6.2.
 - b). The amount of City CRA payments made by City.
 - c). The value of the City Parking Incentive calculated based on the amount of the Regular City Parking Charges (as defined in the Parking Agreement) waived or paid by City on behalf of Developer during each time period when the Parking Incentive is in effect. Thus, if the Regular City Parking Charge changes during the duration of the City Parking Incentive, the value of the City Parking Incentive will also change for the subsequent period.
 - d). The amount of City Grant payments made by City.
 - e). The amount paid by City for the City Improvements
 - f). The amount of the City Review Contributions as paid or waived by City.
 - 4.7.5. Upon completion of the Project, City shall: (a) determine the amount of Developer’s Total Project Costs; and (b) shall calculate the amount of the Non-Adjustable Incentives (other than the City Grant Payments which are still to be made by City).
 - a). The parties shall utilize the Total Project Costs to determine the City Incentives Target pursuant to paragraph 4.7.3.
 - b). The parties shall utilize the Non-Adjustable Incentives calculated above to determine the then-amount of the City Incentives Total.
 - c). The parties shall document the determination of the above without the necessity of amending this Agreement.
 - 4.7.6. Thereafter, the parties will monitor the: (a) amount of the City Grant payments; and (b) the Adjustable Incentives (i.e., the City CRA Payments received by Developer and the value of the City Parking Incentive). On each anniversary of the date of Completion of the Project, City shall submit to Developer a written report of the total of the foregoing, together with a calculation of the then-amount of the

City Incentives Total. Developer shall review such report and advise City if it agrees with the City Incentives Total calculations; if it does not, Developer and City shall work together to determine the amount and shall document their determination in writing.

4.7.7. The Adjustable Incentives shall be adjusted by the parties to the extent necessary to provide that the City Incentives Total equals but does not exceed the City Incentives Target, as follows:

- a). The duration of the City CRA Payments shall be shortened, if necessary, so that the City Incentives Total does not exceed the City Incentives Target. (The City CRA Payments may not be extended because of the current duration of the City Downtown CRA; if City extends the duration, Developer and City shall negotiate in good faith to permit the extension of the duration of the City CRA Payments under this Agreement.)
- b). The duration of the City Parking Incentive shall be shortened or lengthened so that the City Incentives Total equals, but does not exceed the City Incentives Target.
- c). The durations of the Adjustable Incentives may be changed simultaneously to implement paragraph 4.7.7.
- d). As the amount of the City Incentives Total nears the City Incentives Target, Developer and City shall confer and shall document the adjustment.

4.7.8. Set forth below are examples of the application of this paragraph 4.7. Such examples are based upon the assumption set forth therein and are provided for illustration only; the examples do not modify the provisions of the foregoing paragraphs of this paragraph 4.7.

4.7.9. Example A.

- a). This parties currently anticipate that, based upon their estimates of the City CRA Payments and City Parking Incentive, the City Incentives Target will not be reached during the duration of the City CRA Payments, and that therefore the duration of the City CRA Payments as set forth in paragraph 4.1.1 will expire before the expiration of the City Parking Incentive under paragraph 4.2.1.
- b). Assumptions. This Example assumes the following:
 - 1). Developer Completes the Project by December 31, 2026.
 - 2). Developer's total Development Costs are the amounts set forth in paragraph 3.3.3 (i.e., \$56,196,441.00). Therefore, the City Investment Cap is one-tenth (1/10) of such amount or \$5,619,644.00.
 - 3). The amounts of the Non-Adjustable Incentives are as follows: \$108,000.00 as the City Elevator Incentive, \$200,000.00 as the City

Review Contributions, \$600,000.00 as the City Improvements, and \$500,000.00 as the City Grant Payments.

- 4). By 2039, when the City will make the last of the City CRA Payments, City has made City CRA Payments totaling \$2,634,222.00. At such time, the parties estimate that the value of the City Parking Incentive through the end of the duration thereof as stated in paragraph 4.2.1 will equal \$1,616,612.00. The net of the City Incentive Total would therefore be \$5,658,834.00, which amount is \$39,190.00 more than the City Incentives Target.
- c). Based upon the foregoing, the duration of the City Parking Incentive shall be adjusted such that the value thereof equals \$1,577,422.00 (the \$1,616,612.00 through 2039, less the \$39,190.00 calculated above). If, for example, the value of the City Parking Incentive is \$72,660.00 a year, the duration of the City Parking Incentive would be reduced to 21 years and 6 months. The duration of the City Parking Incentive may be subsequently adjusted to comply with paragraph 4.7.7, including if the value of the City Parking Incentive changes from the amount set forth in the preceding sentence (i.e., \$72,660.00 per year).

4.7.10. Example B.

- a). This Example assumes that the City CRA payments will be higher than the Parties currently estimate and that therefore the City Incentives Total shall reach the City Incentives Target prior to the expiration of the duration of the City CRA Payments.
- b). Assumptions.
 - 1). This Example uses the same assumptions set forth in paragraphs 4.7.9.b).1) through 4.7.9.b).3).
 - 2). By 2035 (the ninth year after Completion), the amounts of the Adjustable Incentives are as follows: \$2,996,397.00 as the City CRA Payments and \$653,940.00 as the City Parking Incentive. The net of the City Incentives Total is, as of such date, \$5,058,337.00, which amount is \$561,307.00 below the City Incentives Target.
- c). Based upon the amounts of the Adjustable Incentives received through 2035 and the parties estimate of the Adjustable Incentives to be received during 2036, the parties anticipate that if the Adjustable Incentives are not adjusted, the City Incentives Total through 2036 will exceed the City Incentives Target.
- d). Based on the foregoing, City and Developer will adjust either the amount of the City CRA Payments that Developer receives during 2036, or the duration of the CRA Parking Incentive, or both, such that, when Developer receives additional City Incentives of \$563,467.00, the City Incentives shall terminate. For example, if the City CRA Payment for 2036 is reduced to \$561,307.00 and there is no City Parking Incentive during such year, the City Incentives

Total through 2036 would equal the City Incentives Target, and the City Incentives would terminate.

5. **Development.**

- 5.1. Generally. Pursuant to the City's Capital Improvement Program and Developer's Plans concerning development of the Hotel, Developer and City will cooperate in good faith to achieve the goals set forth herein while reducing impacts of construction on downtown Ocala as specifically set forth in this paragraph 5.
- 5.2. Party Designees. To provide for efficient coordination, each party shall identify a designee to oversee communication with the other party. Initially, Tom Files shall be the Developer Designee and City Designee shall be assigned by the City Manager. Communication by and between each party's representatives, employees, or agents need not be limited to their respective Designees, but the Designees will work with one another to ensure effective communication and collaboration.
- 5.3. Periodic Construction Meetings.
 - 5.3.1. During construction of the Project, Developer shall use good faith efforts to advise City of the time, date and place of all scheduled construction meetings with Developer's contractors, and City shall be permitted to attend such meetings.
 - 5.3.2. During construction of the Parking Garage and City Improvements, City shall use good faith efforts to advise Developer of the time, date and place of all scheduled construction meetings with City's contractors, and Developer shall be permitted to attend such meetings.
 - 5.3.3. During construction of the Project, either party shall, at the other party's request, schedule a construction meeting with such other party's contractor to ensure efficiency and proper coordination.
- 5.4. Staging Area; Right of Way Closures.
 - 5.4.1. The parties specifically agree that, unless an alternate location is agreed to by the parties, Developer shall be permitted to use Broadway for staging construction.
 - 5.4.2. During any period during which Broadway or other City rights of way are used for staging construction or construction activity related to the Project, the parties shall coordinate to allow for closure for the shortest periods possible to ensure safety but minimize disruption on transportation infrastructure and downtown businesses. City acknowledges, however, that it will be necessary for Broadway to be closed for extensive continuous time periods to permit Developer to use it for staging.
- 5.5. Report to City Council. During the term of this Agreement, Developer shall appear before City Council upon the request of City Council or the City Manager to provide a report on the progress of the Project and the parties' performance of their obligations under this Agreement. Developer shall not be required, however, to appear more than four (4) times per calendar year.

- 5.6. City Cooperation. City shall exercise its best efforts and cooperate with Developer in submitting and obtaining any state and federal licenses, permits and governmental authorizations necessary, for the Completion of the Project; provided, however, all costs associated therewith shall be the sole responsibility of Developer. City's obligations shall not affect City's right and authority to act in regulatory matters in accordance with applicable laws or ordinances.
- 5.7. Easements. City and Developer shall, pursuant to standard practices and procedures, reasonably consider requests for and, if appropriate, grant easements or similar approvals for landscaping, sidewalk cafes, and pedestrian access where appropriate to allow for the Project to be pedestrian-friendly and connected to the downtown area.

6. Relationship to Parking Agreement.

- 6.1. Simultaneously herewith, City and Developer are entering into an agreement (the "Parking Agreement") concerning use of the Parking Garage.
- 6.2. The exclusive rights and obligations established under the Parking Agreement are recognized as a City Incentive, as the City acknowledges the significant benefits resulting from the redevelopment of the Project. Additionally, the Developer recognizes that the City has offered to facilitate the Project by providing certain economic incentives.
- 6.3. Although the Parking Agreement is executed in connection with this Agreement, they are separate contracts, and thus a default by a party under this Agreement shall not constitute a default by such party under the Parking Agreement, and vice versa. Notwithstanding the foregoing, a default under one agreement may impact the other agreement; for example, if the City Parking Incentive terminates under paragraph 4.2.4 based on a failure of Developer to provide notice as required thereunder, Developer shall be required to pay Parking Garage Payments (as defined in the Parking Agreement) at an earlier date than would be the case if the City Parking Incentive were to continue for its full duration.
- 6.4. This Agreement may be amended without amending the Parking Agreement.

7. Representations and Warranties of City. City hereby represents and warrants the following:

- 7.1. This Agreement and each document contemplated hereby to which City will be a party has been authorized and will be executed and delivered by City and neither their execution and delivery, nor compliance with the terms and provisions: (a) requires the approval and consent of any other party, except as have been obtained or as are specifically noted herein, (b) contravenes any existing law, judgment, governmental rule, regulation or order applicable to or binding on City, or (c) contravenes or results in any breach of, default under or result in the creation of any lien or encumbrance on City.
- 7.2. This Agreement and each document contemplated to which City will be a party, will constitute a legal, valid and binding obligation of City enforceable against City in accordance with the terms thereof, except as such enforceability may be limited by public policy or applicable bankruptcy, insolvency or similar laws from time to time in effect which affect creditors' rights and subject to usual equitable principles if equitable remedies are involved.

- 7.3. To the knowledge of City, there is no suit, litigation or action pending or threatened against City, which questions the validity of this Agreement, or any document contemplated hereunder or challenges the power or any approvals of the Council to authorize the execution and delivery of same.
 - 7.4. City shall use its best efforts to timely fulfill all of the conditions and obligations expressed in this Agreement which are within the control of City and shall act so as not to unreasonably delay the Completion of the Project.
 - 7.5. City shall cause to continue to be in effect those instruments, documents, certificates and events contemplated by this Agreement that are applicable to and the responsibility of the City.
 - 7.6. City shall use reasonable efforts to assist the Developer in accomplishing the development of the Project in accordance with this Agreement and the Project Plans; and will not violate any applicable laws, ordinances, rules, regulations, orders, contracts, or agreements, or, to the extent permitted by law, adopt any ordinance, regulations or order or approve or enter into any agreement, that will result in this Agreement or any part hereof, or any other instrument contemplated, to be in violation thereof.
 - 7.7. City has adequate retention capacity in its stormwater drainage system for all drainage from the Project and has or will have a sufficient conveyance system to convey the stormwater from the Project to the City's retention systems.
8. **Representations and Warranties of Developer.** Developer hereby represents and warrants the following:
- 8.1. Developer is a validly existing limited liability company under the laws of the State of Florida, has all requisite power and authority to carry on its business, to own and hold property, to enter into and perform its obligations under this Agreement and consents to service of process on its registered agent in Florida.
 - 8.2. This Agreement and each document to which Developer is or will be a party has been authorized and will be executed and delivered by Developer and neither their execution and delivery, nor compliance with the terms and provisions: (a) requires the approval and consent of any other party, except as have been obtained or as are specifically noted herein, (b) contravenes any existing law, judgment, governmental rule, regulation or order applicable to or binding on Developer, or (c) results in any default or result in the creation of any lien on the property or assets of Developer which will have a material adverse effect on its ability to perform its obligations hereunder.
 - 8.3. This Agreement and each document contemplated to which Developer will be a party, will constitute a legal, valid and binding obligation of Developer enforceable against Developer in accordance with the terms thereof, except as such enforceability may be limited by applicable bankruptcy, insolvency or similar laws from time to time in effect which affect creditors' rights and subject to usual equitable principles if equitable remedies are involved.
 - 8.4. To the knowledge of Developer, there is no suit, litigation or action pending or threatened against Developer, which questions the validity of this Agreement, or which will have a material adverse effect on its ability to perform its obligations hereunder.

- 8.5. Developer shall use its best efforts to timely fulfill all of the conditions and obligations expressed in this Agreement which are within the control or are the responsibility of Developer.
- 8.6. During the period the obligations of Developer are in effect, Developer shall cause to continue to be in effect those instruments, documents, certificates and events contemplated by this Agreement that are applicable to and the responsibility of Developer.
- 8.7. Developer shall use its best efforts to accomplish the development of the Project in accordance with this Agreement, the Proposal and the Project Plans, and will not violate any applicable laws, ordinances, rules, regulations or orders in its efforts to do so.
- 8.8. Developer shall use its best efforts to obtain all state and local permits or other governmental authorizations and approvals required by law in order to proceed with the development of the Project.
- 8.9. Developer shall promptly notify City Manager in writing of any actual or reasonably anticipated delays in the construction of the Project that are likely to jeopardize timely completion.
- 8.10. This Agreement, and any amendments hereto, shall be binding and inure to the benefit of, and be enforceable by, City and Developer, and the heirs, successors and permitted assigns of the foregoing.
- 8.11. In the event of a conveyance of any portion of, or of any interest in, the Property, this Agreement may be amended by the new owner without the necessity of joinder or consent of any prior owner provided that the amendment does not amend the obligations of the prior owner.

9. Schedule.

- 9.1. If Developer has not commenced construction of the Project as of the Effective Date, it shall do so within one (1) month after the Effective Date.
- 9.2. Developer shall cause Completion of the Project pursuant to the following schedule:²
 - 9.2.1. Within twenty-four (24) months after the Effective Date, Developer shall cause Completion of that portion of the Project consisting of the Hotel (“Phase 1”). Construction of Phase 1 shall be deemed complete upon City’s issuance of a certificate of occupancy, or certificates of completion (or similar approval) for any other applicable improvements to be constructed.
 - 9.2.2. Within thirty (30) months after the Effective Date, Developer shall cause Completion of the remaining portions of the Project not included in Phase 1 (“Phase 2”) to occur. Construction of Phase 2 shall be deemed complete upon City’s issuance of a certificate of occupancy, or certificates of completion (or similar approval) for any other applicable improvements to be construction.

² The definitions of “Complete,” and “Completion” contained in this paragraph 9.2 apply concerning the deadline for Completion of the Project pursuant to this paragraph 9.2 and paragraphs that refer to this paragraph 9.2, and do not determine when the Project is “substantially complete” for purposes of ad valorem taxation.

- 9.3. The schedule in this paragraph 9 is subject to the following:
- 9.3.1. One extension of up to six (6) months in duration, of any Deadline contained in paragraph 9.2 may be provided by the City Manager. Developer shall request such extension in writing not less than one (1) month prior to the expiration of the Deadline, which request shall state the good cause for the extension. The City Manager shall not unreasonably withhold approval of a request for an extension.
- 9.3.2. Except as provided in paragraph 9.3.1 or pursuant to other express provisions of this Agreement (e.g., in paragraph 13), there shall be no other extension of any performance obligation except through formal amendment of this Agreement.

10. **Default.**

- 10.1. Force Majeure. Neither party shall be held in default of this Agreement for any delay or failure of such party in performing its obligations pursuant to this Agreement if such delay or failure is caused by Force Majeure as set forth below.
- 10.2. Notice and Opportunity to Cure. Prior to declaring a default hereunder, the non-defaulting party must provide the defaulting party with written notice and at least thirty (30) days to cure such default.
- 10.2.1. Provided, however, if the default is of a nature that cannot be reasonably cured within such 30-day period, then the defaulting party shall be allowed a reasonable period of time to cure such default provided that it diligently commences the cure within the 30-day period and thereafter undertakes and pursues such cure.
- 10.2.2. Further provided, however, that no prior notice or opportunity to cure need to be provided in the event the defaulting party has previously breached a provision of this Agreement and thereafter breaches the same provision.
- 10.3. Remedies. If a default occurs, the non-defaulting party may terminate this Agreement, institute an action to compel specific performance or to recover damages as applicable, suspend its own performance hereunder, or pursue any other remedy available at law or equity.
- 10.4. Remedies Not Exclusive. The specified rights and remedies to which City and Developer are entitled under this Agreement are not exclusive and are intended to be in addition to any other means of redress which City or Developer may have under this Agreement.
- 10.5. No Consequential Damages. Notwithstanding paragraph 10.4, under no circumstances will City or Developer be liable for consequential damages, including lost profits, the right to such damages being expressly waived.
- 10.6. No Waiver. The failure by City or Developer to promptly insist on strict performance of any provision of this Agreement shall not be deemed a waiver of any right or remedy that City or Developer may have and shall not be deemed a waiver of a subsequent default or nonperformance of such provision.

- 10.7. Effect of Termination. In the event that a party terminates this Agreement under this paragraph 10 or any other provision of this Agreement, this Agreement shall be deemed terminated in its entirety.
11. **Agreement to Run with Property.** This Agreement shall run with the Property and any portion thereof, and shall be binding and inure to the benefit of, and be enforceable by, City and Developer, and the heirs, successors and permitted assigns of the foregoing.
12. **Survival.** Notwithstanding the termination of this Agreement, except a termination of the entire Agreement under paragraph 10 or the prior performance by the parties hereunder, the following paragraphs of this Agreement shall survive and remain effective: 15 through 35.
13. **Force Majeure.** Delays in performance due to: fire; flood; hurricane; tornado; earthquake; windstorm; sinkhole; unavailability of materials, equipment or fuel; war; declaration of hostilities; terrorist act; civil strife; strike; labor dispute; epidemic; pandemic; archaeological excavation; act of God; or any other matter beyond the control of the party obligated to perform that constitutes an excuse under Florida law based upon the doctrine of “impossibility of performance,” shall be deemed events of Force Majeure and such delays shall be excused in the manner herein provided. If a party is delayed in any performance required by this Agreement because of an event of Force Majeure, the date for action required or contemplated by this Agreement shall be extended by the number of days equal to the number of days such party is delayed. The party seeking to be excused based on an event of Force Majeure shall give written notice of the delay indicating its anticipated duration. Each party shall use its best efforts to rectify any conditions causing the delay and will cooperate with the other party, except for the occurrence of unreasonable additional costs and expenses to overcome any loss of time that has resulted. Specific references in this Agreement to deadlines as to which Force Majeure shall apply shall not be interpreted as intending to exclude the application of Force Majeure from other performance.
14. **Assignment; Interest Transfer.**
- 14.1. Developer may not, without the written consent of City which may be withheld or conditioned by City in its sole discretion, assign its rights or obligations under this Agreement, in whole or in part, until the Completion of the Project.
- 14.2. No membership interest in Developer may be transferred (an “Interest Transfer”) until Completion of the Project except as follows:
- 14.2.1. An interest held by a member of Developer or a Developer Principal may be transferred to another member of Developer or Developer Principal;
- 14.2.2. An interest held by a member of Developer or a Developer Principal may be transferred to a third party in connection with financing or contribution of capital to Developer provided that Developer Principal retains “Control” over Developer;
or
- 14.2.3. Upon the written consent of City which may be withheld or conditioned by City in its sole discretion.
- 14.3. Following Completion of the Project:

- 14.3.1. Developer may assign this Agreement in whole or in part if the assignee executes and delivers to City an instrument, in a commercially reasonable and customary form and acceptable to City in its reasonable discretion, accepting the assignment and assuming the obligations of Developer under this Agreement, to the extent of the assignment, as if such assignee executed this Agreement as an original party hereto; and
 - 14.3.2. Any Interest Transfer may be made.
- 14.4. Promptly after any assignment or Interest Transfer, Developer shall provide notice thereof to City.
- 14.5. A notice under this paragraph concerning an Interest Transfer shall include sufficient information for City to determine whether the assignment or Interest Transfer was permissible under this Agreement; such information could include an affidavit from a Developer Principal with personal knowledge of the matters set forth therein and need not be copies of operating agreements, partnership agreements or other documents that Developer deems confidential.
- 14.6. In the event of an assignment hereunder, and to the extent of the assignment:
 - 14.6.1. The assignee will have all rights and obligations of Developer.
 - 14.6.2. The assignee shall be entitled to amend the provisions of this Agreement without the joinder or consent of Developer.
 - 14.6.3. The assignee shall be permitted to terminate this Agreement as otherwise provided in this Agreement without the joinder or consent of Developer or any prior assignee.
 - 14.6.4. In the event of an assignment in connection with a sale of all of Developer's rights in a Project, the assignor shall be released from all liability under this Agreement for actions or inactions after, but not before, such assignment.
- 14.7. By executing this Agreement, Developer agrees, and by accepting any assignment, each assignee agrees, to the foregoing provisions of this paragraph concerning the ability of an assignee to amend or terminate this Agreement.
15. **City's Police Powers.** Nothing in this Agreement shall serve to affect or limit City's police powers in the exercise of rezoning decisions or other governmental action associated with the proposed redevelopment of the Property or any Development Order associated therewith.
16. **Sovereign Immunity.** Notwithstanding any other provision set forth in this Agreement, nothing contained in this Agreement shall be construed as a waiver of City's right to sovereign immunity under Section 768.28, Florida Statutes, or other limitations imposed on City's potential liability under state or federal law. As such, City shall not be liable under this Agreement for punitive damages or interest for the period before judgment. Further, City shall not be liable for any claim or judgment, or portion thereof, that exceeds the applicable limit of liability under applicable law (currently Section 768.28(5), Florida Statutes). This paragraph shall survive termination of this Agreement.

17. **Resolving any Invalidity.** City and Developer hereby agree that in the event this Agreement or the economic incentives described herein are ever challenged by any person and held to be invalid by a court of competent jurisdiction, each will cooperate with the other, in good faith, to resolve the invalidity or pursue a valid alternative means to secure a substantially similar and equitable financial arrangement which the parties acknowledge was the inducement for Developer undertaking the Project.
18. **Applicable Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Florida.
19. **Relationship.** This Agreement does not evidence the creation of, nor shall it be construed as creating, a partnership or joint venture among City and Developer. Each party is acting for its own account, and it has made its own independent decisions to enter into this Agreement and as to whether the same is appropriate or proper for it based upon its own judgment and upon advice from such advisers as it has deemed necessary. Each party acknowledges that the other party hereto is not acting as a fiduciary for nor as adviser to it in respect of this Agreement.
20. **Personal Liability.** No provision of this Agreement is intended, nor shall any be construed, as a covenant of any official (either elected or appointed), director, employee, or agent of City in an individual capacity, and nor shall any such individual be subject to personal liability by reason of any covenant or obligation of City hereunder.
21. **Exclusive Venue.** The parties agree that the exclusive venue for any litigation, suit, action, counterclaim, or proceeding, whether at law or in equity, which arises out of concerns, or relates to this Agreement, any and all transactions contemplated hereunder, the performance hereof, or the relationship created hereby, whether sounding in contract, tort, strict liability, or otherwise, shall be in Marion County, Florida.
22. **Counterparts; Copies.** This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original, and all of which shall together constitute one and the same instrument. Additionally, signed facsimiles shall have the same force and effect as a signed original, and, in lieu of an original, any party hereto may use a photocopy of this Agreement in any action or proceeding brought to enforce or interpret any of the provisions contained herein.
23. **Notice.**
 - 23.1. All notices, requests, consents and other communications required or permitted under this Agreement shall be in writing (including emailed communication) and shall be (as elected by the person giving such notice) hand delivered by messenger or courier service, emailed or mailed by Registered or Certified Mail (postage pre-paid), Return Receipt Requested, addressed as follows or to such other addresses as any party may designate by notice complying with the terms of this paragraph:
 - 23.1.1. For City: City Manager, City of Ocala, 201 SE 3rd Street, 2nd Floor, Ocala, Florida 34471; email: plee@ocalafl.gov.
 - a). With copy to: Director of Planning, Growth Management Department, 201 SE 3rd Street, 2nd Floor, Ocala, Florida 34471; email: ahale@ocalafl.gov.

23.1.2. For Developer: Navroz Saju, 125 NE 1st Avenue, Suite 1, Ocala, Florida 34470; email: navroz.saju@hdghotels.com

- a). With a copy to: Robert W. Batsel, Jr., Gooding & Batsel, PLLC, 1531 SE 36th Avenue, Ocala, Florida 34471; email: rbatsel@lawyersocala.com.

23.2. Each such notice shall be deemed delivered:

23.2.1. On the date of delivered if by personal delivery;

23.2.2. On the date of email transmission if by email (subject to paragraph 23.2.7); and

23.2.3. If the notice is mailed, on the earlier of: (a) the date upon which the Return Receipt is signed; or (b) the date upon which delivery is refused.

23.2.4. Notwithstanding the foregoing, service by personal delivery delivered, or by email sent, after 5:00 p.m. shall be deemed to have been made on the next day, that is not a Saturday, Sunday, or legal holiday.

23.2.5. If a notice is delivered by multiple means, the notice shall be deemed delivered upon the earliest date determined in accordance with the preceding subparagraph.

23.2.6. If the above provisions require notice to be delivered to more than one person (including a copy), the notice shall be deemed delivered to all such persons on the earliest date it is delivered to any of such persons.

23.2.7. Concerning Communications sent by email:

- a). The Communication shall not be deemed to have been delivered if the sender receives a message from the sender's or the recipient's internet service provider or otherwise that the email was not delivered or received;
- b). If the sender receives an automatic reply message indicating that the recipient is not present to receive the email (commonly referred to as an "out of the office message"), the email shall not be deemed delivered until the recipient returns;
- c). Any email that the recipient replies to, or forwards to any person, shall be deemed delivered to the recipient.
- d). The sender must print the email to establish that it was sent (though it need not do so at the time the email was sent); and
- e). The sender shall maintain the digital copy of the email in its email system for a period of no less than one year after it was sent.

24. **Recording.** Developer shall, at its own expense, record this Agreement, or a certified copy thereof, in the Public Records of Marion County, Florida.

25. **Successors and Assigns.** All covenants, Agreements, warranties, representations, and conditions contained in this Agreement shall bind and inure to the benefit of the respective successors and permitted assigns of the parties to this Agreement.

26. **Attorney's Fees.** If any legal action or other proceeding is brought (including, without limitation, appeals or bankruptcy proceedings) whether at law or in equity, which arises out of, concerns, or relates to this Agreement, any and all transactions contemplated hereunder, the performance hereof, or the relationship created hereby; or is brought for the enforcement of this Agreement, or because of an alleged dispute, breach, default or misrepresentation in connection with any provisions of this Agreement, the successful or prevailing party or parties shall be entitled to recover reasonable attorney's fees, and court costs incurred in that action or proceeding, in addition to any other relief to which such party or parties may be entitled.
27. **Severability.** Any provision of this Agreement held by a court of competent jurisdiction to be invalid, illegal or unenforceable shall be severable and shall not be construed to render the remainder to be invalid, illegal or unenforceable.
28. **Construction of Agreement.** Each party acknowledges that all parties to this Agreement participated equally in the drafting of this Agreement and that it was negotiated at arm's length. Accordingly, a court construing this Agreement shall not construe it more strongly against either party.
29. **Time.**
- 29.1. Time is of the essence of all of the provisions and terms of this Agreement.
- 29.2. If a time period is five (5) days or less, intervening Saturdays, Sundays or legal holidays will be excluded from the calculation.
- 29.3. When any time period specified herein falls or ends upon a date other than a Business Day, the time period shall automatically extend to 5:00 p.m. on the next ensuing Business Day.
- 29.4. For purposes of this Agreement, "legal holiday" means: (a) the day set aside by Section 110.117, Florida Statutes, for observing New Year's Day, Martin Luther King, Jr.'s Birthday, Memorial Day, Independence Day, Labor Day, Veterans' Day, Thanksgiving Day or Christmas Day; (b) the Friday after Thanksgiving; (c) Christmas Eve; (d) if Christmas is on a weekend, the Monday after Christmas Day; and (e) any other day upon which the Clerk of Court of Marion County, Florida, is closed for ordinary business.
30. **Further Action.** Each of the parties hereto shall execute and deliver any and all additional papers, documents, and other assurances, and shall do any and all acts and things reasonably necessary in connection with the performance of the obligations hereunder and to carry out the intent of the parties hereto.
31. **JURY WAIVER.** EACH PARTY HEREBY COVENANTS AND AGREES THAT IN ANY LITIGATION, SUIT, ACTION, COUNTERCLAIM, OR PROCEEDING, WHETHER AT LAW OR IN EQUITY, WHICH ARISES OUT OF, CONCERNS, OR RELATES TO THIS AGREEMENT, ANY AND ALL TRANSACTIONS CONTEMPLATED HEREUNDER, THE PERFORMANCE HEREOF, OR THE RELATIONSHIP CREATED HEREBY, WHETHER SOUNDING IN CONTRACT, TORT, STRICT LIABILITY, OR OTHERWISE, TRIAL SHALL BE TO A COURT OF COMPETENT JURISDICTION AND NOT TO A JURY. EACH PARTY HEREBY IRREVOCABLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY. ANY PARTY MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS AGREEMENT WITH ANY COURT, AS WRITTEN EVIDENCE OF THE CONSENT OF THE PARTIES HERETO OF THE WAIVER OF THEIR RIGHT TO A TRIAL BY JURY. NEITHER

PARTY HAS MADE OR RELIED UPON ANY ORAL REPRESENTATIONS TO OR BY THE OTHER PARTY REGARDING THE ENFORCEABILITY OF THIS PROVISION. EACH PARTY HAS READ AND UNDERSTANDS THE EFFECT OF THIS JURY WAIVER PROVISION.

32. **Waiver.** A failure to assert any rights or remedies available to a party under the terms of this Agreement shall not be deemed a waiver of such rights or remedies, and a waiver of the right to remedies available to a party by a course of dealing or otherwise shall not be deemed to be a waiver of any other right or remedy under this Agreement, unless such waiver of such right or remedy is contained in a writing signed by the party alleged to have waived his other rights or remedies.
33. **Exhibits.** The following Exhibits are attached to this Agreement and shall, by this reference, be incorporated into this Agreement:
 - 33.1. **Exhibit A** – Property.
 - 33.2. **Exhibit B** – Preliminary Architectural Renderings.
 - 33.3. **Exhibit C** – Schedule of Development Costs.
 - 33.4. **Exhibit D** – City CRA Payments Schedule.
 - 33.5. **Exhibit E** – City Improvements Schedule.
34. **Amendments.** The provisions of this Agreement may not be amended, supplemented, waived, or changed orally but only by a writing making specific reference to this Agreement signed by the party as to whom enforcement of any such amendment, supplement, waiver or modification is sought.
35. **Entire Understanding.** This Agreement represents the entire understanding and agreement between the parties with respect to the subject matter hereof, and supersedes all other negotiations (if any) made by and between the parties.

**THIS PART OF PAGE INTENTIONALLY LEFT BLANK
SIGNATURES BEGIN ON FOLLOWING PAGE**

THEREFORE, each of the parties hereto set their hand and seal on this Agreement as of the day and year set forth immediately beneath their respective signatures.

ATTEST:

City of Ocala, a Florida municipal corporation

Angel B. Jacobs
City Clerk

Kristen Dreyer
President, Ocala City Council

Date _____

Approved as to form and legality

William E. Sexton
City Attorney

STATE OF FLORIDA
COUNTY OF MARION

The foregoing instrument was acknowledged before me by means of physical presence or online notarization this _____ day of _____, 2025, by Kristen Dreyer, as City Council President of the City of Ocala, Florida, a Florida municipal corporation, on behalf of the City.

Notary Public, State of Florida
Name: _____
(Please print or type)

Commission Number:
Commission Expires:

Notary: Check one of the following:

____ Personally known OR
____ Produced Identification (if this box is checked, fill in blank below).

Type of Identification Produced: _____

AS TO DEVELOPER

DOMACH, LLC, a Florida limited liability company

By: _____
Navroz F. Saju, Manager

Date: _____

STATE OF FLORIDA
COUNTY OF MARION

The foregoing instrument was acknowledged before me by means of physical presence or online notarization this _____, 2025, by Navroz F. Saju, as Manager of DOMACH, LLC, a Florida limited liability company, on behalf of the company.

Notary Public State of Florida
Name: _____

(Please print or type)

Commission Number:

Commission Expires:

Notary: Check one of the following:

____ Personally known OR

____ Produced Identification (if this box is checked, fill in blank below).

Type of Identification Produced: _____

**EXHIBIT A
PROPERTY**

The land (PID: 2854-025-001) referred to herein below is situated in the County of Marion, State of Florida, and described as follows:

Commencing at the Northeast corner of Block 25, Old Survey Ocala, thence West 164 feet, thence South 112 feet, thence East 164 feet, thence North 112 feet to the Point of Beginning, as recorded in the Public Records of Marion County, Florida; Less and except Road Right of Way; and Less and except that portion conveyed to the City of Ocala in Book 5, Page 85, Public Records of Marion County, Florida. Said Old Survey of Ocala recorded in Plat Book E, Page 1 and 2, Public Records of Marion County, Florida.

AND

Beginning 47 1/2 feet West of the Southeast corner of Block 25, Old Survey as per Plat thereof recorded in Plat Book E, Page 2, Public Records of Marion County, Florida, thence North 112 feet, thence West 47 1/2 feet, thence South 112 feet, thence East 47 1/2 feet to the Point of Beginning. Except the North 7 feet which was conveyed to the City of Ocala in Deed recorded in Book 5, Page 85, Public Records of Marion County, Florida.

AND

Commence 77 feet East of the Southwest corner of Block 25, Old Survey, thence East 27 feet; thence North 112 feet; thence West 27 feet; thence South 112 feet to the Point of Beginning in the City of Ocala.

AND

The East 47-1/2 feet of the South 112 feet of Block 25, Old Survey of the City of Ocala, as per Plat thereof recorded in Plat Book E, Page 2, Public Records of Marion County, Florida.

AND

Commencing 95 feet West of the Southeast corner of Lot 4, Block 25, Old Survey, City of Ocala, Florida, as per Plat thereof recorded in Plat Book E, Pages 1 and 2; thence West 25 feet; thence North 112 feet; thence East along said North boundary 25 feet; thence South to the Point of Beginning.

AND

Commencing 50 feet East of the Southwest corner of Block 25, Old Survey; thence North 112 feet; thence East 27 feet; thence South 112 feet; thence West 27 feet to the Point of Beginning. All being in Old Survey Ocala, as per Plat thereof recorded in Plat Book E, Pages 1 and 2, Public Records of Marion County, Florida.

Except the North 7 feet of all property which was conveyed to the City of Ocala in Deed recorded in Book 5, Page 85, Public Records of Marion County, Florida.

EXHIBIT B
PRELIMINARY ARCHITECTURAL RENDERINGS





EXHIBIT C
SCHEDULE OF DEVELOPMENT COSTS

	Costs	Amount
1.	Acquisition	\$2,000,000.00
2.	Demolition Costs	\$103,388.00
3.	Soft Costs (Engineering, Architects, Surveying, etc.)	\$1,725,250.00
4.	Construction	\$44,727,883.00
5.	Furniture, Fixtures and Equipment	\$7,500,000.00
6.	Transportation Impact Fees	\$139,920.00
7.	TOTAL	\$56,196,441.00

**EXHIBIT D
CITY CRA PAYMENTS SCHEDULE**

Year (After Completion)	Tax Year (If Project Complete in 2026)	Percent of Increment
1	2027	100%
2	2028	100%
3	2029	100%
4	2030	100%
5	2031	100%
6	2032	100%
7	2033	100%
8	2034	100%
9	2035	100%
10	2036	100%
11	2037	100%
12	2038	100%

City CRA Payment is paid in Calendar Year after Tax Year.

Subject to modification based on paragraph 4.7.

EXHIBIT E
CITY IMPROVEMENTS SCHEDULE

The City Improvements shall consist of the following, some of which are depicted within Exhibits E-1 through E-4:

1. The Parking Garage.
2. Stormwater improvements serving the Project and surrounding area;
3. Electric and fiber optic utility improvements serving the Project and surrounding area; and
4. Potable water and sanitary sewer improvements serving the Project and surrounding area.
5. Right of way improvements including the realignment of Broadway, the construction of a valet lane / chicane, the construction of sidewalks on that portion of the public right of way immediately contiguous to the Property, and decorative streetlighting, landscape Improvements and streetscapes on Southwest 2nd Avenue, Broadway, and Southwest 3rd Avenue.

P:\RWB\Domach\Redevelopment K\Redevelopment K JG 7-30-25 Rev.docx

**PROPOSED
S.W 3rd AVENUE
IMPROVEMENTS**

STORM SEWER IMPROVEMENTS

- (A) RELOCATION OF STORM SEWER IMPROVEMENTS AT INTERSECTION WITH S.R. 40 FOR PEDESTRIAN IMPROVEMENTS.
- (B) CONNECTION FOR HOTEL STORM SEWER.

SANITARY SEWER IMPROVEMENTS

- (C) NEW MANHOLE AND 8" STUB FOR HOTEL.
 - POSSIBLE DEEPENING OF EXISTING SEWER FROM SR 40 TO EXISTING ALLEY T.B.D.
- (D) NEW SEWER SERVICE CONNECTIONS/RE-CONNECTIONS FOR EXISTING BUILDINGS AND PARCELS.

WATER IMPROVEMENTS

- POSSIBLE RELOCATIONS/BYPASS IN EXISTING CONFLICT AREAS.

ELECTRIC IMPROVEMENTS

- (E) NEW POWER POLE AT S.R. 40 INTERSECTION TO ACCOMMODATE ELECTRIC UNDERGROUNDING PROJECT.

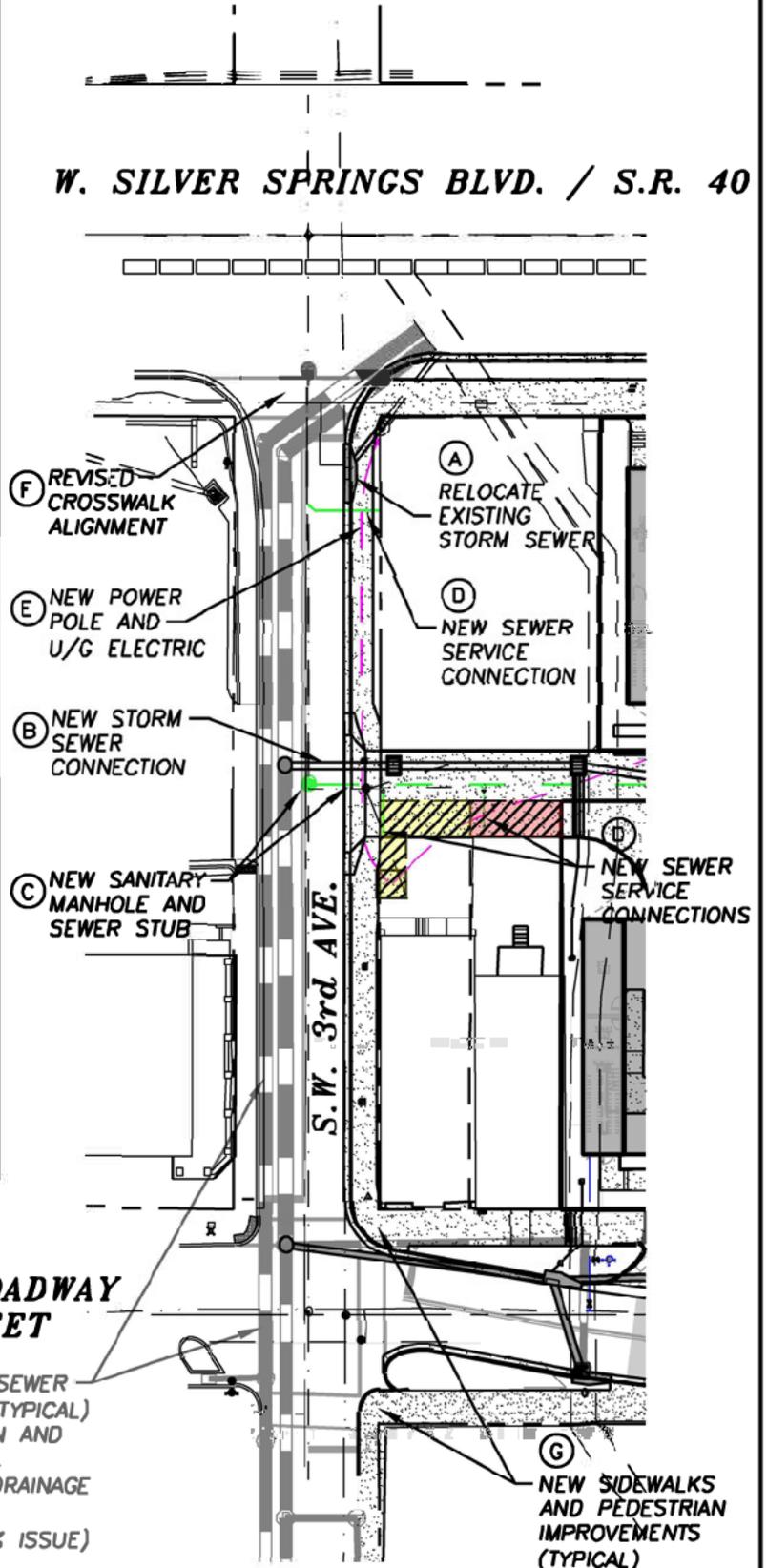
MISC. UTILITY RELOCATIONS

- TELEPHONE, FIBER, ETC. T.B.D.

ROAD AND SIDEWALK IMPROVEMENTS

- (F) REVISED CROSSWALK ALIGNMENT AT S.R. 40
- (G) NEW APRONS SIDEWALKS, CROSSWALKS, AND PEDESTRIAN IMPROVEMENTS AT INTERSECTIONS.

W. SILVER SPRINGS BLVD. / S.R. 40



**S.W. BROADWAY
STREET**

OFFSITE STORM SEWER
IMPROVEMENTS (TYPICAL)
BY KIMLEY-HORN AND
ASSOCIATES, INC.
"S.W. 3rd AVE. DRAINAGE
IMPROVEMENTS"
(JUNE 2024 60% ISSUE)

(G) NEW SIDEWALKS
AND PEDESTRIAN
IMPROVEMENTS
(TYPICAL)

DATE: 08-22-24

EXHIBIT ' 1'

AC HOTEL OCALA

CITY OF OCALA, FLORIDA



**DAVIS DINKINS
ENGINEERING, P.A.**

CERTIFICATE OF AUTHORIZATION #28150

125 N.E. 1st AVENUE
SUITE 2

OCALA, FL 34470

PHONE: (352) 854-5961

Ⓒ NEW SIDEWALKS AND PEDESTRIAN IMPROVEMENTS (TYPICAL)

WEST SILVER SPRINGS BOULEVARD / S.R. 40

Ⓓ REMOVE BIKE LANE AND ADD NEW CURB & GUTTER

Ⓐ RELOCATE EXISTING STORM SEWER

Ⓐ RELOCATE EXISTING STORM SEWER

Ⓑ NEW FIRE HYDRANT AND FIRE SERVICE

S.W. 3rd AVE.

S.W. 2nd AVE.

OFFSITE STORM SEWER IMPROVEMENTS (TYPICAL) BY KIMLEY-HORN AND ASSOCIATES, INC. "S.W. 3rd AVE. DRAINAGE IMPROVEMENTS" (JUNE 2024 60% ISSUE)



SCALE: 1" = 50'
0' 25' 50'

PROPOSED S.R. 40 IMPROVEMENTS

STORM SEWER IMPROVEMENTS

Ⓐ RELOCATION OF S.R. 40 STORM SEWER IMPROVEMENTS AT INTERSECTIONS FOR PEDESTRIAN IMPROVEMENTS.

WATER IMPROVEMENTS

• POSSIBLE RELOCATION/BYPASS IN EXISTING CONFLICT AREAS MAY BE REQUIRED.

Ⓑ NEW FIRE HYDRANT AND HOTEL FIRE SERVICE.

MISC. UTILITY RELOCATIONS

• TELEPHONE, FIBER, LIGHT POLES, ETC. T.B.D.

ROAD AND SIDEWALK IMPROVEMENTS

Ⓒ NEW SIDEWALKS, CROSSWALKS, AND PEDESTRIAN IMPROVEMENTS AT INTERSECTIONS.

Ⓓ CURB SHIFT AND REMOVAL OF EXISTING BIKE LANE.

DATE: 08-22-24

EXHIBIT ' .2'

AC HOTEL OCALA

CITY OF OCALA, FLORIDA



DAVIS DINKINS ENGINEERING, P.A.

CERTIFICATE OF AUTHORIZATION #28150

125 N.E. 1st AVENUE SUITE 2

OCALA, FL 34470

PHONE: (352) 854-5961



WEST SILVER SPRINGS BOULEVARD / S.R. 40

**REQUIRED IMPROVEMENTS
WITHIN S.W. 2nd AVENUE**

STORM SEWER IMPROVEMENTS

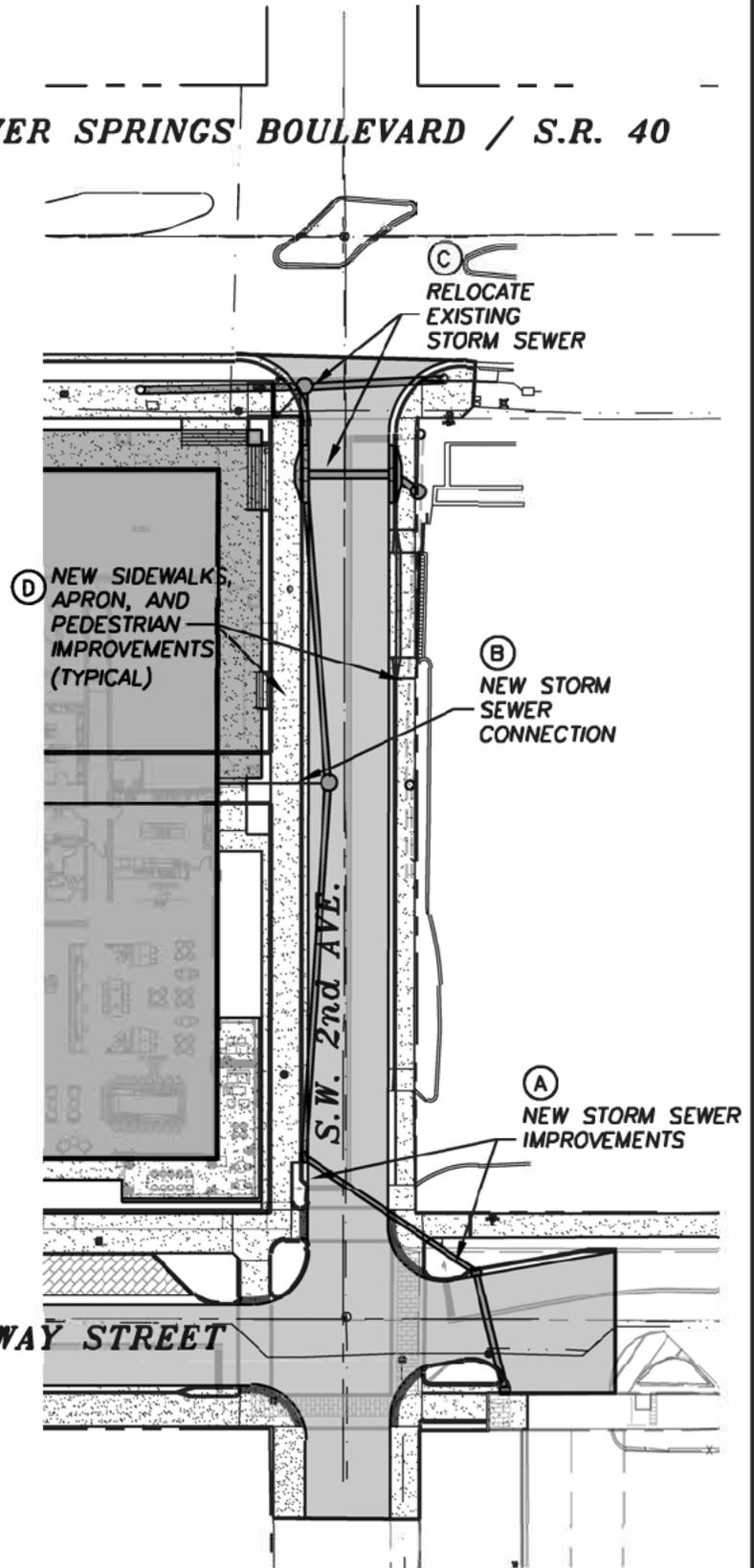
- (A) ADDITIONAL STORM SEWER FOR S.W. 2nd STREET/S.W. BROADWAY AVENUE
- (B) CONNECTION FOR HOTEL STORM SEWER.
- (C) RELOCATION OF S.R. 40 STORM SEWER IMPROVEMENTS FOR CROSSWALK IMPROVEMENTS.

MISC. UTILITY RELOCATIONS

• TELEPHONE, FIBER, LIGHT POLES, ETC. T.B.D.

ROAD AND SIDEWALK IMPROVEMENTS

- (D) NEW SIDEWALKS, CROSSWALKS, APRONS, ETC. AND REALIGNMENT AS REQUIRED AT INTERSECTIONS.



DATE: 08-22-24

EXHIBIT ' 3'

AC HOTEL OCALA

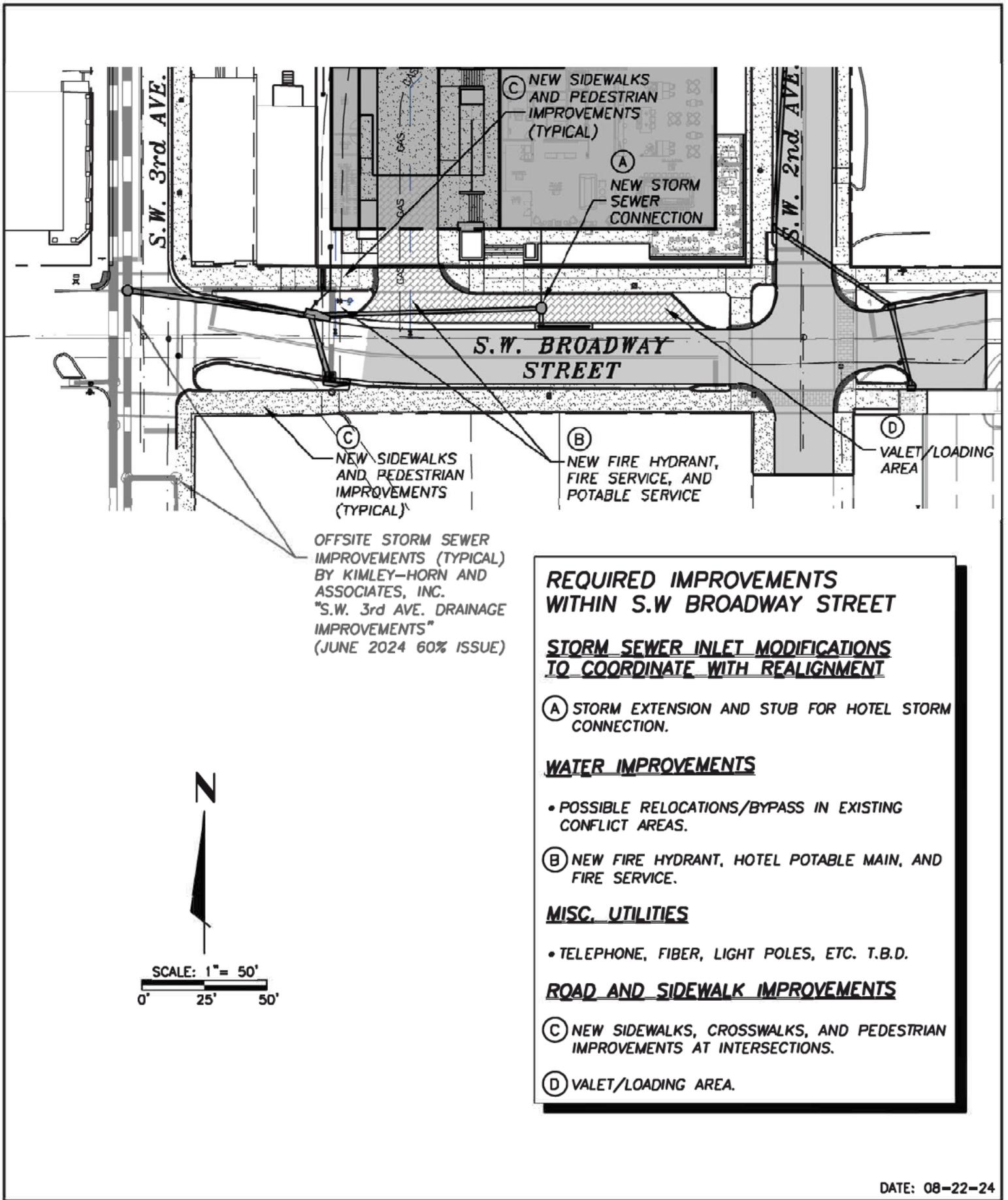
CITY OF OCALA, FLORIDA



**DAVIS DINKINS
ENGINEERING, P.A.**

CERTIFICATE OF AUTHORIZATION #28150

125 N.E. 1st AVENUE
SUITE 2
OCALA, FL 34470
PHONE: (352) 854-5961



**REQUIRED IMPROVEMENTS
WITHIN S.W BROADWAY STREET**

**STORM SEWER INLET MODIFICATIONS
TO COORDINATE WITH REALIGNMENT**

(A) STORM EXTENSION AND STUB FOR HOTEL STORM CONNECTION.

WATER IMPROVEMENTS

- POSSIBLE RELOCATIONS/BYPASS IN EXISTING CONFLICT AREAS.

(B) NEW FIRE HYDRANT, HOTEL POTABLE MAIN, AND FIRE SERVICE.

MISC. UTILITIES

- TELEPHONE, FIBER, LIGHT POLES, ETC. T.B.D.

ROAD AND SIDEWALK IMPROVEMENTS

(C) NEW SIDEWALKS, CROSSWALKS, AND PEDESTRIAN IMPROVEMENTS AT INTERSECTIONS.

(D) VALET/LOADING AREA.

DATE: 08-22-24

EXHIBIT .4'

AC HOTEL OCALA

CITY OF OCALA, FLORIDA



**DAVIS DINKINS
ENGINEERING, P.A.**

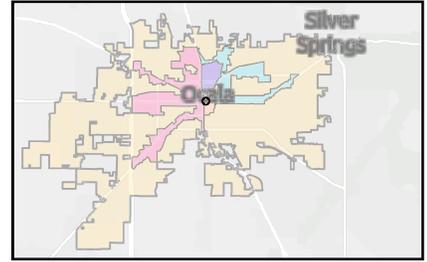
CERTIFICATE OF AUTHORIZATION #28150

125 N.E. 1st AVENUE
SUITE 2
OCALA, FL 34470
PHONE: (352) 854-5961

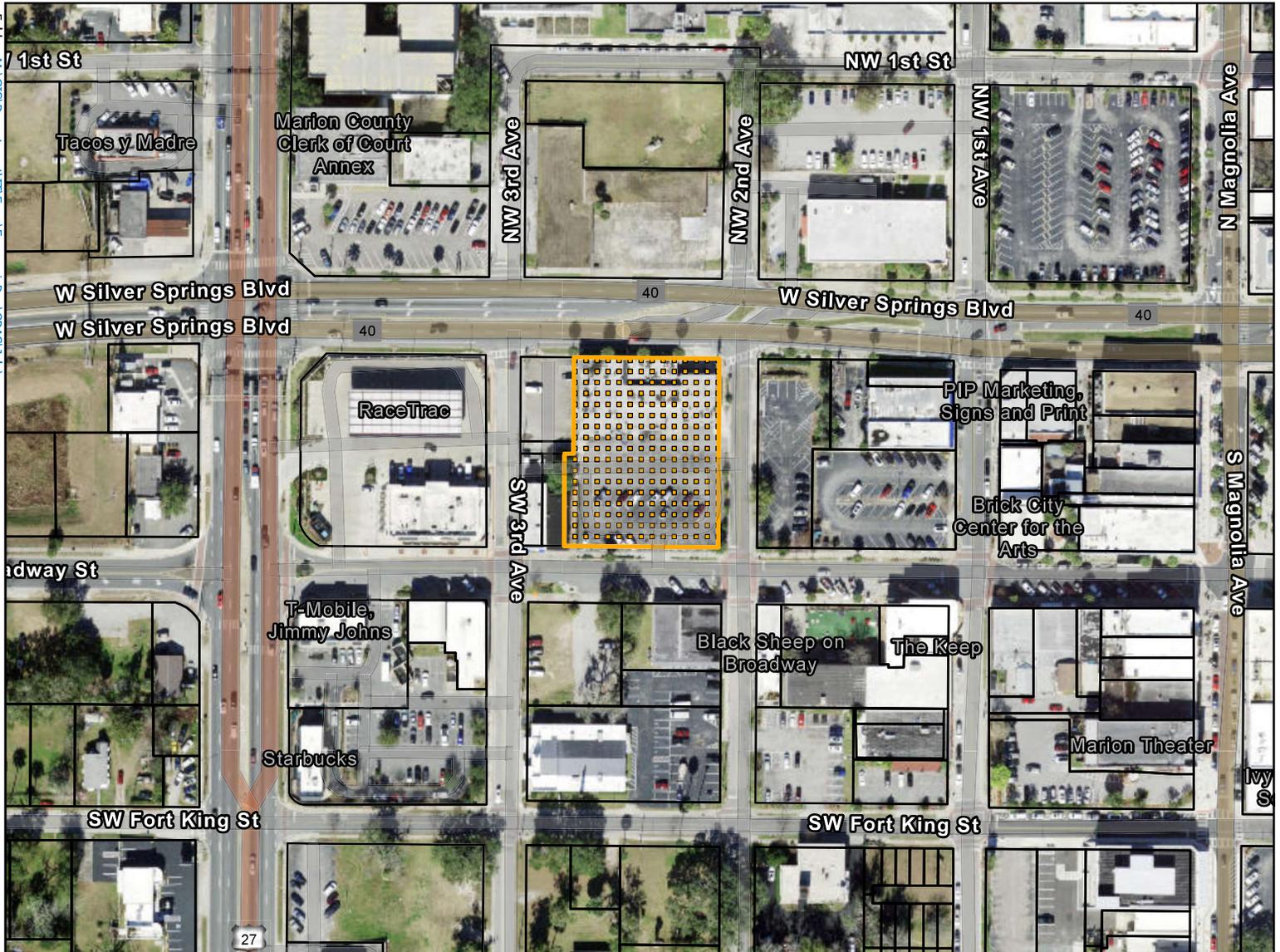
AERIAL MAP

Parcel: 2854-025-001
Case Number: AGR25-0001
Address: 211 SW BROADWAY ST

Property Size: .82 Acres
CRA Location: Downtown
Proposal: A Request for CRA fund use.



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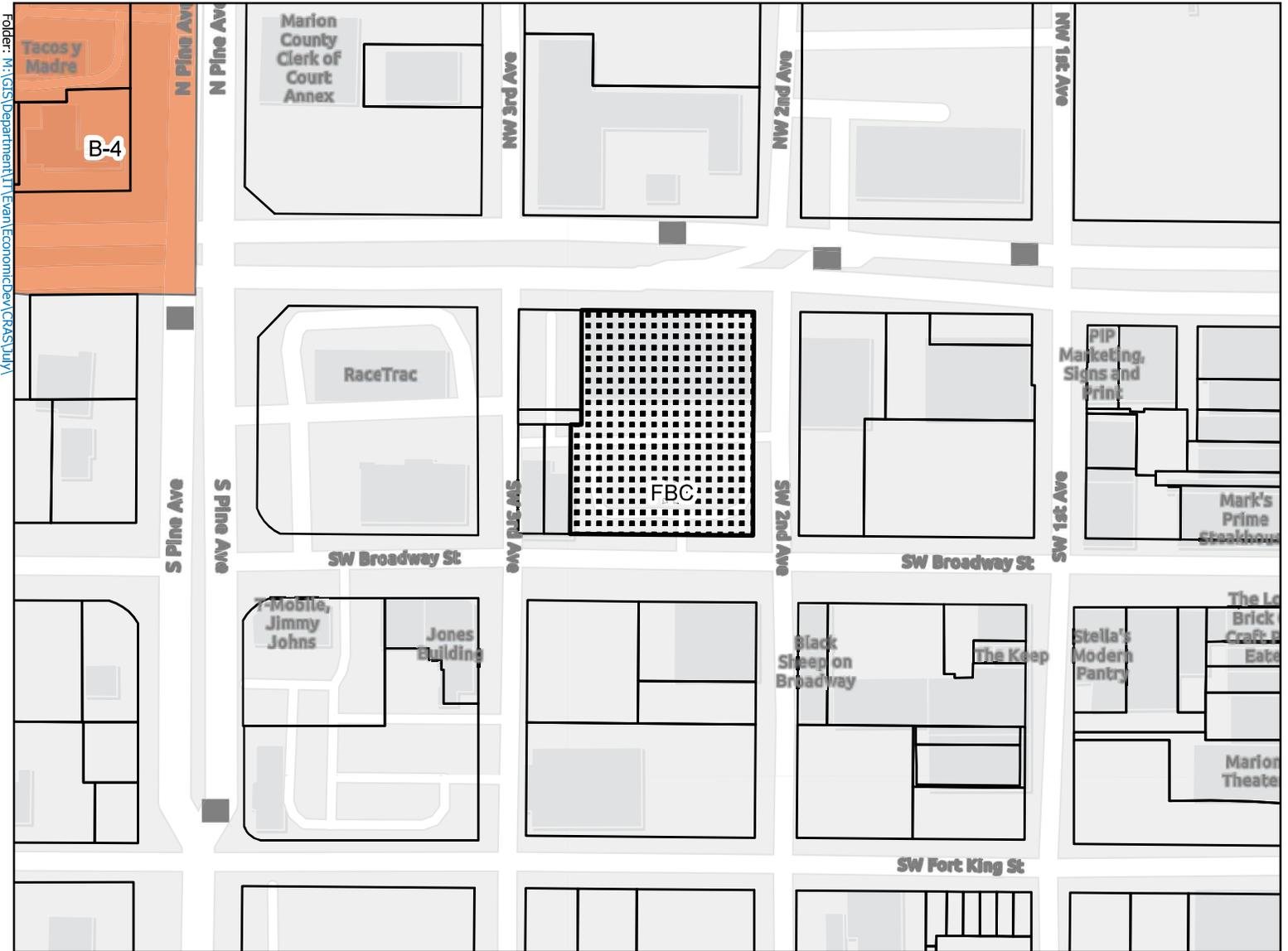
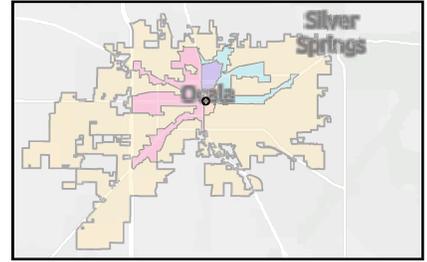
 SubjectProperty

 Parcels



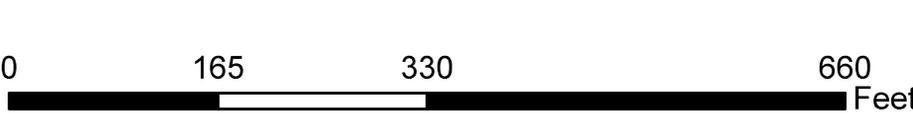
CASE MAP

Parcel: 2854-025-001
Case Number: AGR25-0001
Address: 211 SW BROADWAY ST
Property Size: .82 Acres
CRA Location: Downtown
Proposal: A Request for CRA fund use.



Folder: M:\GIS\Department\UrbanEconomicDev\CRA\25\Jun

-  SubjectProperty
-  Parcels
-  B-4:General Business
-  FBC:Form Based Code



Redevelopment Agreement for Project Hometown - Downtown Ocala Marriott AC

Summary of City Incentives	
Incentive	Value
City Grant	\$ 500,000
City Elevator Incentive	\$ 108,000
City CRA Payments (TIF)*	\$ 2,634,222
City Improvements	\$ 559,323
City Parking Incentive*	\$ 1,618,413
City Review Contribution	\$ 199,686
TOTAL	\$ 5,619,644

**These incentives are subject to adjustment and will be revaluated on an annual basis. Under no circumstance shall the total City Incentives exceed the value of \$5,619,644.*

City Improvements - Paragraph 4.4	
	Estimate
SW Boardway Street	\$ 266,173
SR40	\$ 61,568
SW 3rd Ave	\$ 54,806
SW 2nd Ave	\$ 176,776
TOTAL	\$ 559,323

City Review Contribution - Paragraph 4.5				
Fee	Estimate	City Incentive	Developer Responsibility	
Building Permits (General, Fire, Electric, Plumbing, Mechanical)	\$ 153,407	\$ 153,407	\$	-
Site Plan Review	\$ 3,650	\$ 3,650	\$	-
Impact Fee - Water & Sewer**	\$ 438,468	\$ -	\$	-
Impact Fee - Fire	\$ 42,629	\$ 42,629	\$	-
Impact Fee - Transportation	\$ 139,920	\$ -	\$	139,920
TOTAL	\$ 778,074	\$ 199,686	\$	139,920

***Automatically waived in the Downtown CRA.*



Ocala

110 SE Watula Avenue
Ocala, FL 34471

www.ocalafl.gov

Item Details

File Number: 2024-0219

ID #: 2024-0219	Type: Agenda Item	Status: Passed
Version: 1	Placement: 9	In Control: City Council
Presented By: :		File Created: 10/26/2023
		Final Action: 11/07/2023

Formal Title: Approve Robert W. Batsel, Jr. and the firm to represent DOMACH, LLC in connection with the development of a hotel on property located at 210 West Silver Springs Boulevard

Internal Notes:

Sponsors:

Enactment Date:

Attachments: Letter to Pete Lee requesting Council Approval - DOMACH w Enclosures 10-20-2023 Final

Enactment Number:

Recommendation:

Hearing Date: 11/07/2023

Entered by: tchighizola@ocalafl.org

Effective Date:

History of Legislative File

Version:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
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1	City Council	11/07/2023	Approved				Pass
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Action Text:

Notes:

Attorney Robert Batsel Jr., 1531 SE 36th Avenue, Ocala, FL 34471, stated the law firm had previously requested consent to represent a private party who may have business with the City. He spoke on his involvement in real estate transactions with the properties. Furthermore, his client would like to negotiate an incentives agreement for garage parking spaces with the City. He requested consent from Council to move forward with representation of DOMACH, LLC.

Mayor Guinn thanked Mr. Batsel for his transparency with the City.

There being no further discussion the motion carried by roll call vote.

Aye: 5 Council President Mansfield, Council Member Bethea Sr, Pro Tem Dreyer, Council Member Musleh, and Council Member Hilty Sr

Text of Legislative File 2024-0219

Submitted By: Tye Chighizola
Presentation By: Tye Chighizola
Department: Growth Management

STAFF RECOMMENDATION (Motion Ready):

Approve Robert W. Batsel, Jr. and the firm to represent DOMACH, LLC in connection with the development of a hotel on property located at 210 West Silver Springs Boulevard

OCALA’S RELEVANT STRATEGIC GOALS:

Quality of Place, Economic Hub

PROOF OF PUBLICATION:

N/A

BACKGROUND: Mr. Batsel is requesting to represent DOMACH in connection with land use, permitting, and related matters including the negotiation of a redevelopment agreement with the City concerning the development of a hotel on property located at 210 West Silver Springs Boulevard.

While the land use/zoning work associated with the project will likely be limited (since the existing entitlements appear to permit a hotel), Mr. Batsel’s representation would include interaction with the City in negotiating a redevelopment agreement providing for the hotel’s exclusive use of spaces within the City parking garage to be constructed on property lying immediately south of the property.

FINDINGS AND CONCLUSIONS: Staff has no issues with Mr. Batsel or the firm representing the client concerning the development of the hotel or the negotiations concerning parking spaces in the new garage. The request is consistent with the guidelines outlined for consideration adopted by the City Council on April 4, 2023.

FISCAL IMPACT: N/A

PROCUREMENT REVIEW: N/A

LEGAL REVIEW: This agenda item has been reviewed by City Attorney, William E. Sexton.

ALTERNATIVE:

- Approve with changes
- Table
- Deny

GOODING & BATSEL, PLLC
ATTORNEYS AT LAW
1531 SE 36TH AVENUE
OCALA, FLORIDA 34471

W. JAMES GOODING III
ROBERT W. BATSEL, JR.
ROBERT W. BATSEL
JAMES T. HARTLEY

TELEPHONE (352) 579-1290
FACSIMILE (352) 579-1289
email: rbatsel@lawyersocala.com

October 20, 2023

By Email Only

Peter A. Lee AICP, City Manager
City of Ocala
201 SE 3rd Street, 2nd Floor
Ocala, FL 34471-2172

RE: Request for conflict waiver concerning representation of DOMACH LLC (“DOMACH”)

Dear Mr. Lee:

We are writing to request City Council consent for our firm to represent DOMACH in connection with land use, permitting, related matters including the negotiation of a redevelopment agreement with the City concerning the development of a hotel on property located at 210 West Silver Springs Boulevard.

As you know, we have previously sent requests for informed consent pursuant to the *Guidelines For Former City Attorneys* approved by City Council at its April 4, 2023 meeting (“Guidelines”) which, among other things, established a mechanism for determining whether we “participated personally and substantially” in a matter and, if so, requiring us to obtain City Council consent. Prior to developing such Guidelines, we also entered into the enclosed *Agreement Concerning Continued Legal Representation in Specific Matters by Former City Attorneys* (“Special Projects Agreement”), providing for our completion of certain City projects after our City Attorney term expired and recognizing that we would also be representing private developers in matters involving the City (see Paragraph 5 of the Special Projects Agreement).

To date, we have undertaken representation of private clients in City matters in which we have not previously participated personally and substantially on behalf the City, but in the event we previously represented the City in any matter, we sought and obtained informed consent of City staff and/or Council prior to engaging a client pursuant to the Guidelines.

This request concerns DOMACH’s proposed redevelopment of property located at 210 W. Silver Springs Boulevard, known as “Project Hometown.” DOMACH plans to construct a hotel on the former site of the recently demolished European Car Clinic. While the land use/zoning work associated with the project will likely be limited (since the existing entitlements appear to permit a hotel), our proposed representation would include interaction with the City in negotiating a redevelopment agreement providing for the hotel’s exclusive use of spaces within the City parking garage to be constructed on property lying immediately south of DOMACH’s property (the “Garage Property”), incentives to be provided by the City, obligations of DOMACH and similar matters.

During my tenure as City Attorney, I handled the real estate transactions resulting in the City’s purchase of Garage Property from Mt. Moriah Missionary Baptist Church of Ocala, Inc. and IOM, LLC. Currently, pursuant to the Special Projects Agreement, I am preparing an action to quiet title to the property

purchased from Mt. Moriah. This has involved significant research to identify and locate heirs of a prior owner of the subject property who may still have an interest in the subject property due to a hiatus in legal descriptions.

During our firm's tenure as City attorney and pursuant to our Special Projects Agreement, Mr. Gooding has represented the City in an action styled *City of Ocala v. Wanda Hampton, et al*, Case No. 21-1011-CA, which concerned the location and boundary of the Hamptons' parcel and vis a vis a City alley contiguous to the Hamptons' parcel and the DOMACH property. The case is still pending, but has been substantively resolved and will be concluded soon. There is no dispute between the City and DOMACH concerning the City alley contiguous to the DOMACH property.

And, of course, we are still representing the City in a few other matters under the Special Projects Agreement.

The foregoing matters are separate and distinct from our proposed representation of DOMACH.

Further, because none of our prior or current representation of the City involves a matter involving the DOMACH project in which any lawyer in our firm (or in our prior firm) "participated personally and substantially" as an attorney on behalf of the City, Rule 4-1.11 of the Rules of Professional Conduct (dealing with conflicts of interests for former and current government officers and employees) does not apply to our representation of DOMACH.

However, Rule 4-1.7 of Rules Regulating the Florida Bar, entitled "Conflict of Interest; Current Clients" is involved because of our current representation of City. That Rule provides, in relevant part:

(a) Representing Adverse Interests. Except as provided in subdivision (b), a lawyer must not represent a client if:

(1) the representation of 1 client will be directly adverse to another client; or

(2) there is a substantial risk that the representation of 1 or more clients will be materially limited by the lawyer's responsibilities to another client, a former client or a third person or by a personal interest of the lawyer.

(b) Informed Consent. Notwithstanding the existence of a conflict of interest under subdivision (a), a lawyer may represent a client if:

(1) the lawyer reasonably believes that the lawyer will be able to provide competent and diligent representation to each affected client;

(2) the representation is not prohibited by law;

(3) the representation does not involve the assertion of a position adverse to another client when the lawyer represents both clients in the same proceeding before a tribunal; and

(4) each affected client gives informed consent, confirmed in writing or clearly stated on the record at a hearing.

(c) Explanation to Clients. When representation of multiple clients in a single matter is undertaken, the consultation must include an explanation of the implications of the common representation and the advantages and risks involved.

Pursuant to section (a)(1), above, our proposed representation of DOMACH would be adverse to the City since we will be negotiating on behalf of a party to a contract with the City. Pursuant to section (a)(2), we do not believe there is any risk that either party will be materially limited by our responsibilities to the other party. We believe we can each effectively represent the City concerning the Mt. Moriah quiet title action, completion of the Hampton case, or other unrelated City matters under the Special Projects Agreement, notwithstanding our representation of DOMACH as described above. Regarding Mt. Moriah, the parties' interests are aligned since DOMACH's ability to make use of spaces within the proposed parking garage would be contingent upon our success on behalf of the City in the quiet title action. Our representation of the City would be seeking a condition precedent to anyone making use of the Mt. Moriah property, including DOMACH. Regarding Hampton, our representation of the City does not affect the DOMACH property.

Because our proposed representation of DOMACH is adverse pursuant to section (a)(1), we may not represent DOMACH unless sections (b)(1), (b)(2), and (b)(4)¹ are satisfied. Concerning section (b)(1), we believe we can competently and diligently represent the City and DOMACH. Section (b)(2) is satisfied since the representation is not prohibited by law. Thus, the determination rests upon section (b)(4) and whether each affected client gives informed consent, which is the purpose of our letter.

As referenced in prior letters requesting conflict waivers, the Preamble to the Florida Rules of Professional Conduct sets forth definitions including the following:

“Informed consent” denotes the agreement by a person to a proposed course of conduct after the lawyer has communicated adequate information and explanation about the material risks of and reasonably available alternatives to the proposed course of conduct.

I have included in the attached **Exhibit A** the Comment on such language.

Pursuant to that language:

1. Please see the discussion above concerning the matters in which we previously represented the City, and concerning the scope of the representation of DOMACH that we are requesting permission to undertake.
2. We do not believe that our representation of DOMACH poses any risk to the City, in that:
 - 2.1. Our representation of the City concerning the purchase of the Garage Property was unrelated to the DOMACH project and only concerned acquisition of the adjacent Garage Property.
 - 2.2. Our ongoing representation of the City concerning the quiet title action is intended to clear a title defect concerning a hiatus and is unrelated to the DOMACH project.
 - 2.3. Our representation of the City in the Hampton case concerns the parties' respective rights to property within an adjacent alley, but will have no effect on the DOMACH project. Further, that representation should soon be completed.

¹ Section (b)(3) is not applicable because the proposed representation of DOMACH does not include representation of both clients in the same proceeding before a tribunal.

- 2.4. The other matters in which we are still representing the City do not involve the DOMACH property or nearby properties.
3. To the extent that there is any concern about the foregoing, I suggest consulting Mr. Sexton. We will certainly accept his determination and risk assessment to be conclusive.
4. The final point that must be addressed is the reasonably available alternatives to our representation of DOMACH.
 - 4.1. There is one clear alternative, which is prohibiting me from representing DOMACH in this matter. Obviously, we would prefer for City Council not to determine this alternative is necessary, particularly in light of the foregoing. However, we will respect any decision made by City Council.
 - 4.2. In some cases, one possible alternative is that the City permit us to represent DOMACH but place restraints on issues in which we can advocate on its behalf. We do not think such an approach would be possible in this case, but are willing to discuss any such alternative.

Thus, we request that City Council provide informed consent in writing to our representation of DOMACH in connection with the matters set forth above. We have included a consent on the bottom of this letter so that you can sign it if City Council provides such direction. Of course, we suggest you consult with City Attorney Will Sexton concerning this matter.

Finally, we have copied Tye Chighizola, Jeff Shrum, Aubrey Hale, Roberto Ellis, Tracy Taylor, and Joe Switt, since each has either been involved or will be involved in the matters referenced above so that they are aware of our request and invited to provide you and Mr. Sexton with their positions.

Please let me know if you have any questions or concerns. We respectfully request for this letter to be placed on the November 7 City Council agenda, or as soon thereafter as possible. Thank you in advance.

Sincerely,

GOODING & BATSEL, PLLC

/s/ Robert W. Batsel Jr.

/s/ W. James Gooding, III

Attachment: as stated

cc: City Attorney Will Sexton
Mr. Tye Chighizola
Mr. Jeff Shrum
Mr. Aubrey Hale
Mr. Roberto Ellis
Mr. Tye Chighizola

Mr. Tracy Taylor
Mr. Joe Switt

(All by email only with attachment)

CONSENT TO REPRESENTATION

On _____, 2023, the City Council approved your representation of DOMACH LLC, in connection with the matters discussed in the bullet points on the first two pages of your letter.

The City Council indicated that its consent was conditioned upon your not representing DOMACH LLC in connection with the following matters: _____ (none if blank).

Mr. Peter A. Lee, AICP
City Manager
Dated _____

EXHIBIT A
RULES OF PROFESSIONAL CONDUCT

See attached.

P:\RWB\DOMACH, LLC - Project Hometown\Correspondence\Letter to Pete Lee requesting Council Approval - DOMACH 10-20-2023
Final.docx

CHAPTER 4. RULES OF PROFESSIONAL CONDUCT

PREAMBLE: A LAWYER'S RESPONSIBILITIES

A lawyer, as a member of the legal profession, is a representative of clients, an officer of the legal system, and a public citizen having special responsibility for the quality of justice.

As a representative of clients, a lawyer performs various functions. As an adviser, a lawyer provides a client with an informed understanding of the client's legal rights and obligations and explains their practical implications. As an advocate, a lawyer zealously asserts the client's position under the rules of the adversary system. As a negotiator, a lawyer seeks a result advantageous to the client but consistent with requirements of honest dealing with others. As an evaluator, a lawyer acts by examining a client's legal affairs and reporting about them to the client or to others.

In addition to these representational functions, a lawyer may serve as a third-party neutral, a nonrepresentational role helping the parties to resolve a dispute or other matter. Some of these rules apply directly to lawyers who are or have served as third-party neutrals. See, e.g., rules 4-1.12 and 4-2.4. In addition, there are rules that apply to lawyers who are not active in the practice of law or to practicing lawyers even when they are acting in a nonprofessional capacity. For example, a lawyer who commits fraud in the conduct of a business is subject to discipline for engaging in conduct involving dishonesty, fraud, deceit, or misrepresentation. See rule 4-8.4.

In all professional functions a lawyer should be competent, prompt, and diligent. A lawyer should maintain communication with a client concerning the representation. A lawyer should keep in confidence information relating to representation of a client except so far as disclosure is required or permitted by the Rules of Professional Conduct or by law.

A lawyer's conduct should conform to the requirements of the law, both in professional service to clients and in the lawyer's business and personal affairs. A lawyer should use the law's

procedures only for legitimate purposes and not to harass or intimidate others. A lawyer should demonstrate respect for the legal system and for those who serve it, including judges, other lawyers, and public officials. While it is a lawyer's duty, when necessary, to challenge the rectitude of official action, it is also a lawyer's duty to uphold legal process.

As a public citizen, a lawyer should seek improvement of the law, access to the legal system, the administration of justice, and the quality of service rendered by the legal profession. As a member of a learned profession, a lawyer should cultivate knowledge of the law beyond its use for clients, employ that knowledge in reform of the law, and work to strengthen legal education. In addition, a lawyer should further the public's understanding of and confidence in the rule of law and the justice system, because legal institutions in a constitutional democracy depend on popular participation and support to maintain their authority. A lawyer should be mindful of deficiencies in the administration of justice and of the fact that the poor, and sometimes persons who are not poor, cannot afford adequate legal assistance. Therefore, all lawyers should devote professional time and resources and use civic influence to ensure equal access to our system of justice for all those who because of economic or social barriers cannot afford or secure adequate legal counsel. A lawyer should aid the legal profession in pursuing these objectives and should help the bar regulate itself in the public interest.

Many of the lawyer's professional responsibilities are prescribed in the Rules of Professional Conduct and in substantive and procedural law. A lawyer is also guided by personal conscience and the approbation of professional peers. A lawyer should strive to attain the highest level of skill, to improve the law and the legal profession, and to exemplify the legal profession's ideals of public service.

A lawyer's responsibilities as a representative of clients, an officer of the legal system, and a public citizen are usually harmonious. Zealous advocacy is not inconsistent with justice. Moreover, unless violations of law or injury to another or another's property is involved, preserving client confidences ordinarily serves

the public interest because people are more likely to seek legal advice, and heed their legal obligations, when they know their communications will be private.

In the practice of law, conflicting responsibilities are often encountered. Difficult ethical problems may arise from a conflict between a lawyer's responsibility to a client and the lawyer's own sense of personal honor, including obligations to society and the legal profession. The Rules of Professional Conduct often prescribe terms for resolving these conflicts. Within the framework of these rules, however, many difficult issues of professional discretion can arise. These issues must be resolved through the exercise of sensitive professional and moral judgment guided by the basic principles underlying the rules. These principles include the lawyer's obligation to protect and pursue a client's legitimate interests, within the bounds of the law, while maintaining a professional, courteous, and civil attitude toward all persons involved in the legal system.

Lawyers are officers of the court and they are responsible to the judiciary for the propriety of their professional activities. Within that context, the legal profession has been granted powers of self-government. Self-regulation helps maintain the legal profession's independence from undue government domination. An independent legal profession is an important force in preserving government under law, for abuse of legal authority is more readily challenged by a profession whose members are not dependent on the executive and legislative branches of government for the right to practice. Supervision by an independent judiciary, and conformity with the rules the judiciary adopts for the profession, assures both independence and responsibility.

Thus, every lawyer is responsible for observance of the Rules of Professional Conduct. A lawyer should also aid in securing their observance by other lawyers. Neglect of these responsibilities compromises the independence of the profession and the public interest that it serves.

Scope:

The Rules of Professional Conduct are rules of reason. They should be interpreted with reference to the purposes of legal representation and of the law itself. Some of the rules are imperatives, cast in the terms of “must,” “must not,” or “may not.” These define proper conduct for purposes of professional discipline. Others, generally cast in the term “may,” are permissive and define areas under the rules in which the lawyer has discretion to exercise professional judgment. No disciplinary action should be taken when the lawyer chooses not to act or acts within the bounds of that discretion. Other rules define the nature of relationships between the lawyer and others. The rules are thus partly obligatory and disciplinary and partly constitutive and descriptive in that they define a lawyer’s professional role.

The comment accompanying each rule explains and illustrates the meaning and purpose of the rule. The comments are intended only as guides to interpretation, whereas the text of each rule is authoritative. Thus, comments, even when they use the term “should,” do not add obligations to the rules but merely provide guidance for practicing in compliance with the rules.

The rules presuppose a larger legal context shaping the lawyer’s role. That context includes court rules and statutes relating to matters of licensure, laws defining specific obligations of lawyers, and substantive and procedural law in general. Compliance with the rules, as with all law in an open society, depends primarily upon understanding and voluntary compliance, secondarily upon reinforcement by peer and public opinion, and finally, when necessary, upon enforcement through disciplinary proceedings. The rules do not, however, exhaust the moral and ethical considerations that should inform a lawyer, for no worthwhile human activity can be completely defined by legal rules. The rules simply provide a framework for the ethical practice of law. The comments are sometimes used to alert lawyers to their responsibilities under other law.

Furthermore, for purposes of determining the lawyer’s authority and responsibility, principles of substantive law external to these

rules determine whether a client-lawyer relationship exists. Most of the duties flowing from the client-lawyer relationship attach only after the client has requested the lawyer to render legal services and the lawyer has agreed to do so. But there are some duties, for example confidentiality under rule 4-1.6, which attach when the lawyer agrees to consider whether a client-lawyer relationship will be established. See rule 4-1.18. Whether a client-lawyer relationship exists for any specific purpose can depend on the circumstances and may be a question of fact.

Failure to comply with an obligation or prohibition imposed by a rule is a basis for invoking the disciplinary process. The rules presuppose that disciplinary assessment of a lawyer's conduct will be made on the basis of the facts and circumstances as they existed at the time of the conduct in question in recognition of the fact that a lawyer often has to act upon uncertain or incomplete evidence of the situation. Moreover, the rules presuppose that whether discipline should be imposed for a violation, and the severity of a sanction, depend on all the circumstances, such as the willfulness and seriousness of the violation, extenuating factors, and whether there have been previous violations.

Violation of a rule should not itself give rise to a cause of action against a lawyer nor should it create any presumption that a legal duty has been breached. In addition, violation of a rule does not necessarily warrant any other nondisciplinary remedy, such as disqualification of a lawyer in pending litigation. The rules are designed to provide guidance to lawyers and to provide a structure for regulating conduct through disciplinary agencies. They are not designed to be a basis for civil liability. Furthermore, the purpose of the rules can be subverted when they are invoked by opposing parties as procedural weapons. The fact that a rule is a just basis for a lawyer's self-assessment, or for sanctioning a lawyer under the administration of a disciplinary authority, does not imply that an antagonist in a collateral proceeding or transaction has standing to seek enforcement of the rule. Accordingly, nothing in the rules should be deemed to augment any substantive legal duty of lawyers or the extra-disciplinary consequences of violating a substantive legal duty. Nevertheless, since the rules do establish standards of

conduct by lawyers, a lawyer's violation of a rule may be evidence of a breach of the applicable standard of conduct.

Terminology:

“Belief” or “believes” denotes that the person involved actually supposed the fact in question to be true. A person's belief may be inferred from circumstances.

“Consult” or “consultation” denotes communication of information reasonably sufficient to permit the client to appreciate the significance of the matter in question.

“Confirmed in writing,” when used in reference to the informed consent of a person, denotes informed consent that is given in writing by the person or a writing that a lawyer promptly transmits to the person confirming an oral informed consent. See “informed consent” below. If it is not feasible to obtain or transmit the writing at the time the person gives informed consent, then the lawyer must obtain or transmit it within a reasonable time.

“Firm” or “law firm” denotes a lawyer or lawyers in a law partnership, professional corporation, sole proprietorship, or other association authorized to practice law; or lawyers employed in the legal department of a corporation or other organization.

“Fraud” or “fraudulent” denotes conduct having a purpose to deceive and not merely negligent misrepresentation or failure to apprise another of relevant information.

“Informed consent” denotes the agreement by a person to a proposed course of conduct after the lawyer has communicated adequate information and explanation about the material risks of and reasonably available alternatives to the proposed course of conduct.

“Knowingly,” “known,” or “knows” denotes actual knowledge of the fact in question. A person's knowledge may be inferred from circumstances.

“Lawyer” denotes a person who is a member of The Florida Bar or otherwise authorized to practice in the state of Florida.

“Partner” denotes a member of a partnership and a shareholder in a law firm organized as a professional corporation, or a member of an association authorized to practice law.

“Reasonable” or “reasonably” when used in relation to conduct by a lawyer denotes the conduct of a reasonably prudent and competent lawyer.

“Reasonable belief” or “reasonably believes” when used in reference to a lawyer denotes that the lawyer believes the matter in question and that the circumstances are such that the belief is reasonable.

“Reasonably should know” when used in reference to a lawyer denotes that a lawyer of reasonable prudence and competence would ascertain the matter in question.

“Screened” denotes the isolation of a lawyer from any participation in a matter through the timely imposition of procedures within a firm that are reasonably adequate under the circumstances to protect information that the isolated lawyer is obligated to protect under these rules or other law.

“Substantial” when used in reference to degree or extent denotes a material matter of clear and weighty importance.

“Tribunal” denotes a court, an arbitrator in a binding arbitration proceeding, or a legislative body, administrative agency, or other body acting in an adjudicative capacity. A legislative body, administrative agency, or other body acts in an adjudicative capacity when a neutral official, after the presentation of evidence or legal argument by a party or parties, will render a binding legal judgment directly affecting a party’s interests in a particular matter.

“Writing” or “written” denotes a tangible or electronic record of a communication or representation, including handwriting, typewriting, printing, photostating, photography, audio or video recording, and electronic communications. A “signed” writing

includes an electronic sound, symbol or process attached to or logically associated with a writing and executed or adopted by a person with the intent to sign the writing.

Comment

Confirmed in writing

If it is not feasible to obtain or transmit a written confirmation at the time the client gives informed consent, then the lawyer must obtain or transmit it within a reasonable time. If a lawyer has obtained a client's informed consent, the lawyer may act in reliance on that consent so long as it is confirmed in writing within a reasonable time.

Firm

Whether 2 or more lawyers constitute a firm above can depend on the specific facts. For example, 2 practitioners who share office space and occasionally consult or assist each other ordinarily would not be regarded as constituting a firm. However, if they present themselves to the public in a way that suggests that they are a firm or conduct themselves as a firm, they should be regarded as a firm for purposes of the rules. The terms of any formal agreement between associated lawyers are relevant in determining whether they are a firm, as is the fact that they have mutual access to information concerning the clients they serve. Furthermore, it is relevant in doubtful cases to consider the underlying purpose of the rule that is involved. A group of lawyers could be regarded as a firm for purposes of the rule that the same lawyer should not represent opposing parties in litigation, while it might not be so regarded for purposes of the rule that information acquired by 1 lawyer is attributed to another.

With respect to the law department of an organization, including the government, there is ordinarily no question that the members of the department constitute a firm within the meaning of the Rules of Professional Conduct. There can be uncertainty, however, as to the identity of the client. For example, it may not be clear whether the law department of a corporation represents a subsidiary or an affiliated corporation, as well as the corporation by which the

members of the department are directly employed. A similar question can arise concerning an unincorporated association and its local affiliates.

Similar questions can also arise with respect to lawyers in legal aid and legal services organizations. Depending upon the structure of the organization, the entire organization or different components of it may constitute a firm or firms for purposes of these rules.

Fraud

When used in these rules, the terms “fraud” or “fraudulent” refer to conduct that has a purpose to deceive. This does not include merely negligent misrepresentation or negligent failure to apprise another of relevant information. For purposes of these rules, it is not necessary that anyone has suffered damages or relied on the misrepresentation or failure to inform.

Informed consent

Many of the Rules of Professional Conduct require the lawyer to obtain the informed consent of a client or other person (e.g., a former client or, under certain circumstances, a prospective client) before accepting or continuing representation or pursuing a course of conduct. See, e.g., rules 4-1.2(c), 4-1.6(a), 4-1.7(b), and 4-1.18. The communication necessary to obtain consent will vary according to the rule involved and the circumstances giving rise to the need to obtain informed consent. The lawyer must make reasonable efforts to ensure that the client or other person possesses information reasonably adequate to make an informed decision. Ordinarily, this will require communication that includes a disclosure of the facts and circumstances giving rise to the situation, any explanation reasonably necessary to inform the client or other person of the material advantages and disadvantages of the proposed course of conduct and a discussion of the client’s or other person’s options and alternatives. In some circumstances it may be appropriate for a lawyer to advise a client or other person to seek the advice of other counsel. A lawyer need not inform a client or other person of facts or implications already known to the client or other person; nevertheless, a lawyer who does not personally inform the client or

other person assumes the risk that the client or other person is inadequately informed and the consent is invalid. In determining whether the information and explanation provided are reasonably adequate, relevant factors include whether the client or other person is experienced in legal matters generally and in making decisions of the type involved, and whether the client or other person is independently represented by other counsel in giving the consent. Normally, these persons need less information and explanation than others, and generally a client or other person who is independently represented by other counsel in giving the consent should be assumed to have given informed consent.

Obtaining informed consent will usually require an affirmative response by the client or other person. In general, a lawyer may not assume consent from a client's or other person's silence. Consent may be inferred, however, from the conduct of a client or other person who has reasonably adequate information about the matter. A number of rules state that a person's consent be confirmed in writing. See, e.g., rule 4-1.7(b). For a definition of "writing" and "confirmed in writing," see terminology above. Other rules require that a client's consent be obtained in a writing signed by the client. See, e.g., rule 4-1.8(a). For a definition of "signed," see terminology above.

Screened

This definition applies to situations where screening of a personally disqualified lawyer is permitted to remove imputation of a conflict of interest under rules 4-1.11, 4-1.12, or 4-1.18.

The purpose of screening is to assure the affected parties that confidential information known by the personally disqualified lawyer remains protected. The personally disqualified lawyer should acknowledge the obligation not to communicate with any of the other lawyers in the firm with respect to the matter. Similarly, other lawyers in the firm who are working on the matter should be informed that the screening is in place and that they may not communicate with the personally disqualified lawyer with respect to the matter. Additional screening measures that are appropriate for the particular matter will depend on the circumstances. To

implement, reinforce, and remind all affected lawyers of the presence of the screening, it may be appropriate for the firm to undertake these procedures as a written undertaking by the screened lawyer to avoid any communication with other firm personnel and any contact with any firm files or other information, including information in electronic form, relating to the matter, written notice and instructions to all other firm personnel forbidding any communication with the screened lawyer relating to the matter, denial of access by the screened lawyer to firm files or other information, including information in electronic form, relating to the matter, and periodic reminders of the screen to the screened lawyer and all other firm personnel.

In order to be effective, screening measures must be implemented as soon as practicable after a lawyer or law firm knows or reasonably should know that there is a need for screening.

Amended July 23, 1992, effective Jan. 1, 1993 (605 So.2d 252); amended March 23, 2006, effective May 22, 2006 (933 So.2d 417); amended May 21, 2015, corrected June 25, 2015, effective October 1, 2015 (164 So.3d 1217), amended November 9, 2017, effective February 1, 2018 (234 So.3d 577).

4-1. CLIENT-LAWYER RELATIONSHIP

RULE 4-1.1 COMPETENCE

A lawyer must provide competent representation to a client. Competent representation requires the legal knowledge, skill, thoroughness, and preparation reasonably necessary for the representation.

Comment

Legal knowledge and skill

In determining whether a lawyer employs the requisite knowledge and skill in a particular matter, relevant factors include the relative complexity and specialized nature of the matter, the lawyer's general experience, the lawyer's training and experience in the field in question, the preparation and study the lawyer is able to give the matter, and whether it is feasible to refer the matter to, or

otherwise be prohibited by this rule. Whether a lawyer may be required to take additional steps in order to comply with other law, for example state and federal laws that govern data privacy, is beyond the scope of these rules.

Former client

The duty of confidentiality continues after the client-lawyer relationship has terminated. See rule 4-1.9 for the prohibition against using such information to the disadvantage of the former client.

Amended July 23, 1992, effective January 1, 1993 (605 So.2d 252); amended Oct. 20, 1994 (644 So.2d 282); March 23, 2006, effective May 22, 2006 (933 So.2d 417); amended July 7, 2011, effective October 1, 2011 (67 So. 3d 1037); amended May 29, 2014, effective June 1, 2014 (140 So. 3d 541); amended June 11, 2015, effective October 1, 2015 (167 So.3d 412); amended March 16, 2023, effective May 15, 2023 (SC22-1292).

RULE 4-1.7 CONFLICT OF INTEREST; CURRENT CLIENTS

(a) Representing Adverse Interests. Except as provided in subdivision (b), a lawyer must not represent a client if:

(1) the representation of 1 client will be directly adverse to another client; or

(2) there is a substantial risk that the representation of 1 or more clients will be materially limited by the lawyer's responsibilities to another client, a former client or a third person or by a personal interest of the lawyer.

(b) Informed Consent. Notwithstanding the existence of a conflict of interest under subdivision (a), a lawyer may represent a client if:

(1) the lawyer reasonably believes that the lawyer will be able to provide competent and diligent representation to each affected client;

(2) the representation is not prohibited by law;

(3) the representation does not involve the assertion of a position adverse to another client when the lawyer represents both clients in the same proceeding before a tribunal; and

(4) each affected client gives informed consent, confirmed in writing or clearly stated on the record at a hearing.

(c) Explanation to Clients. When representation of multiple clients in a single matter is undertaken, the consultation must include an explanation of the implications of the common representation and the advantages and risks involved.

(d) Lawyers Related by Blood, Adoption, or Marriage. A lawyer related by blood, adoption, or marriage to another lawyer as parent, child, sibling, or spouse must not represent a client in a representation directly adverse to a person who the lawyer knows is represented by the other lawyer except with the client's informed consent, confirmed in writing or clearly stated on the record at a hearing.

(e) Representation of Insureds. Upon undertaking the representation of an insured client at the expense of the insurer, a lawyer has a duty to ascertain whether the lawyer will be representing both the insurer and the insured as clients, or only the insured, and to inform both the insured and the insurer regarding the scope of the representation. All other Rules Regulating The Florida Bar related to conflicts of interest apply to the representation as they would in any other situation.

Comment

Loyalty to a client

Loyalty and independent judgment are essential elements in the lawyer's relationship to a client. Conflicts of interest can arise from the lawyer's responsibilities to another client, a former client or a third person, or from the lawyer's own interests. For specific rules regarding certain conflicts of interest, see rule 4-1.8. For former client conflicts of interest, see rule 4-1.9. For conflicts of interest involving prospective clients, see rule 4-1.18. For definitions of "informed consent" and "confirmed in writing," see terminology.

An impermissible conflict of interest may exist before representation is undertaken, in which event the representation should be declined. If such a conflict arises after representation has been undertaken, the lawyer should withdraw from the representation. See rule 4-1.16. Where more than 1 client is involved and the lawyer withdraws because a conflict arises after representation, whether the lawyer may continue to represent any of the clients is determined by rule 4-1.9. As to whether a client-lawyer relationship exists or, having once been established, is continuing, see comment to rule 4-1.3 and scope.

As a general proposition, loyalty to a client prohibits undertaking representation directly adverse to that client's or another client's interests without the affected client's consent. Subdivision (a)(1) expresses that general rule. Thus, a lawyer ordinarily may not act as advocate against a person the lawyer represents in some other matter, even if it is wholly unrelated. On the other hand, simultaneous representation in unrelated matters of clients whose interests are only generally adverse, such as competing economic enterprises, does not require consent of the respective clients. Subdivision (a)(1) applies only when the representation of 1 client would be directly adverse to the other and where the lawyer's responsibilities of loyalty and confidentiality of the other client might be compromised.

Loyalty to a client is also impaired when a lawyer cannot consider, recommend, or carry out an appropriate course of action for the client because of the lawyer's other responsibilities or interests. The conflict in effect forecloses alternatives that would otherwise be available to the client. Subdivision (a)(2) addresses such situations. A possible conflict does not itself preclude the representation. The critical questions are the likelihood that a conflict will eventuate and, if it does, whether it will materially interfere with the lawyer's independent professional judgment in considering alternatives or foreclose courses of action that reasonably should be pursued on behalf of the client. Consideration should be given to whether the client wishes to accommodate the other interest involved.

Consultation and consent

A client may consent to representation notwithstanding a conflict. However, as indicated in subdivision (a)(1) with respect to representation directly adverse to a client and subdivision (a)(2) with respect to material limitations on representation of a client, when a disinterested lawyer would conclude that the client should not agree to the representation under the circumstances, the lawyer involved cannot properly ask for such agreement or provide representation on the basis of the client's consent. When more than 1 client is involved, the question of conflict must be resolved as to each client. Moreover, there may be circumstances where it is impossible to make the disclosure necessary to obtain consent. For example, when the lawyer represents different clients in related matters and 1 of the clients refuses to consent to the disclosure necessary to permit the other client to make an informed decision, the lawyer cannot properly ask the latter to consent.

Lawyer's interests

The lawyer's own interests should not be permitted to have adverse effect on representation of a client. For example, a lawyer's need for income should not lead the lawyer to undertake matters that cannot be handled competently and at a reasonable fee. See rules 4-1.1 and 4-1.5. If the probity of a lawyer's own conduct in a transaction is in serious question, it may be difficult or impossible for the lawyer to give a client detached advice. A lawyer may not allow related business interests to affect representation, for example, by referring clients to an enterprise in which the lawyer has an undisclosed interest.

Conflicts in litigation

Subdivision (a)(1) prohibits representation of opposing parties in litigation. Simultaneous representation of parties whose interests in litigation may conflict, such as co-plaintiffs or co-defendants, is governed by subdivisions (a), (b), and (c). An impermissible conflict may exist by reason of substantial discrepancy in the parties' testimony, incompatibility in positions in relation to an opposing party, or the fact that there are substantially different possibilities

of settlement of the claims or liabilities in question. Such conflicts can arise in criminal cases as well as civil. The potential for conflict of interest in representing multiple defendants in a criminal case is so grave that ordinarily a lawyer should decline to represent more than 1 co-defendant. On the other hand, common representation of persons having similar interests is proper if the risk of adverse effect is minimal and the requirements of subdivisions (b) and (c) are met.

Ordinarily, a lawyer may not act as advocate against a client the lawyer represents in some other matter, even if the other matter is wholly unrelated. However, there are circumstances in which a lawyer may act as advocate against a client. For example, a lawyer representing an enterprise with diverse operations may accept employment as an advocate against the enterprise in an unrelated matter if doing so will not adversely affect the lawyer's relationship with the enterprise or conduct of the suit and if both clients consent upon consultation. By the same token, government lawyers in some circumstances may represent government employees in proceedings in which a government agency is the opposing party. The propriety of concurrent representation can depend on the nature of the litigation. For example, a suit charging fraud entails conflict to a degree not involved in a suit for a declaratory judgment concerning statutory interpretation.

A lawyer may represent parties having antagonistic positions on a legal question that has arisen in different cases, unless representation of either client would be adversely affected. Thus, it is ordinarily not improper to assert such positions in cases pending in different trial courts, but it may be improper to do so in cases pending at the same time in an appellate court.

Interest of person paying for a lawyer's service

A lawyer may be paid from a source other than the client, if the client is informed of that fact and consents and the arrangement does not compromise the lawyer's duty of loyalty to the client. See rule 4-1.8(f). For example, when an insurer and its insured have conflicting interests in a matter arising from a liability insurance agreement and the insurer is required to provide special counsel for

the insured, the arrangement should assure the special counsel's professional independence. So also, when a corporation and its directors or employees are involved in a controversy in which they have conflicting interests, the corporation may provide funds for separate legal representation of the directors or employees, if the clients consent after consultation and the arrangement ensures the lawyer's professional independence.

Other conflict situations

Conflicts of interest in contexts other than litigation sometimes may be difficult to assess. Relevant factors in determining whether there is potential for adverse effect include the duration and intimacy of the lawyer's relationship with the client or clients involved, the functions being performed by the lawyer, the likelihood that actual conflict will arise, and the likely prejudice to the client from the conflict if it does arise. The question is often one of proximity and degree.

For example, a lawyer may not represent multiple parties to a negotiation whose interests are fundamentally antagonistic to each other, but common representation is permissible where the clients are generally aligned in interest even though there is some difference of interest among them.

Conflict questions may also arise in estate planning and estate administration. A lawyer may be called upon to prepare wills for several family members, such as husband and wife, and, depending upon the circumstances, a conflict of interest may arise. In estate administration the identity of the client may be unclear under the law of some jurisdictions. In Florida, the personal representative is the client rather than the estate or the beneficiaries. The lawyer should make clear the relationship to the parties involved.

A lawyer for a corporation or other organization who is also a member of its board of directors should determine whether the responsibilities of the 2 roles may conflict. The lawyer may be called on to advise the corporation in matters involving actions of the directors. Consideration should be given to the frequency with which such situations may arise, the potential intensity of the

conflict, the effect of the lawyer's resignation from the board, and the possibility of the corporation's obtaining legal advice from another lawyer in such situations. If there is material risk that the dual role will compromise the lawyer's independence of professional judgment, the lawyer should not serve as a director.

Conflict charged by an opposing party

Resolving questions of conflict of interest is primarily the responsibility of the lawyer undertaking the representation. In litigation, a court may raise the question when there is reason to infer that the lawyer has neglected the responsibility. In a criminal case, inquiry by the court is generally required when a lawyer represents multiple defendants. Where the conflict is such as clearly to call in question the fair or efficient administration of justice, opposing counsel may properly raise the question. Such an objection should be viewed with caution, however, for it can be misused as a technique of harassment. See scope.

Family relationships between lawyers

Rule 4-1.7(d) applies to related lawyers who are in different firms. Related lawyers in the same firm are also governed by rules 4-1.9 and 4-1.10. The disqualification stated in rule 4-1.7(d) is personal and is not imputed to members of firms with whom the lawyers are associated. The purpose of Rule 4-1.7(d) is to prohibit representation of adverse interests, unless informed consent is given by the client, by a lawyer related to another lawyer by blood, adoption, or marriage as a parent, child, sibling, or spouse so as to include those with biological or adopted children and within relations by marriage those who would be considered in-laws and stepchildren and stepparents.

Representation of insureds

The unique tripartite relationship of insured, insurer, and lawyer can lead to ambiguity as to whom a lawyer represents. In a particular case, the lawyer may represent only the insured, with the insurer having the status of a non-client third party payor of the lawyer's fees. Alternatively, the lawyer may represent both as dual clients, in the absence of a disqualifying conflict of interest, upon

compliance with applicable rules. Establishing clarity as to the role of the lawyer at the inception of the representation avoids misunderstanding that may ethically compromise the lawyer. This is a general duty of every lawyer undertaking representation of a client, which is made specific in this context due to the desire to minimize confusion and inconsistent expectations that may arise.

Consent confirmed in writing or stated on the record at a hearing

Subdivision (b) requires the lawyer to obtain the informed consent of the client, confirmed in writing or clearly stated on the record at a hearing. With regard to being confirmed in writing, such a writing may consist of a document executed by the client or one that the lawyer promptly records and transmits to the client following an oral consent. See terminology. If it is not feasible to obtain or transmit the writing at the time the client gives informed consent, then the lawyer must obtain or transmit it within a reasonable time afterwards. See terminology. The requirement of a writing does not supplant the need in most cases for the lawyer to talk with the client, to explain the risks and advantages, if any, of representation burdened with a conflict of interest, as well as reasonably available alternatives, and to afford the client a reasonable opportunity to consider the risks and alternatives and to raise questions and concerns. Rather, the writing is required in order to impress upon clients the seriousness of the decision the client is being asked to make and to avoid disputes or ambiguities that might later occur in the absence of a writing.

Amended July 23, 1992, effective January 1, 1993 (605 So.2d 252); amended January 23, 2003, effective July 1, 2003 (838 So.2d 1140); amended March 23, 2006, effective May 22, 2006, revised opinion issued June 29, 2006 (933 So.2d 417); amended May 29, 2014, effective June 1, 2014 (140 So.3d 541).

RULE 4-1.8 CONFLICT OF INTEREST; PROHIBITED AND OTHER TRANSACTIONS

(a) Business Transactions With or Acquiring Interest Adverse to Client. A lawyer is prohibited from entering into a

needs for fully informing clients exist, as recognized in rules 4-1.7(c) and 4-1.8(f).

Imputation of prohibitions

Under subdivision (k), a prohibition on conduct by an individual lawyer in subdivisions (a) through (i) also applies to all lawyers associated in a firm with the personally prohibited lawyer. For example, 1 lawyer in a firm may not enter into a business transaction with a client of another member of the firm without complying with subdivision (a), even if the first lawyer is not personally involved in the representation of the client.

Amended July 23, 1992, effective January 1, 1993 (605 So.2d 252); amended April 25, 2002 (820 So.2d 210); amended May 20, 2004 (875 So.2d 448); amended March 23, 2006, effective, May 22, 2006 (933 So.2d 417); amended November 19, 2009, effective February 1, 2010 (24 So.3d 63); amended November 9, 2017, effective February 1, 2018 (234 So. 3d 577).

RULE 4-1.9 CONFLICT OF INTEREST; FORMER CLIENT

A lawyer who has formerly represented a client in a matter must not afterwards:

(a) represent another person in the same or a substantially related matter in which that person's interests are materially adverse to the interests of the former client unless the former client gives informed consent;

(b) use information relating to the representation to the disadvantage of the former client except as these rules would permit or require with respect to a client or when the information has become generally known; or

(c) reveal information relating to the representation except as these rules would permit or require with respect to a client.

Comment

After termination of a client-lawyer relationship, a lawyer may not represent another client except in conformity with this rule.

The principles in rule 4-1.7 determine whether the interests of the present and former client are adverse. Thus, a lawyer could not properly seek to rescind on behalf of a new client a contract drafted on behalf of the former client. So also a lawyer who has prosecuted an accused person could not properly represent the accused in a subsequent civil action against the government concerning the same transaction.

The scope of a “matter” for purposes of rule 4-1.9(a) may depend on the facts of a particular situation or transaction. The lawyer’s involvement in a matter can also be a question of degree. When a lawyer has been directly involved in a specific transaction, subsequent representation of other clients with materially adverse interests clearly is prohibited. On the other hand, a lawyer who recurrently handled a type of problem for a former client is not precluded from later representing another client in a wholly distinct problem of that type even though the subsequent representation involves a position adverse to the prior client. Similar considerations can apply to the reassignment of military lawyers between defense and prosecution functions within the same military jurisdiction. The underlying question is whether the lawyer was so involved in the matter that the subsequent representation can be justly regarded as a changing of sides in the matter in question.

Matters are “substantially related” for purposes of this rule if they involve the same transaction or legal dispute, or if the current matter would involve the lawyer attacking work that the lawyer performed for the former client. For example, a lawyer who has previously represented a client in securing environmental permits to build a shopping center would be precluded from representing neighbors seeking to oppose rezoning of the property on the basis of environmental considerations; however, the lawyer would not be precluded, on the grounds of substantial relationship, from defending a tenant of the completed shopping center in resisting eviction for nonpayment of rent.

Lawyers owe confidentiality obligations to former clients, and thus information acquired by the lawyer in the course of representing a client may not subsequently be used by the lawyer to

the disadvantage of the client without the former client's consent. However, the fact that a lawyer has once served a client does not preclude the lawyer from using generally known information about that client when later representing another client. Information that has been widely disseminated by the media to the public, or that typically would be obtained by any reasonably prudent lawyer who had never represented the former client, should be considered generally known and ordinarily will not be disqualifying. The essential question is whether, but for having represented the former client, the lawyer would know or discover the information.

Information acquired in a prior representation may have been rendered obsolete by the passage of time. In the case of an organizational client, general knowledge of the client's policies and practices ordinarily will not preclude a subsequent representation; on the other hand, knowledge of specific facts gained in a prior representation that are relevant to the matter in question ordinarily will preclude such a representation. A former client is not required to reveal the confidential information learned by the lawyer in order to establish a substantial risk that the lawyer has confidential information to use in the subsequent matter. A conclusion about the possession of such information may be based on the nature of the services the lawyer provided the former client and information that would in ordinary practice be learned by a lawyer providing such services.

The provisions of this rule are for the protection of clients and can be waived if the former client gives informed consent. See terminology.

With regard to an opposing party's raising a question of conflict of interest, see comment to rule 4-1.7. With regard to disqualification of a firm with which a lawyer is associated, see rule 4-1.10.

Amended July 23, 1992, effective January 1, 1993 (605 So.2d 252); amended April 25, 2002 (820 So.2d 210); amended March 23, 2006, effective May 22, 2006 (933 So.2d 417); amended November 19, 2009, effective February 1, 2010 (24 So.3d 63); amended May 29, 2014, effective June 1, 2014 (140 So.3d 541).

RULE 4-1.11 SPECIAL CONFLICTS OF INTEREST FOR FORMER AND CURRENT GOVERNMENT OFFICERS AND EMPLOYEES

(a) Representation of Private Client by Former Public Officer or Employee. A lawyer who has formerly served as a public officer or employee of the government:

(1) is subject to rule 4-1.9(b) and (c); and

(2) shall not otherwise represent a client in connection with a matter in which the lawyer participated personally and substantially as a public officer or employee, unless the appropriate government agency gives its informed consent, confirmed in writing, to the representation.

(b) Representation by Another Member of the Firm. When a lawyer is disqualified from representation under subdivision (a), no lawyer in a firm with which that lawyer is associated may knowingly undertake or continue representation in such a matter unless:

(1) the disqualified lawyer is timely screened from any participation in the matter and is directly apportioned no part of the fee therefrom; and

(2) written notice is promptly given to the appropriate government agency to enable it to ascertain compliance with the provisions of this rule.

(c) Use of Confidential Government Information. A lawyer having information that the lawyer knows is confidential government information about a person acquired when the lawyer was a public officer or employee may not represent a private client whose interests are adverse to that person in a matter in which the information could be used to the material disadvantage of that person. As used in this rule, the term “confidential government information” means information that has been obtained under governmental authority and which, at the time this rule is applied, the government is prohibited by law from disclosing to the public or has a legal privilege not to disclose and which is not otherwise available to the public. A firm with which that lawyer is associated may undertake or continue representation in the matter only if the

disqualified lawyer is screened from any participation in the matter and is apportioned no part of the fee therefrom.

(d) Limits on Participation of Public Officer or Employee. A lawyer currently serving as a public officer or employee:

(1) is subject to rules 4-1.7 and 4-1.9; and

(2) shall not:

(A) participate in a matter in which the lawyer participated personally and substantially while in private practice or nongovernmental employment, unless the appropriate government agency gives its informed consent; or

(B) negotiate for private employment with any person who is involved as a party or as attorney for a party in a matter in which the lawyer is participating personally and substantially.

(e) Matter Defined. As used in this rule, the term “matter” includes:

(1) any judicial or other proceeding, application, request for a ruling or other determination, contract, claim, controversy, investigation, charge, accusation, arrest, or other particular matter involving a specific party or parties; and

(2) any other matter covered by the conflict of interest rules of the appropriate government agency.

Comment

A lawyer who has served or is currently serving as a public officer or employee is personally subject to the rules of professional conduct, including the prohibition against concurrent conflicts of interest stated in rule 4-1.7. In addition, such a lawyer may be subject to statutes and government regulations regarding conflict of interest. Such statutes and regulations may circumscribe the extent to which the government agency may give consent under this rule. See terminology for definition of informed consent.

Subdivisions (a)(1), (a)(2), and (d)(1) restate the obligations of an individual lawyer who has served or is currently serving as an officer or employee of the government toward a former government or private client. Rule 4-1.10 is not applicable to the conflicts of interest addressed by this rule. Rather, subdivision (b) sets forth a special imputation rule for former government lawyers that provides for screening and notice. Because of the special problems raised by imputation within a government agency, subdivision (d) does not impute the conflicts of a lawyer currently serving as an officer or employee of the government to other associated government officers or employees, although ordinarily it will be prudent to screen such lawyers.

Subdivisions (a)(2) and (d)(2) apply regardless of whether a lawyer is adverse to a former client and are thus designed not only to protect the former client, but also to prevent a lawyer from exploiting public office for the advantage of another client. For example, a lawyer who has pursued a claim on behalf of the government may not pursue the same claim on behalf of a later private client after the lawyer has left government service, except when authorized to do so by the government agency under subdivision (a). Similarly, a lawyer who has pursued a claim on behalf of a private client may not pursue the claim on behalf of the government, except when authorized to do so by subdivision (d). As with subdivisions (a)(1) and (d)(1), rule 4-1.10 is not applicable to the conflicts of interest addressed by these subdivisions.

This rule represents a balancing of interests. On the one hand, where the successive clients are a government agency and another client, public or private, the risk exists that power or discretion vested in that agency might be used for the special benefit of the other client. A lawyer should not be in a position where benefit to the other client might affect performance of the lawyer's professional functions on behalf of the government. Also, unfair advantage could accrue to the other client by reason of access to confidential government information about the client's adversary obtainable only through the lawyer's government service. On the other hand, the rules governing lawyers presently or formerly employed by a government agency should not be so restrictive as to

inhibit transfer of employment to and from the government. The government has a legitimate need to attract qualified lawyers as well as to maintain high ethical standards. Thus, a former government lawyer is disqualified only from particular matters in which the lawyer participated personally and substantially. The provisions for screening and waiver in subdivision (b) are necessary to prevent the disqualification rule from imposing too severe a deterrent against entering public service. The limitation of disqualification in subdivisions (a)(2) and (d)(2) to matters involving a specific party or parties, rather than extending disqualification to all substantive issues on which the lawyer worked, serves a similar function.

When a lawyer has been employed by 1 government agency and then moves to a second government agency, it may be appropriate to treat that second agency as another client for purposes of this rule, as when a lawyer is employed by a city and subsequently is employed by a federal agency. However, because the conflict of interest is governed by subdivision (d), the latter agency is not required to screen the lawyer as subdivision (b) requires a law firm to do. The question of whether 2 government agencies should be regarded as the same or different clients for conflict of interest purposes is beyond the scope of these rules. See rule 4-1.13 comment, government agency.

Subdivisions (b) and (c) contemplate a screening arrangement. See terminology (requirements for screening procedures). These subdivisions do not prohibit a lawyer from receiving a salary or partnership share established by prior independent agreement, but that lawyer may not receive compensation directly relating the attorney's compensation to the fee in the matter in which the lawyer is disqualified.

Notice, including a description of the screened lawyer's prior representation and of the screening procedures employed, generally should be given as soon as practicable after the need for screening becomes apparent.

Subdivision (c) operates only when the lawyer in question has knowledge of the information, which means actual knowledge; it

does not operate with respect to information that merely could be imputed to the lawyer.

Subdivisions (a) and (d) do not prohibit a lawyer from jointly representing a private party and a government agency when doing so is permitted by rule 4-1.7 and is not otherwise prohibited by law.

For purposes of subdivision (e) of this rule, a “matter” may continue in another form. In determining whether 2 particular matters are the same, the lawyer should consider the extent to which the matters involve the same basic facts, the same or related parties, and the time elapsed.

Amended July 23, 1992, effective Jan. 1, 1993 (605 So.2d 252); amended March 23, 2006, effective May 22, 2006 (933 So.2d 417); amended July 7, 2011, effective October 1, 2011 (67 So.3d 1037).

RULE 4-1.12 FORMER JUDGE OR ARBITRATOR, MEDIATOR OR OTHER THIRD-PARTY NEUTRAL

(a) Representation of Private Client by Former Judge, Law Clerk, or Other Third-Party Neutral. Except as stated in subdivision (d), a lawyer shall not represent anyone in connection with a matter in which the lawyer participated personally and substantially as a judge or other adjudicative officer or law clerk to such a person or as an arbitrator, mediator, or other third-party neutral, unless all parties to the proceeding give informed consent, confirmed in writing.

(b) Negotiation of Employment by Judge, Law Clerk, or Other Third-Party Neutral. A lawyer shall not negotiate for employment with any person who is involved as a party or as attorney for a party in a matter in which the lawyer is participating personally and substantially as a judge or other adjudicative officer or as an arbitrator, mediator, or other third-party neutral. A lawyer serving as a law clerk to a judge or other adjudicative officer may negotiate for employment with a party or attorney involved in a matter in which the clerk is participating personally and substantially, but only after the lawyer has notified the judge or other adjudicative officer.

**AGREEMENT CONCERNING CONTINUED LEGAL REPRESENTATION IN SPECIFIC
MATTERS BY FORMER CITY ATTORNEYS**

THIS AGREEMENT CONCERNING CONTINUED LEGAL REPRESENTATION IN SPECIFIC MATTERS BY FORMER CITY ATTORNEYS is entered into this October 23, 2022, by and between:

- The City of Ocala, a Florida municipal corporation (“City”); and
- The following in their individual capacities and as members of the law firm of Gooding & Batsel, PLLC, a Florida professional limited liability company (the “GB Firm”):
 - Robert W. Batsel, Jr. (“Batsel”); and
 - W. James Gooding III (“Gooding”).

(GB Firm, Batsel and Gooding are collectively referred to as “Attorneys”).

WHEREAS:

- A. Batsel currently serves as the City Attorney, and Gooding currently serves as an Assistant City Attorney, pursuant to that certain “City Attorney Agreement” dated October 21, 2020 (“City Attorney Agreement”).
- B. The term of the City Attorney Agreement expires on October 31, 2022.
- C. The City has retained a new City Attorney who assumed office on October 1, 2022.
- D. Attorneys are currently representing City in a number of matters, including the particular matters (the “Ongoing Matters”) defined below.
- E. City has determined that it is in the best interest of the City for Attorneys to continue to represent City in connection with the Ongoing Matters.

NOW THEREFORE, in consideration of the matters set forth above (which are incorporated herein by reference), the exchange of the mutual promises set forth herein, and other good and valuable consideration, the parties hereto agree as follows:

- 1. **Ongoing Matters.** City hereby engages Attorneys to perform legal services concerning the following matters (the “Ongoing Matters”):
 - 1.1. That certain action styled *City of Ocala v. Wanda Hampton, et al*, Case No.: 21-1011-CA pending in the Circuit Court of Marion County, Florida.
 - 1.2. Closing the transactions arising under various agreements between City, on the one hand, and the following entities, on the other hand, concerning the construction of NW 44th Avenue:
 - 1.2.1. W.G. One Corp, a Nevada corporation, as Trustee of the Wintergreen B.T., a business trust (“WC”);

- 1.2.2. Country Green, LP, a Nevada limited liability partnership (“Country Green”); and
- 1.2.3. KAS Ocala, LLC, a Florida limited liability company (“KAS”), on the other hand.
- 1.3. Filing and completing an action to quiet title to property recently acquired from Mt. Moriah Missionary Baptist Church, Inc.
- 1.4. Performing due diligence and closing the transaction concerning the purchase of property from IOM, LLC, a Florida limited liability company.
- 1.5. Assisting with due diligence and closing the transaction concerning the sale of property adjacent to Ocala International Airport to Seefried Industrial Properties, Inc., a Georgia corporation.
- 1.6. Handling the conveyance private roads within the subdivision known as “Hidden Village” to the City.
- 1.7. Assisting with the replat of property within the boundaries of an area commonly known as “Imagine North Magnolia.”
- 1.8. Completing negotiations of that certain Lease Agreement with Burrell Aviation Ocala, LLC, a Delaware limited liability company.
- 1.9. Completing negotiations concerning that certain Amendment to Lease Agreement with Sheltair Ocala, LLC, a Florida limited liability company.

2. Term of Agreement.

- 2.1. This Agreement shall be for a term of one (1) year whereupon it shall be automatically extended for consecutive periods of one (1) year unless terminated under other provisions of this Agreement.
- 2.2. The term of this Agreement as to each Specific Matter specified in paragraph 1 shall terminate upon the conclusion of such matter.
- 2.3. Any party may terminate this Agreement as to all Ongoing Matters or for a specific Ongoing Matter by providing at least one (1) month advance written notice of its intent to terminate this Agreement. Notwithstanding the foregoing, Attorneys may not withdraw from the representation of City in any litigation except as permitted by the Court in which such litigation is pending and pursuant to applicable laws and procedures.

3. Supervision by City Attorney.

- 3.1. As attorneys, the Attorneys are obligated to exercise their best judgment and to comply with the Rules of Professional Conduct in their representation of City.
- 3.2. Notwithstanding the foregoing, Attorneys shall consult with the City Attorney in connection with the Ongoing Matters and, to the extent that they may do so and still comply with their professional obligations to City, shall follow the direction of the City Attorney; in the event that they cannot do so, Attorneys may terminate this Agreement pursuant to paragraph 2.3 above.

4. **Compensation.** City shall compensate the GB Firm as follows:
 - 4.1. The Attorneys shall be paid an hourly rate of \$325.00 per hour for all services provided.
 - 4.2. A detailed breakdown of services performed by the GB Firm shall be prepared and included within itemized bills submitted to City Council monthly. These bills shall include all hours worked and costs incurred by the GB Firm and attorneys employed by such Firm for legal work performed as legal counsel for the City.
 - 4.3. The GB Firm shall not charge for routine office overhead incurred during the course of providing services hereunder, such as ordinary photocopying, postage and telephone charges.
 - 4.4. Routine costs incurred in the representation of the City may be paid directly by the City or by the GB Firm to vendors or service providers. If paid by the GB Firm, said routine costs shall be submitted to City for reimbursement and itemized as required by paragraph 4.2 above. Routine costs shall include, but are not limited to, filing fees, deposition costs, subpoena costs, witness fees, expert witness fees, municipal legal publications and large scale non-routine photocopying such as voluminous discovery requests and large mail outs or priority or overnight shipping costs.
 - 4.5. In addition to fees for legal services, City agrees to pay the GB Firm for out-of-pocket expenditures, plus sales tax if required by Florida law. In the event unusually large costs or advances are anticipated, the GB Firm reserves the right to require a cost deposit from City prior to undertaking the expenditure of funds on City's behalf. Out-of-pocket expenses incurred in connection with this matter include, without limitation, application fees, filing and witness fees, travel, sheriff's fees, deposition and investigative expenses, photocopying, express mail, telephonic transmissions, court costs, long distance phone charges, and all other expenses which in the opinion of the GB Firm are necessary to the proper advancement of the City's representation. City authorizes the GB Firm to withdraw any of City's funds in the trust account to pay the GB Firm's fees or expenses, except to the extent that such funds in the trust account are allocated for other purposes. Any deposit is refundable to the extent that it is not expended on City's case.
 - 4.6. The GB Firm should receive prior approval, if possible, from City Council for out-of-town travel or training prior to submitting costs to the City for payment, and shall be governed by the same City travel and training reimbursement policies as City employees.
 - 4.7. The City shall provide in kind support for extraordinary requirements relating to postage, copying and record storage.
5. **Representation of Private Clients in Matters Involving City.**
 - 5.1. Attorneys have advised City, and City is aware, that Attorneys represent not only City, but also private persons and entities (collectively, "Other Clients") in the municipal limits of City and surrounding areas, and that occasionally, such Other Clients – and particularly developers or contractors – have relationships with, or seek approvals from, City.
 - 5.2. City retains Attorneys solely concerning the Ongoing Matters set forth in paragraph 1. Without limiting the foregoing, Attorneys are not retained as "local government attorneys"

as defined in Section 112.313(16), Florida Statutes, as they shall not routinely serve as the attorney for the City.

- 5.3. Therefore, consistent with Section 112.313(16), Florida Statutes, Attorneys are not precluded from representing a private client in matters involving City, including in connection with applications to be considered by City Council, other City boards or City staff, provided that, in doing so, Attorneys comply with all provisions of Florida law and the Rules of the Florida Bar, including those set forth in Rules 4-1.9 through 4-1.11 of the Rules of Professional Conduct.
- 5.4. Consistent with the foregoing, Attorneys shall not represent a private client in connection with a matter in which Attorneys participated personally and substantially as a City Attorney or Assistant City Attorney, unless City Council gives its informed consent, confirmed in writing, to the representation.
 - 5.4.1. City agrees that, notwithstanding any assistance that Attorneys may have provided in connection with the drafting of City's Comprehensive Plan or City Code, Attorneys did not "participate personally and substantially," in connection with the provisions of the Comprehensive Plan or City Code. Thus, Attorneys are not precluded from representing private clients in connection with requests for Comprehensive Plan amendments, zoning changes or other applications for approvals under the City Code.
 - 5.4.2. Notwithstanding the foregoing, in the event that City (including City staff) believes that any matter in which Attorneys seek to represent a client does involve a manner in which Attorneys participated personally and substantially, City shall advise Attorneys, and Attorneys shall, except as approved by City Council, not represent such client in connection with such matter.
 - 5.4.3. Further, Attorneys may request City, including City staff, to advise Attorneys whether they believe that Attorneys participated personally and substantially in connection with any matter in which Attorneys propose to represent a private client and are entitled to rely upon such advice.
6. **Amendment.** This Agreement may be amended at any time with the mutual consent of City and Attorneys. Amendments of this Agreement shall be in writing, executed by all participants.

INTENTIONAL PAGE BREAK – SIGNATURES FOLLOW

Therefore, City and Attorneys agree as set forth above.

ATTEST:

CITY

City of Ocala, a Florida municipal corporation

Angel B. Jacobs

Angel B. Jacobs
City Clerk

Ire Bethea Sr.

Ire Bethea
President, Ocala City Council

Approved as to form and legality

William E. Sexton

William E. Sexton
City Attorney

ATTORNEYS

GOODING & BATSEL, PLLC, a Florida
professional limited liability company

By: *W. James Gooding III*

W. James Gooding III, individually and as
Manager

By: *Robert W. Batsel, Jr.*

Robert W. Batsel, Jr., individually and as
Manager

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Sent for signature to William E. Sexton (ws Sexton@ocalaf l.org), W. James Gooding III (jgooding@ocalalaw.com), Robert W. Batsel, Jr. (rbatsel@lawyersocala.com), Ire Bethea Sr. (ibethea@ocalaf l.org) and Angel Jacobs (ajacobs@ocalaf l.org) from biverson@ocalaf l.org
IP: 216.255.240.104



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11:26:36 UTC-4

Viewed by William E. Sexton (ws Sexton@ocalaf l.org)
IP: 216.255.240.104



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Signed by William E. Sexton (ws Sexton@ocalaf l.org)
IP: 216.255.240.104



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IP: 216.255.247.55

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IP: 216.255.240.104



COMPLETED

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**Analysis of Redevelopment Agreement for Project Hometown
Downtown Ocala Marriott AC
Return on Investment**

The Developer's estimated capital investment for developing the hotel and other improvements is approximately \$56,196,441.

Assumptions

1) Tax Rate and Cost of Capital

- a) Use current fiscal year 2024-2025 tax rate.
- b) Tax rate remains constant throughout the analysis.
- c) The present value cost of capital is three percent (3%) and remains constant throughout the analysis.

2) Construction Capital Investment

- a) Assumes a taxable value of \$20,055,108, determined by the "Value by Income" method employed by the Marion County Property Appraiser.
- b) No annual change in property values.

3) Electric Utility Usage

- a) OEU Profit (Loss) based solely on wholesale power costs vs. revenue. OEU operational costs are not considered.
- b) Wholesale power costs based on a 12-month average, as of December 2024.
- c) Wholesale power cost held constant over the entire 5, 10, 15, 20, 25, and 30-year periods.
- d) Calculations are based on estimated annual usage of 120,012KWH/month and 274 KVA/month.

FISCAL IMPACT:

The estimated payback period for the City's proposed \$5,619,644 investment is approximately 9 years. Based on the assumptions above and current projections, the net present value of revenue to be generated by the project over a 13-year period is \$2,567,048. This includes estimated annual electric revenue of \$488,541 and ad valorem revenue of \$219,518.

**PARKING AGREEMENT
FOR PROJECT HOMETOWN**

DOWNTOWN OCALA MARRIOTT AC

BETWEEN

**CITY OF OCALA,
a Florida municipal corporation,**

and

**DOMACH, LLC,
a Florida limited liability company**

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**PARKING AGREEMENT
FOR PROJECT HOMETOWN**

THIS PARKING AGREEMENT (“Agreement”), is entered into effective as of this ____ day of _____, 2025 (the “Effective Date,” as defined below) by and between:

- City of Ocala, a Florida municipal corporation (“City”); and
- DOMACH, LLC, a Florida limited liability company (“Developer”)¹.

WHEREAS:

- A. City and Developer have entered into the Redevelopment Agreement² concerning the redevelopment of the Property.
- B. Pursuant to the Redevelopment Agreement, City has agreed to construct the Parking Garage.
- C. City and Developer are entering into this Agreement to establish the rights and obligations of City and Developer concerning the Parking Garage.

NOW THEREFORE, in consideration of the foregoing matters (which are incorporated herein by reference) and the mutual covenants contained herein, and for other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged by all parties, the parties hereto agree as follows:

1. Definitions.

- 1.1. **Generally.** In addition to the terms defined elsewhere in this Agreement, the following terms shall have the following meanings.
 - 1.1.1. *Agreement* – This agreement, including any Exhibits attached hereto, and any revisions or amendments to this Agreement.
 - 1.1.2. *City Parking Incentive* – The provision of the Redevelopment Agreement that provides that Developer is not obligated to pay a Parking Garage Payment for a period of time as set forth therein.
 - 1.1.3. *Dedicated Elevator* – As defined in paragraph 2.3.
 - 1.1.4. *Dedicated Spaces* – As defined in paragraph 2.2.
 - 1.1.5. *Effective Date* – The date or effective date of this Agreement is the date upon which City or Developer last signs this Agreement. [The last party executing this Agreement is authorized to fill in the Effective Date in the blank in the first paragraph of this Agreement.]
 - 1.1.6. *Hotel* – As defined in the Redevelopment Agreement.

¹ “Developer” shall also include any entity in privity with Developer such as a separate entity serving as the Hotel operator or management company.

² Terms capitalized in these whereas clauses and not otherwise defined are defined in paragraph 1.1 below.

- 1.1.7. *Month* (regardless of whether the term is capitalized) – When used with reference to calculation of dates, shall refer to the monthly anniversary of the starting date or event for example, two (2) months after February 15, 2026, is April 15, 2026.
- 1.1.8. *Parking Garage* – As defined in the Redevelopment Agreement.
- 1.1.9. *Parking Garage Payment* – As defined in paragraph 3.1.2
- 1.1.10. *Permitted City Elevator User* – As defined in paragraph 2.4.3.
- 1.1.11. *Permitted Users* – Developer or its employees, valet attendants, Hotel guests, or invitees.
- 1.1.12. *Person* (regardless of whether the term is capitalized) – An individual, corporation, limited liability company, partnership, or similar entity or group of individuals or persons.
- 1.1.13. *Project* – As defined in the Redevelopment Agreement.
- 1.1.14. *Property* – As defined in the Redevelopment Agreement.
- 1.1.15. *Redevelopment Agreement* – The *Redevelopment Agreement for Project Hometown Downtown Ocala Marriott AC* between City and Developer of even date herewith.
- 1.1.16. *Regular City Parking Charge* – The amount that City charges persons other than Developer to park in the Parking Garage. The amount of the Regular City Parking Charge shall be determined pursuant to paragraph 3.1.3.
- 1.2. Rules of Construction. For the purposes of the interpretation, construction, administration, and implementation of this Agreement, unless otherwise stated in this Agreement or the context clearly indicates to the contrary, the following rules of construction shall apply:
 - 1.2.1. Words importing the singular number shall include the plural, and vice versa.
 - 1.2.2. Where a provision involves two or more items, conditions, provisions or events connected by the conjunction “and,” “or” or “either or,” the conjunction shall be interpreted as follows: “and” indicates that all the connected terms shall apply; “or” indicates that the connected terms may apply singly or in any combination; and “either or,” indicates that only one of the connected terms may apply.
 - 1.2.3. The word “includes” shall be assumed to be followed by the phrase “with-out limitation,” and therefore shall not limit a term to the specific example but is intended to extend its meaning to all other instances or circumstances of like kind or character.
 - 1.2.4. The terms “herein,” “hereunder,” “hereby,” “hereto,” “hereof,” and any similar terms, shall refer to this Agreement.
 - 1.2.5. The term “heretofore” shall mean prior to the execution of this Agreement.

2. **Dedicated Parking Spaces and Elevator.**

- 2.1. City Construction. City is constructing a multi-story Parking Garage and other related improvements as part of its public parking program. Upon Completion of construction of the Parking Garage, City shall operate and maintain the Parking Garage as set forth herein.
- 2.2. Dedicated Spaces. Subject to paragraph 2.4, City shall dedicate and reserve two hundred twenty-five (225) parking spaces (the “Dedicated Spaces”) for the perpetual, exclusive use of the Permitted Users. Specifically:
 - 2.2.1. Developer is hereby granted the exclusive use of the uncovered sixth (6th) floor of the Parking Garage, which shall be closed to the public by a boom gate or barrier arm accessible only to Permitted Users. Utilizing compact stacking of vehicles rather than typical parking spaces, this floor is anticipated to accommodate up to one hundred eighty-two (182) vehicles.
 - 2.2.2. Subject to paragraph 2.4, Developer is hereby granted the exclusive use of a portion of the fifth (5th) floor of the Parking Garage including forty-three (43) Dedicated Spaces consisting of standard, striped spaces similar to those found on the first five floors of the Parking Garage (“5th Floor Spaces”), which shall be closed to the public by a boom gate or barrier arm accessible only to credentialed Permitted Users, and/or marked with signage identifying them as being for the exclusive use of Developer and its Permitted Users. The location of the 5th Floor Spaces shall be determined by City and Developer during the construction of the Parking Garage and shall be identified in a writing signed by Developer and the City Manager.
 - 2.2.3. The City shall coordinate with the Developer, at Developer’s sole cost and expense, as to the designation of the Dedicated Spaces to indicate they are designated for the exclusive use of the Permitted Users.
 - 2.2.4. City will not charge any fees for use of the Dedicated Spaces to Permitted Users. In the event the City, its successors or assigns, elects to charge parking fees to other users of the Parking Garage, the City shall establish an “access card” or similar system for use by Permitted Users.
 - 2.2.5. Developer shall not charge any fees for use of the Parking Garage except as permitted hereunder, and shall not permit use of the Dedicated Spaces by persons other than Permitted Users. Developer may:
 - a). Charge for parking for Permitted Users; and
 - b). Calculate its Hotel room charges or related resort or amenity fees to account for the fact that “free parking” is being provided to its guests.
- 2.3. Dedicated Elevator. Subject to paragraph 2.4, City shall dedicate and reserve, an elevator constructed by City in the Parking Garage (the “Dedicated Elevator”), for the, exclusive use of Permitted Users. The Dedicated Elevator shall be one of the two elevators located in the northeast corner of the first floor of the Parking Garage. The selection of which elevator shall be the Dedicated Elevator shall be made by City and Developer during the construction of the Parking Garage and shall be identified in a writing signed by Developer and the City Manager.

- 2.4. Coordination; Public Use. Notwithstanding the foregoing, the parties shall coordinate as set forth in this paragraph 2.4 to provide for public use of the Dedicated Elevator and 5th Floor Spaces.
- 2.4.1. The Dedicated Elevator shall be exclusively utilized by Permitted Users except as set forth in the remaining paragraphs of this paragraph 2.4.
- 2.4.2. Between 8:00 a.m. and 11:00 p.m. on the date of Light Up Ocala, Fine Arts For Ocala Festival, and Brick City Beer & Wine Festival, or another special event hosted in Downtown Ocala by City or non-profit entities reasonably anticipated to draw large crowds comparable to such events, the boom gate or barrier arm restricting public access to the 5th Floor Spaces shall be raised and such spaces shall be available on a first come, first served basis.
- 2.4.3. During any time period where Developer has the exclusive use of the Dedicated Elevator, the Dedicated Elevator shall nonetheless be available for use by the following (the "Permitted City Elevator Users"): (a) persons maintaining the Dedicated Elevator or Parking Garage, providing security for the Parking Garage, enforcing Parking Restrictions, or providing emergency services including police, fire and emergency medical services; and (b) other persons with similar needs to access the fifth and sixth floors of the Parking Garage for purposes related to public safety or the operation and maintenance of the Parking Garage.
- 2.4.4. Throughout the term of this Agreement and upon request of the City, the parties shall make a good faith effort to coordinate and share data to ensure that the Parking Garage is being utilized at full capacity in a manner that adequately serves the Developer's need to efficiently utilize the Dedicated Spaces for use by Permitted Users while making any unneeded parking spaces available to the public.
- 2.4.5. Further, Developer and City shall make a good faith effort to promote efficient and effective use of the Parking Garage by the parties, Permitted Users and the public.
- 2.5. Timely Completion. City shall be required to dedicate and reserve the Dedicated Spaces and Dedicated Elevator only if Completion of the Project has occurred within two (2) years of the Deadline for Completion set forth in the Redevelopment Agreement. The provisions of this paragraph 2.5 apply only concerning the Dedicated Spaces and shall not be deemed to extend the Deadline for Completion of the Project under any other provisions of the Redevelopment Agreement.
- 2.6. Assignment. Developer may assign its rights to any of the Dedicated Spaces solely as follows:
- 2.6.1. In the event Developer leases or sells the Property, Developer shall assign its exclusive right to occupy the Dedicated Spaces to the buyer or lessee of the Hotel.
- 2.6.2. Any such assignment shall be subject to the terms hereof and the liability of payment of the Parking Garage Contribution for the assigned Dedicated Spaces shall be borne by the applicable assignee.
- 2.7. Suspension of Exclusive Rights.

- 2.7.1. Notwithstanding the foregoing provisions of this paragraph 2 concerning Developer being granted the “exclusive use” of the Dedicated Spaces or Dedicated Elevator, Developer’s right to utilize the Dedicated Spaces and Dedicated Elevator shall be suspended if the Hotel is “closed for business” either voluntarily or through a casualty. The Hotel shall be deemed “closed for business” if it is not available for members of the public to obtain rooms in the manner that guests customarily do in a hotel for a period in excess of thirty (30) days.
- 2.7.2. During any period of suspension, the provisions of this Agreement concerning Developer’s exclusive use of the Dedicated Spaces and exclusive use of the Dedicated Elevator shall be suspended such that City and others may utilize the Dedicated Spaces and Dedicated Elevator without restriction by Developer.
- 2.7.3. During any period of suspension, Developer shall not be obligated to make Parking Garage Payments to City.
- 2.7.4. If, after a period of suspension, the Hotel is no longer “closed for business” the rights of Developer to the exclusive use of the Dedicated Spaces and the Dedicated Elevator shall again be effective notwithstanding the prior suspension of such rights, and Developer shall be obligated to pay Parking Garage Payments thereafter.

3. **Parking Garage Payments**

3.1. For Dedicated Spaces.

- 3.1.1. During the period of the City Parking Incentive as calculated under the Redevelopment Agreement, Developer shall not be obligated to pay City for parking for the Dedicated Spaces within the Parking Garage.
- 3.1.2. As consideration for its use of the Dedicated Spaces, Developer shall pay to City, commencing on the first month after the expiration of the City Parking Incentive, and thereafter in advance on each anniversary of such date, a payment (the “Parking Garage Payment”) equal to the Regular City Parking Charge multiplied by the number of Dedicated Spaces, together with applicable taxes, and calculated on an annual basis.
- 3.1.3. The Regular City Parking Charge shall be the lowest rate charged by City to any other user of the Parking Garage for parking within the Parking Garage for a time period of no less than one (1) month. Developer shall be entitled to the benefit of any and all rate structures offered by City for long-term, bulk, group, institutional or multi-space parking. The calculation of the Regular City Parking Charge shall not consider users of the Parking Garage who are granted perpetual free use of the Parking Garage.
 - a). By way of illustration, and not limitation:
 - 1). If City has two rates, one that is based on the right to use a parking space for one (1) month, and the other of which is based upon the right to use a parking space for one (1) year, and the annual rate is lower than the

monthly rate, the annual rate shall be utilized in calculating the Regular City Parking Charge.

- 2). If the City has a rate for “bulk” users (e.g., for users of more than one (1) parking space), such rate shall be utilized in calculating the Regular City Parking Charge.
 - b). If, during the term of this Agreement, City offers any more favorable rate or pricing structure to any other user, City shall notify Developer and Developer shall automatically be entitled to the lower rate. City shall, upon request, provide to Developer the calculation of the Regular City Parking Charge.
- 3.1.4. At least two (2) months before the date for Developer’s first payment of the Parking Garage Payment under paragraph 3.1.2, City shall provide to Developer a statement of the Parking Garage Payment due from Developer.
- a). City shall provide to Developer subsequent statements for each year on the same day of each year thereafter or to coincide with the City fiscal year (October 1 through September 30).
 - b). Any statement based on a portion of a fiscal year shall be prorated based upon the number of months remaining in such fiscal year as of the date of the statement.
- 3.1.5. Developer shall pay to City its Parking Garage Payment within one (1) month of City’s delivery of the statement required under paragraph 3.1.4 (the “Payment Deadline”). In the event Developer does not do so, the amount unpaid shall accrue interest at the rate of 10% per annum until paid in full. Further, in the event Developer fails to make payment in full within one (1) month of receipt of written notice to Developer that payment has not been received by the Payment Deadline, City may prevent access to the Dedicated Spaces until such time as payment is made.

3.2. For Dedicated Elevator.

- 3.2.1. The parties have estimated that the costs to be incurred by the City in constructing the Dedicated Elevator shall be \$216,000.00.
- 3.2.2. As consideration for its use of the Dedicated Elevator, Developer shall pay to City, together with the Parking Garage Payments, an amount equal \$108,000.00 (the “Elevator Reimbursement”), representing fifty percent (50%) of the estimated costs to be incurred by City in constructing the Dedicated Elevator. Developer shall make such payment within thirty (30) days after written notice from City that a certificate of occupancy (or similar instrument acknowledging that the Parking Garage has been completed and is ready for use) has been issued for the Parking Garage.
- 3.2.3. The Elevator Reimbursement shall be payable within thirty (30) days after the Deadline for Completion of the Project, as defined in the Redevelopment Agreement.

3.2.4. The balance of the Estimated Costs to be incurred by City to construct the Dedicated Elevator (i.e., \$108,000.00) are being provided by City to Developer in the form of the City Elevator Incentive as defined in the Redevelopment Agreement.

4. **Relationship to Redevelopment Agreement.**

- 4.1. Simultaneously herewith, City and Developer are entering into the Redevelopment Agreement.
- 4.2. The exclusive rights and obligations established under this Agreement are recognized as a valuable contribution by City to Developer in connection with Developer's Project. Developer acknowledges the significant benefits resulting from the Parking Garage and recognizes that the City has offered to facilitate the Project by providing certain economic incentives pursuant to the Redevelopment Agreement.
- 4.3. Although the Redevelopment Agreement is executed in connection with this Agreement, they are separate contracts, and thus a default by a party under this Agreement shall not constitute a default by such party under the Redevelopment Agreement, and vice versa.
- 4.4. This Agreement may be amended without amending the Redevelopment Agreement.

5. **Parking Enforcement.** Developer agrees to work with City in the coordination of efforts, undertakings or actions involved in the monitoring and enforcement of traffic code provisions and authorized public parking programs.

6. **Notice of Sale.** If City contemplates the sale or other transfer of the Parking Garage, City shall provide notice thereof to Developer (the "Notice of Sale"). In the event that City has determined any conditions of the sale that it is willing to consider, the Notice of Sale shall include such terms.

7. **Default.**

- 7.1. Force Majeure. Neither party shall be held in default of this Agreement for any delay or failure of such party in performing its obligations pursuant to this Agreement if such delay or failure is caused by Force Majeure as set forth below.
- 7.2. Notice and Opportunity to Cure. Prior to declaring a default hereunder, the non-defaulting party must provide the defaulting party with written notice and at least thirty (30) days to cure such default.
 - 7.2.1. Provided, however, if the default is of a nature that cannot be reasonably cured within such 30-day period, then the defaulting party shall be allowed a reasonable period of time to cure such default provided that it diligently commences the cure within the 30-day period and thereafter undertakes and pursues such cure.
 - 7.2.2. Further provided, however, that no prior notice or opportunity to cure need to be provided in the event the defaulting party has previously breached a provision of this Agreement and thereafter breaches the same provision.
- 7.3. Remedies. If a default occurs, the non-defaulting party may terminate this Agreement, institute an action to compel specific performance or to recover damages as applicable,

suspend its own performance hereunder, or pursue any other remedy available at law or equity.

- 7.4. Remedies Not Exclusive. The specified rights and remedies to which City and Developer are entitled under this Agreement are not exclusive and are intended to be in addition to any other means of redress which City or Developer may have under this Agreement.
- 7.5. No Consequential Damages. Notwithstanding paragraph 7.3, under no circumstances will City or Developer be liable for consequential damages, including lost profits, the right to such damages being expressly waived.
- 7.6. No Waiver. The failure by City or Developer to promptly insist on strict performance of any provision of this Agreement shall not be deemed a waiver of any right or remedy that City or Developer may have and shall not be deemed a waiver of a subsequent default or nonperformance of such provision.
- 7.7. Effect of Termination. In the event that a party terminates the Redevelopment Agreement as permitted thereby, this Agreement shall be deemed terminated as well.

8. **Agreement to Run with Property; Sale of Parking Garage.**

- 8.1. This Agreement shall run with the Property and the Parking Garage and any portion thereof, and shall be binding and inure to the benefit of, and be enforceable by, City (as to the Parking Garage) and Developer (as to the Property), and the heirs, successors and permitted assigns of the foregoing.
- 8.2. Upon a sale of the Property by Developer, or a sale of the Parking Garage by City, or by any successors in title to Developer or City, the transferee of the Property or Parking Garage shall have all rights, and assume all liabilities, of the transferor, and the transferor shall have no further rights or obligation for any liabilities arising after the date of the transfer.

9. **Termination by Developer.**

- 9.1. Developer may terminate this Agreement by providing City with at least six (6) months written notice prior to the Effective Date of the termination.
- 9.2. Upon the termination, all rights and obligations of City and Developer under this Agreement, shall terminate.

10. **Assignment; Interest Transfer.** The provisions of paragraph 14 of the Redevelopment Agreement are incorporated herein by reference.

11. **City's Police Powers.** Nothing in this Agreement shall serve to affect or limit City's police powers in the exercise of rezoning decisions or other governmental action associated with the proposed redevelopment of the Property or any Development Order associated therewith.

12. **Sovereign Immunity.** Notwithstanding any other provision set forth in this Agreement, nothing contained in this Agreement shall be construed as a waiver of City's right to sovereign immunity under Section 768.28, Florida Statutes, or other limitations imposed on City's potential liability under state or federal law. As such, City shall not be liable under this Agreement for punitive

damages or interest for the period before judgment. Further, City shall not be liable for any claim or judgment, or portion thereof, that exceeds the applicable limit of liability under applicable law (currently Section 768.28(5), Florida Statutes). This paragraph 12 shall survive termination of this Agreement.

13. **Resolving any Invalidity.** City and Developer hereby agree that in the event this Agreement or the economic incentives described herein are ever challenged by any person and held to be invalid by a court of competent jurisdiction, each will cooperate with the other, in good faith, to resolve the invalidity or pursue a valid alternative means to secure a substantially similar and equitable financial arrangement which the parties acknowledge was the inducement for Developer undertaking the Project.
14. **Applicable Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Florida.
15. **Relationship.** This Agreement does not evidence the creation of, nor shall it be construed as creating, a partnership or joint venture among City and Developer. Each party is acting for its own account, and it has made its own independent decisions to enter into this Agreement and as to whether the same is appropriate or proper for it based upon its own judgment and upon advice from such advisers as it has deemed necessary. Each party acknowledges that the other party hereto is not acting as a fiduciary for nor as adviser to it in respect of this Agreement.
16. **Personal Liability.** No provision of this Agreement is intended, nor shall any be construed, as a covenant of any official (either elected or appointed), director, employee, or agent of City in an individual capacity, and nor shall any such individual be subject to personal liability by reason of any covenant or obligation of City hereunder.
17. **Exclusive Venue.** The parties agree that the exclusive venue for any litigation, suit, action, counterclaim, or proceeding, whether at law or in equity, which arises out of concerns, or relates to this Agreement, any and all transactions contemplated hereunder, the performance hereof, or the relationship created hereby, whether sounding in contract, tort, strict liability, or otherwise, shall be in Marion County, Florida.
18. **Counterparts; Copies.** This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original, and all of which shall together constitute one and the same instrument. Additionally, signed facsimiles shall have the same force and effect as a signed original, and, in lieu of an original, any party hereto may use a photocopy of this Agreement in any action or proceeding brought to enforce or interpret any of the provisions contained herein.
19. **Notice.**
 - 19.1. All notices, requests, consents and other communications required or permitted under this Agreement shall be in writing (including emailed communication) and shall be (as elected by the person giving such notice) hand delivered by messenger or courier service, emailed or mailed by Registered or Certified Mail (postage pre-paid), Return Receipt Requested, addressed as follows or to such other addresses as any party may designate by notice complying with the terms of this paragraph 19:
 - 19.1.1. For City: City Manager, City of Ocala, 110 S.E. Watula Avenue, Ocala, Florida 34471; email: plee@ocalafl.gov.

- a). With copy to: Director of Planning, Growth Management Department, 201 SE 3rd Street, Ocala, Florida 34471; email: ahale@ocalafl.gov.
- 19.1.2. For Developer: Navroz Saju, 125 NE 1st Avenue, Suite 1, Ocala, Florida 34470; navroz.saju@hdghotels.com.
 - a). With a copy to: Robert W. Batsel, Jr., Gooding & Batsel, PLLC, 1531 SE 36th Avenue, Ocala, Florida 34471; email: rbatsel@lawyersocala.com.
- 19.2. Each such notice shall be deemed delivered:
 - 19.2.1. On the date of delivered if by personal delivery;
 - 19.2.2. On the date of email transmission if by email (subject to paragraph 19.5); and
 - 19.2.3. If the notice is mailed, on the earlier of: (a) the date upon which the Return Receipt is signed; or (b) the date upon which delivery is refused.
 - 19.2.4. Notwithstanding the foregoing, service by personal delivery delivered, or by email sent, after 5:00 p.m. shall be deemed to have been made on the next day that is not a Saturday, Sunday, or legal holiday.
- 19.3. If a notice is delivered by multiple means, the notice shall be deemed delivered upon the earliest date determined in accordance with paragraph 19.2.
- 19.4. If the above provisions require notice to be delivered to more than one person (including a copy), the notice shall be deemed delivered to all such persons on the earliest date it is delivered to any of such persons.
- 19.5. Concerning Communications sent by email:
 - 19.5.1. The Communication shall not be deemed to have been delivered if the sender receives a message from the sender's or the recipient's internet service provider or otherwise that the email was not delivered or received;
 - 19.5.2. If the sender receives an automatic reply message indicating that the recipient is not present to receive the email (commonly referred to as an "out of the office message"), the email shall not be deemed delivered until the recipient returns;
 - 19.5.3. Any email that the recipient replies to, or forwards to any person, shall be deemed delivered to the recipient.
 - 19.5.4. The sender must print the email to establish that it was sent (though it need not do so at the time the email was sent); and
 - 19.5.5. The sender shall maintain the digital copy of the email in its email system for a period of no less than one year after it was sent.
- 20. **Recording.** Developer shall, at its own expense, record this Agreement, or a certified copy thereof, in the Public Records of Marion County, Florida.

21. **Successors and Assigns.** All covenants, Agreements, warranties, representations, and conditions contained in this Agreement shall bind and inure to the benefit of the respective successors and permitted assigns of the parties to this Agreement.
22. **Attorney's Fees.** If any legal action or other proceeding is brought (including, without limitation, appeals or bankruptcy proceedings) whether at law or in equity, which arises out of, concerns, or relates to this Agreement, any and all transactions contemplated hereunder, the performance hereof, or the relationship created hereby; or is brought for the enforcement of this Agreement, or because of an alleged dispute, breach, default or misrepresentation in connection with any provisions of this Agreement, the successful or prevailing party or parties shall be entitled to recover reasonable attorney's fees, and court costs incurred in that action or proceeding, in addition to any other relief to which such party or parties may be entitled.
23. **Severability.** Any provision of this Agreement held by a court of competent jurisdiction to be invalid, illegal or unenforceable shall be severable and shall not be construed to render the remainder to be invalid, illegal or unenforceable.
24. **Construction of Agreement.** Each party acknowledges that all parties to this Agreement participated equally in the drafting of this Agreement and that it was negotiated at arm's length. Accordingly, a court construing this Agreement shall not construe it more strongly against either party.
25. **Time.**
 - 25.1. Time is of the essence of all of the provisions and terms of this Agreement.
 - 25.2. If a time period is five (5) days or less, intervening Saturdays, Sundays or legal holidays will be excluded from the calculation.
 - 25.3. When any time period specified herein falls or ends upon a date other than a Business Day, the time period shall automatically extend to 5:00 p.m. on the next ensuing Business Day.
 - 25.4. For purposes of this Agreement, "legal holiday" means: (a) the day set aside by Section 110.117, Florida Statutes, for observing New Year's Day, Martin Luther King, Jr.'s Birthday, Memorial Day, Independence Day, Labor Day, Veterans' Day, Thanksgiving Day or Christmas Day; (b) the Friday after Thanksgiving; (c) Christmas Eve; (d) if Christmas is on a weekend, the Monday after Christmas Day; and (e) any other day upon which the Clerk of Court of Marion County, Florida, is closed for ordinary business.
26. **Further Action.** Each of the parties hereto shall execute and deliver any and all additional papers, documents, and other assurances, and shall do any and all acts and things reasonably necessary in connection with the performance of the obligations hereunder and to carry out the intent of the parties hereto.
27. **JURY WAIVER.** EACH PARTY HEREBY COVENANTS AND AGREES THAT IN ANY LITIGATION, SUIT, ACTION, COUNTERCLAIM, OR PROCEEDING, WHETHER AT LAW OR IN EQUITY, WHICH ARISES OUT OF, CONCERNS, OR RELATES TO THIS AGREEMENT, ANY AND ALL TRANSACTIONS CONTEMPLATED HEREUNDER, THE PERFORMANCE HEREOF, OR THE RELATIONSHIP CREATED HEREBY, WHETHER SOUNDING IN CONTRACT, TORT, STRICT LIABILITY, OR OTHERWISE, TRIAL SHALL BE TO A COURT OF COMPETENT JURISDICTION AND NOT TO A JURY. EACH PARTY

HEREBY IRREVOCABLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY. ANY PARTY MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS AGREEMENT WITH ANY COURT, AS WRITTEN EVIDENCE OF THE CONSENT OF THE PARTIES HERETO OF THE WAIVER OF THEIR RIGHT TO A TRIAL BY JURY. NEITHER PARTY HAS MADE OR RELIED UPON ANY ORAL REPRESENTATIONS TO OR BY THE OTHER PARTY REGARDING THE ENFORCEABILITY OF THIS PROVISION. EACH PARTY HAS READ AND UNDERSTANDS THE EFFECT OF THIS JURY WAIVER PROVISION.

28. **Waiver.** A failure to assert any rights or remedies available to a party under the terms of this Agreement shall not be deemed a waiver of such rights or remedies, and a waiver of the right to remedies available to a party by a course of dealing or otherwise shall not be deemed to be a waiver of any other right or remedy under this Agreement, unless such waiver of such right or remedy is contained in a writing signed by the party alleged to have waived his other rights or remedies.
29. **Amendments.** The provisions of this Agreement may not be amended, supplemented, waived, or changed orally but only by a writing making specific reference to this Agreement signed by the party as to whom enforcement of any such amendment, supplement, waiver or modification is sought.
30. **Entire Understanding.** This Agreement represents the entire understanding and agreement between the parties with respect to the subject matter hereof, and supersedes all other negotiations (if any) made by and between the parties.

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SIGNATURES BEGIN ON FOLLOWING PAGE**

THEREFORE, each of the parties hereto set their hand and seal on this Agreement as of the day and year set forth immediately beneath their respective signatures.

ATTEST:

City of Ocala, a Florida municipal corporation

Angel B. Jacobs
City Clerk

Kristen Dreyer
President, Ocala City Council

Date _____

Approved as to form and legality

William E. Sexton
City Attorney

STATE OF FLORIDA
COUNTY OF MARION

The foregoing instrument was acknowledged before me by means of physical presence or online notarization this _____ day of _____, 2025, by Kristen Dreyer, as City Council President of the City of Ocala, Florida, a Florida municipal corporation, on behalf of the City.

Notary Public, State of Florida
Name: _____
(Please print or type)

Commission Number:
Commission Expires:

Notary: Check one of the following:

____ Personally known OR

____ Produced Identification (if this box is checked, fill in blank below).

Type of Identification Produced: _____

AS TO DEVELOPER

DOMACH, LLC, a Florida limited liability company

By: _____
Navroz F. Saju, Manager

Date: _____

STATE OF FLORIDA
COUNTY OF MARION

The foregoing instrument was acknowledged before me by means of physical presence or online notarization this this _____, 2025, by Navroz F. Saju, as Manager of DOMACH, LLC, a Florida limited liability company, on behalf of the company.

Notary Public State of Florida
Name: _____

(Please print or type)

Commission Number:

Commission Expires:

Notary: Check one of the following:

____ Personally known OR

____ Produced Identification (if this box is checked, fill in blank below).

Type of Identification Produced: _____