



TEZRAL PARTNERS
MARINA VILLAGE RFP

RESPONSES REMITTED
OCTOBER 15, 2018

KEY QUESTIONS AND RESPONSES

1. RISK/REWARD

- *Given the substantial risk associated with a public/private venture of this nature, what's your thinking about a "market-based" deal provision that positions the CRA/City to share in the projects long-term upside potential (i.e. sharing in value creation in addition to new taxes and other direct/indirect economic benefits)?*

ANSWER 1.1

We view our partnership with Riviera Beach as a collaborative effort and believe a "market-based" deal provision is an appropriate goal and our Development Agreement should define these components. Our Application presents a thoughtful approach to developing Phase II of Marina Village, understanding the present market impediments of a 50-year land lease term limit and recognizing the substantial land holdings of Viking Developers that could prove difficult in meeting parking requirements for zoning. We outline these concerns in Section N(7) – Proposed Land Deal and Lease Terms of our Application and summarized below.

We understand the City's desire to ensure a profitable collaborative relationship that will create a vibrant waterfront which will pay dividends for future generations. Our proposal for land deals and lease terms reflect these objectives. We will approach our partnership with the City/CRA as a thoughtful collaboration as both parties should recognize that market conditions and other assumptions we have made in our application could change, thus requiring flexibility in the terms of our partnership. We, together, must define "value" as a mutual benefit to both parties. We desire to create sustaining value for our firm, investors and the City/CRA. There are significant upfront risks but if we are successful in this endeavor, we will transfer the benefit of this value to the City and the citizens of Riviera Beach into perpetuity.

The City's Charter limiting land leases to 50 years creates a long-term economic impediment. We will need to meet our investor's required rate of returns within a short time period with limited opportunities to sell and refinance project elements given ground lease restrictions. Our proposal offers long-term up-side benefits to the City:

1. The financing commitment to construct the parking garages will allow the City to acquire Viking's land and enhance public access to the Marina for future generations.
2. Ownership of the parking garages will revert to the City at the end of the 30-year lease term.
3. The hotel site will be negotiated at market-rate terms with an initial concessionary period to market the property and reach stabilization to pay debt service and property taxes. If renewal of the ground lease can occur for an additional 49-year term, we would negotiate a renewal fee allowing an upside benefit to the City.
4. We propose to negotiate the Restaurant Parcels as a percent of gross sales to include allocated CAM expenses. The 50-year term lease will limit the attraction of investors in building the facilities for these restaurateurs. We believe a percent of sales approach allows for a mutual share of the risks and rewards and creates an upside benefit for the City/CRA.

5. The Marketplace parcels are intended to attract small businesses and start-ups. Rents are projected at below market terms to create an atmosphere of excitement and affordability thus a \$1.00/year land lease will be requested. The Development Team would not object to the expense of the Linear Park being a CAM expense as we envision a link to our Marketplace properties. We believe the tax increment and contribution to common area expenses will provide a long-term upside benefit to the City/CRA.

- ***Please provide a general overview description of where the money is going to come from to pay for construction and development as well as ongoing operations of the marina properties. If more than one source is anticipated, provide a general description of which source is going to provide what percentage of funds.***

ANSWER 1.2

See Exhibit C below for a description of sources identified for construction and development, including a percentage of the source of funding.

Under Tezral’s Alternative Scenario Plan, we propose a project totaling over \$200 million. The key to achieving this plan is securing funding for parking facilities and acquisition of key parcels owned by Viking. Municipal Acquisitions, the financing solutions-arm of the projects’ East and West Garage element (~\$66.5 million), is a private real estate investment firm based in Washington, DC. With approximately \$400 million in its current portfolio, they are an established and reliable investor with a demonstrated record of successfully closing transactions. To date, more than fifty of the world’s most respected insurance companies, pension and retirement funds, mutual funds, and family offices have co-invested in their transactions. They seek out opportunities throughout the United States with a narrow focus on real estate developed for, or otherwise used by, public sector entities. Municipal Acquisition is prepared to increase its commitment from \$47.5 million to \$66.6 million following collaboration with the City for a long-term triple net (NNN) lease for 30 years.

Project equity will be generated from Tezral Partners’ principal sources and proceeds from institutional (Fifth Third Bank) and private investors. T. Brown Consulting Group (TBCG) is Tezral’s majority and Managing Member. TBCG’s capital solutions have resulted in over \$10 billion in private capital flowing into low-income areas for grocery stores, loans to small and minority-owned businesses and to create new lifestyle communities such as Marina Village.

Fifth Third has pledged to invest \$28 million in New Markets Tax Credit (NMTC) equity if selected. The Fifth Third Community Development Corporation is a subsidiary of Fifth Third Bancorp and is a direct tax credit investor whose portfolio is over \$1 Billion in Low Income Housing, Historic and New Markets Tax Credits.

Sources for operations will be derived from earned income and a negotiated portion of project tax increment revenues. if needed, to bolster repayment ability during project stabilization. We will disclose and detail project proformas during Phase 2: Development Agreement Negotiations, if ranked and publicly designated the Top-Ranked Proposer.

Project Element	Operating Revenues & Other Sources	Percent
Parking	Parking Revenues (including sublease from the Port of Palm Beach and 325 apartment units) Tax Increment Revenues, if needed	100% TBD

Marketplace North, South & West	Rental Income Tax Increment Revenues	100% TBD
Waterfront Eateries (Restaurants)	Rental Income	100%
Hotel	Rental Income Tax Increment Revenues	100% TBD

- ***Please provide a general overall description of where the revenues are going to go that are created by this project with a listing of priorities, i.e., (who gets their money first, second, etc.?)***

ANSWER 1.3

See Exhibit A – Priority of Revenue Sources. The distribution and priorities of revenues change by Project Element.

- ***Please provide a general overall description of who will be responsible for any shortfalls in revenues.***

ANSWER 1.4

The Master Developer will be ultimately responsible for any shortfall in revenues. We will manage this risk by Project Elements:

1. Parking: Though the City is being requested to Master Lease the parking under a long-term lease, Tezral is willing to guarantee a minimal property tax payment in the event of an evaluation shortfall. We believe parking revenues and allocated property tax revenues to the project will make the City whole. We will propose that the CRA re-engage Walker Parking to update its revenue model for the Marina to reflect the parking demand and cashflows for each parking element proposed by Tezral.
2. Hotel. The Master Developer will hold the equity owners of the hotel responsible for any revenue shortfalls; Tezral shall serve as a secondary repayment source.
3. Restaurants. The Master Developer will hold the restaurant owners responsible for any revenue shortfalls; Tezral shall serve as a secondary repayment source.
4. Marketplace. The Master Developer will be responsible for any revenue shortfalls.

- ***Please provide a description of the financial obligations that you anticipate being the responsibility of the CRA and/or City.***

ANSWER 1.5

As documented in our proposal at Sections N - 8 & 9, we have outlined the general obligations proposed as the responsibility of the CRA and/or the City. We have forecasted that our project, when complete, will

produce annual tax revenues between \$1,234,460 (Base Case) and \$1,651,216 (Alternative Case). We view development of the Marina to be a collaborative process and the City/CRA as partners.

As outlined in our proposal, any financial assistance or economic incentives requested, will be supported by a reason and justification. The financial commitment for \$47.5 - \$66.6 million to acquire land and building two parking garages are predicated on the City of Riviera Beach master leasing the parking garage under NNN terms as part of a public-private partnership (P3).

- Maintenance of Bicentennial park will be negotiated as a City/CRA responsibility.
- Managing the Marina Wet Slip Operations will be negotiated as a City/CRA responsibility.
- The Event Center should continue to be master leased by the CRA and managed by the Agency. We, however, intend to negotiate concessions for the restaurant to offer catering; and for the hotel to have first priority rights for meeting spaces at published rates and blocked dates.
- Regarding infrastructure, we believe the retaining wall should be modified to allow unobstructed views of boats and water. We will negotiate the cost of this modification as a public expense.
- Further, the second-floor space in the Event Center is incomplete (flooring and roof system). We will negotiate the cost of this improvement as a public expense.
- Further, restaurant prospects have complained about the size of the grease lines and related traps. We will negotiate improvements to underground infrastructure as a public expense.
- Tony Brown crafted the financing strategy for Marina Village and created the Riviera Beach CDE to attract tax credits and loans from Community Development Financial Institutions to benefit small and minority-owned businesses. TBCG will propose to manage Riviera Beach CDE to continue the mission and the vision when it was first created.

2. LEADERSHIP

- ***To what extent was the original Marina Village master plan vision and strategy translated into a master management plan for the entire district that was linked to market and feasibility economics?***

ANSWER 2.1

The CRA (“Agency”) and the City, after numerous public meetings involving Viking Developers, adopted a unified long-range Marina District Conceptual Master Plan for development and redevelopment of the Marina District called the Marina District Master Plan. The adoption occurred at a public meeting held by the Agency on February 24, 2013, and by the City, through resolution 22-12, on February 27, 2013.

The Master Development Agreement anticipated that the Conceptual Master Development Plan would be revised to address changes necessitated by the market place. The Marina District Master Plan allowed for the continued development of plans and specifications for those facilities and infrastructure associated with the Boardwalk and Promenade which consisted of Bicentennial Park, Event Center and new “Tiki” style restaurant at Parcel A (“Phase 1A”). Development of the Public Promenade, Waterside Eateries and temporary parking were defined as “Phase 1B”.

As indicated in our application at Section C, LWLP inspired the vision for Riviera Beach Marina Village by first assessing the market potential and creating a strategic outlook. The City of Riviera Beach is poised to be a significant economic driver for Palm Beach County and LWLP defined the economic drivers for this accomplishment through a study commissioned by Viking Developers. LWLP knows how to leverage the City’s attributes for transformational economic prosperity and our proposal for the Phase II Development is linked to market and feasibility analysis. LWLP will team with Mosaic to implement a regional marketing plan for Marina Village.

- ***What shaped your thinking about the CRA continuing to manage the Event Center and related district services vs. doing more to centralize management oversight across all elements that impact the sense of place and guest experience?***

ANSWER 2.2

We are open to discussing the best management model for the Event Center. Tony Brown designed financing for the Event Center and created the Riviera Beach CDE when design costs exceeded the amount allocated under public funding. We are aware that the CRA is master leasing the facility through the conclusion of the New Markets Tax Credit compliance period, at which time the facility then reverts to the City of Riviera Beach. We view the facility as a community asset with high demand and the CRA is best suited to maintain this facility for the benefit of the public. We view securing a restaurant for the Event Center as a high priority (second after construction of the East Parking Garage) to reduce or eliminate the operating subsidy the Agency contributes. In Section N(9) of our Application, we propose to negotiate concessions for the restaurant to offer catering; and for the hotel to have first priority rights for meeting space at published rates and blocked dates. We view management of the Event Center as a cooperative partnership between us, the City and the CRA.

3. TEAMING

- *Provide more information illustrating the Fee-Advisor's (LWLP) relevant development consulting and at-risk developer project experience including in-house cross-functional management capabilities (i.e. development, leasing, operations, marketing)*

ANSWER 3.1

See Exhibit B – Letter Agreement and outline of terms for LWLP as Advisor and Development Partner

- *Does the Tezral/LWLP agreement contemplate a potential equity partner interest in all or portions of the project?*

ANSWER 3.2

Yes, see response to Question 1.2. Tony Brown will be responsible for securing the private equity components of our plan:

1. We have secured 100% cost financing for the parking and acquisition of Viking property, subject to the City or the Port of Palm Beach master leasing the parking facility.
2. The apartment units will be developed as workforce housing and thus eligible for tax credits. These tax credits and commitments from private equity sources will meet requirements for construction/permanent financing.
3. A private placement memorandum under Jones Foster will raise equity for the hotel. Tezral is seeking to secure minority investors so that the Marriott Residence Inn will be minority/locally-owned. Any shortfall will be financed by New Markets Tax Credits in the successful manner Mr. Brown developed for the Event Center.
4. Significant sources of development fees earned by Tezral will be invested in future Project Elements.

- *Clarify TBCG's consulting vs. developer role/equity interest in the Cascade Project, Tallahassee FL?*

ANSWER 3.3

Dan Schimberg, president of Uptown Rental Properties (URP) in Cincinnati is a partner with North American Properties (NAP). They formed a joint venture to develop Cascades Park and other assets in Tallahassee. URP is partnering with Tezral to develop the apartment elements of the Marina Village Phase II plan. NAP is not part of the Marina Village apartment development. TBCG has no role in the Cascade Project.

- *Clarify TBCG's consulting vs. developer role/equity interest in the French Town Gateway, Project Tallahassee FL?*

ANSWER 3.4

TBCG was selected as master developer, under a fee-development relationship, for a nearly 5-acre site in the Frenchtown Neighborhood of Tallahassee, FL. The \$78 million mixed-use redevelopment will revitalize the Frenchtown neighborhood, which is a historic, primarily black neighborhood in Tallahassee, Florida. The project is presently in the Site Design phase and is designated by the Governor as an Opportunity Zone. TBCG is creating an Opportunity Fund to finance its equity in this project.

4. FINANCIAL

- *As a start-up company on a major public/private real estate venture, what's your response to the Board at this time explaining how you intend to fund pre-development costs and pledge guarantees required to launch and sustain this venture. (i.e. CRA required audited financial statements).*

ANSWER 4.1

Tezral is prepared to fund pre-development costs from principal sources and investor equity. TBCG completes an annual audit and would be available for confidential review if short-listed, ranked and publicly designated the Top-Ranked Proposer. A bank reference letter from Fifth Third Bank was included under Section G in the Application where deposit accounts maintain an average 7-figure balance (in excess of \$1 million). Fifth Third has also pledge to invest \$28 million in New Markets Tax Credit equity if selected.

Municipal Acquisitions is an established and reliable investor with a demonstrated record of successfully closing transactions is offering 100 percent debt financing which will include funding pre-development costs. Since 2008, they have invested hundreds of millions of dollars (see answer for Q 1.2) and more than fifty of the world's most respected insurance companies, pension and retirement funds, mutual funds, and family offices have co-invested in their transactions.

Pre-development costs will be funded by equity from Tezral Partners and reinvestment of development fees earned. Project elements in our Marina Village plan qualify for a variety of tax credit programs which, explained under Question 1.2, Exhibit C, delineates these sources. We have also secured pledges from private investors for the Residential and Hotel elements.

- *Please share your experience and knowledge about successfully completed and in-progress public/private projects that support the rationale of proposing \$1.00/year ground rent over a 30 – 50 year term.*

ANSWER 4.2

See response to Question 1.1 Above.

Section D of our Application highlights the relevant experience of our Development Partners. TBCG's capital solutions have resulted in over \$10 billion in private capital to flow into underserved areas for grocery stores, loans to small and minority-owned businesses and to create new lifestyle communities in low income areas. Tezral is proposing a \$200 million development, Alternative Case Scenario, in an untested market. We are proposing the initial start of \$1.00/year lease on the Hotel parcel to increase to a market rate ground lease rent once occupancy and cashflows have reached a mutually agreed upon amount or threshold.

Our proposed terms for the Restaurant parcels is a share of the gross rents. Thus the CRA/City is receiving compensation on Day 1 in a Risk-Reward Partnership.

The Marketplace parcels are proposed for \$1.00/year given our goal to attract small and start-up businesses to operate in these facilities at below market rate rents. We believe these businesses will help to reduce poverty in the City of Riviera Beach by giving residents and local businesses an opportunity to participate meaningfully in the redevelopment process. We propose to pay a fair share of the common area expenses and

property taxes to compensate the City/CRA for the operation of this development.

The parcels on which the parking structures will operate will include other uses – residential and retail. The \$1.00/year proposal for the ground lease allows us to attract new residents and businesses to the Marina and keep related operating expenses or association fees to a minimum. Further, we have proposed to transfer ownership of the parking structures to the City following a 30-year master lease term (triple net lease). We estimate that our redevelopment will generate \$1.6 million in annual TIF revenues, plus parking revenues for the City, as compensation for this pioneering development.

- *Your proposal includes a financing strategy for an anchor mixed-use project (i.e. 2000 parking spaces, 135 housing, and commercial).*

At this stage, what is your answer to the Board regarding the potential magnitude of annual parking rent obligation contemplated (by the CRA/City) in order to underwrite your current estimate of land, construction and soft costs for this purpose?

ANSWER 4.3

In regards to Parking, we propose Walker Parking be re-engaged by the CRA to update their Marina Village study (Marina District Shared Parking Demand by Phase. Walker Project #15-1938.03) so we may project the degree that parking revenues provide sufficient funding to the City to offset its cost of the master lease.

At this stage, we believe that the residential and hotel elements in our development proposal will increase the demand and revenues for parking. We propose a tax abatement from these projects be assigned as revenues to offset the City's parking obligations under a long-term triple net master lease. Tezral is confident that our mixed-use development will provide sufficient revenues that we are willing to guarantee a minimal property tax payment in the event of an evaluation or cashflow shortfall. We believe parking revenues, and allocated property tax revenues to the project, will make the City whole if parking revenue alone are insufficient.

Our financing commitment includes a rental scheme to include the Port of Palm Beach which will further enhance repayment ability and limit the parking overhead as a stress on the City's revenues, if both public entities concur on terms. Walker Parking's updated revenue model for the Marina, to reflect the parking demand and cashflows for each of our Project elements, will estimate the magnitude of annual parking revenues.

5. PHYSICAL PLAN

- ***What shaped your thinking about the CRA continuing to manage the Event Center and related district services vs. doing more to centralize management oversight across all elements that impact the destination's sense of place and guest experience?***

ANSWER 5.1

We are open to discussing the best management model for the Event Center. Tony Brown designed financing for the Event Center when design costs exceeded the amount allocated under public funding. We are aware that the CRA is master leasing the facility through the conclusion of the New Markets Tax Credit compliance period, at which time the facility then reverts to the City of Riviera Beach. We view the facility as a community asset. In Section N(9) of our Application, we propose to negotiate concessions for the restaurant to offer catering; and for the hotel to have first priority rights for meeting space at published rates and blocked dates. We view management of the Event Center as a cooperative partnership between us, the City and the CRA.

- ***Highlight for the Board the key success drivers that will make your project regionally appealing (i.e. residents, workers and tourist compelled to travel more than 30 minutes to visit, stay long, spend and return)?***

ANSWER 5.2

The CRA District and Riviera Beach Marina is surrounded by regional destinations that can easily be leveraged with a strategic marketing plan. LWLP and Mosaic will team up to market Marina Village to promote its amenities and other nearby attractions which partly includes:

- The Event Center, already a significant community asset with most dates sold out, draws hundreds of residents and visitors to our City Marina.
- Bicentennial Park will feature a new concession stand and Food Truck Park to enliven this asset at lunchtime, weekends and holidays; including special events to create a sense of place for residents and visitors.
- Recognized water sports and charter fishing operations located at Marina Village will be promoted
- Lake Worth lagoon, attracting thousands of boaters/visitors every weekend and holidays
- Singer Island & Atlantic beach, attracting millions of visitors annually will be cross-marketed. The Urgo Group, owners of the Singer Island Marriott Resort, will manage the Residence Inn at Marina Village thus enhancing cross-marketing opportunities.
- Peanut Island and its mix of eco-park and recreational activities
- Port of Palm Beach cruise ship terminal which services more than 10,000 visitors per month
- Regional urban and commercial hubs in Palm Beach Gardens and West Palm Beach

Lockhead, Rybovitch & Viking have national and international customers with a significant number of employees, sub-contractors and visitors. Regional efforts has been ignited as a result of the Amazon application, we will use this opportunity to build upon/create new relationships, cross marketing opportunities, and strategic collaborations with regional and state partners including Visit Florida, Discover the Palm Beaches, the Tourist Development Council, the Cultural Council, Greater Broward CVB, Miami CVB, economic partners – Business Development Board, Greater Fort Lauderdale Alliance, Miami Beacon Council and Chambers of Commerce. These alliances will allow us to leverage and market the many assets the Riviera Beach Marina has to offer to the South Florida market.

Our goal and communication strategy aim to ensure everyone within the region and beyond knows that the Riviera Beach Marina is the destination for fun, leisure, entertainment, watersports, cruising, and more.

- ***Highlight for the Board the key success drivers that will make your project locally relevant and authentic?***

ANSWER 5.3

In addition to response 5.2 above, our waterside eateries will reflect the diverse culture of Riviera Beach and offer a selection of food choices in one location unmatched in Palm Beach County. We look forward to bringing authentic entertainment such as a jazz lounge, bringing out the heart and soul of Riviera Beach, where a jazz festival thrived for many years, something locals looked forward to – will now become a year-round amenity to enjoy.

We have a commitment from Marriott to construct a Residence Inn that will be local and minority-owned. We have recruited McCray's BBQ and Rodney's Crab to create a local authentic food offering. As our partner and advisor, LWLP, is an international real estate development and advisory firm considered world-renowned experts in envisioning, planning, and implementing viable, large-scale mixed-use real estate projects and districts. LWLP will help us:

- Create a vibrant waterfront that is welcoming to both residents and visitors and strengthens public spaces and community assets
- Give residents and local businesses in the community an opportunity to participate meaningfully in the redevelopment process
- Recognize the economic opportunities of the unique waterfront location of Riviera Beach's Marina Village to create an engine of revitalization, attracting new investments, businesses, and jobs

6. INCLUSION PLAN

- *Prioritize for the Board your thinking about what would be required (i.e. personnel, funding, program resources etc.) from the City/CRA in order to support the Master Developer’s efforts in achieving the economic inclusion goals and target outcomes outlined in the proposal?*

ANSWER 6.1

Tezral Partners is committed to celebrating diversity and promoting opportunities for the City of Riviera Beach residents and businesses. We will ensure that residents and businesses are equipped with the resources and information necessary to maximize their opportunities derived from the Riviera Beach Marina Village Phase II Development Project.

We plan to structure an active collaboration with the City/CRA, Career Source, Urban League and others to implement a comprehensive Workforce Development Program. The funding of this program will be negotiated and the key components of our program would involve the following:

- Career Source Palm Beach County as interested partners to provide workforce development programs. This would serve to get residents trained for skilled construction jobs. It is important to get residents trained and “work-ready” so that they will be ready on day one of breaking ground on new project elements. The courses also include soft skills (how to dress, importance on being on time, etc.) so that they will retain jobs longer. This will improve the labor pool from which GCs and tenants can hire.
- We will identify a CRA/City resource partner to be on the workforce development team. The Workforce Development Team will include a representative from Tezral, CRA, City, Career Source and other partners recommended by the City.
- We will work closely with the CRA/City to assist with communicating efforts and opportunities to the public via website, TV18, social media, utility bill, etc.

EXHIBIT A

**EXHIBIT A: PRIORITY OF REVENUE SOURCES
DISTRIBUTION OF REVENUES AND CASHFLOWS
ALTERNATIVE SCENARIO**

Project Element Revenues	Priority1	Priority2	Priority3	Priority4	Priority5	Priority6
Event Center - Restaurant	Facility Lease & CAM	Operating Expenses	Property Taxes	Debt Service	Owner Distributions	
Site 2: Restaurant 2	Ground Lease	Facility Lease & CAM	Operating Expenses	Property Taxes	Debt Service	Owner Distributions
Site 3: Restaurant 3	Ground Lease	Facility Lease & CAM	Operating Expenses	Property Taxes	Debt Service	Owner Distributions
Site 4: Bicentennial Park						
Concessions	Facility Lease & CAM	Operating Expenses	Property Taxes	Debt Service	Owner Distributions	
Food Truck Court	Grund Lease & CAM	Operating Expenses	Property Taxes	Debt Service	Owner Distributions	
Site 5: Marketplace North & South						
Retail	Ground Lease	Facility Lease & CAM	Operating Expenses	Property Taxes	Debt Service	Owner Distributions
Site 6: Hotel	Ground Lease	Facility Lease & CAM	Operating Expenses	Property Taxes	Debt Service	Owner Distributions
Site 7: Marketplace West						
Apartments	Operating Expenses	Property Taxes	Debt Service	Owner Distributions		
Office/Retail	Ground Lease	Facility Lease & CAM	Operating Expenses	Property Taxes	Debt Service	Owner Distributions
Parking	Ground Lease	Operating Expenses	Debt Service	City NOI		
Site 8: Spanish Courts						
Apartments	Operating Expenses	Property Taxes	Debt Service	Owner Distributions		
Office/Retail	Ground Lease	Facility Lease & CAM	Operating Expenses	Property Taxes	Debt Service	Owner Distributions
Parking	Ground Lease	Operating Expenses	Debt Service	City NOI		

EXHIBIT B

Via Email

October 12, 2018

Mr. Tony T. Brown
T. Brown Consulting Group. LLC
PO Box 10385
Riviera Beach, FL 33419

Re: Riviera Beach Marina Village Phase II Opportunity

Dear Tony:

LiveWorkLearnPlay (LWLP) is excited to work in partnership with T. Brown Consulting Group and All-Site Construction (collectively "Tezral Partners") to help you develop Phase II of the Riviera Beach Marina. We will serve as your Development Advisor and lend our extensive expertise in large-scale development to help the team achieve a world-class waterfront entertainment district. As you know, we served as the lead development advisors to Viking Developers, and in that capacity worked closely with you and your colleagues in your former role with the Riviera Beach CRA, to set a revised development vision and strategy for the waterfront, and completed both the Riviera Beach Marina District Redevelopment Strategic Assessment and then the Marina District Master Plan. These efforts and direction helped set the table for the rebranded Marina Village Phase I improvements and the inspiring new plan that you propose for Phase II. We are excited about continuing this partnership with you.

LWLP is an international real estate development and advisory firm considered world-renowned experts in envisioning, planning, and implementing viable, large-scale mixed-use real estate projects and districts. As master developers and placemakers, we have an extensive record of creating vibrant and enduring places that maximize financial performance while helping to realize desired social, cultural, and economic success.

As your partner and advisor, we will help you:

- Create a vibrant waterfront that is welcoming to both residents and visitors and strengthens public spaces and community assets
- Give residents and local businesses in the community an opportunity to participate meaningfully in the redevelopment process
- Recognize the economic opportunities of the unique waterfront location of Riviera Beach's Marina Village to create an engine of revitalization, attracting new investment, business, and jobs



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As your Implementation Partner, we will act as a fee-for-service developer and any liability we assume or equity we invest will be at our sole option relative to individual project components, as we understand that Tezral will be primarily responsible for raising/securing required equity and financing.

In our capacity as your Development Advisor and Partner, we will assist Tezral, as required, to:

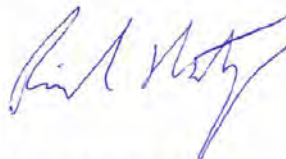
1. Negotiate terms for a Development Agreement to include but not limited to components of a Public-Private Partnership and Community Benefits Agreement, Land Leases, Acquisitions and Easements and other items delineated as Phase 2 in the RFP Process beginning on page 29 in the publicized RFP.
2. Secure CRA Board final project and letter of intent approvals and other items delineated as Phase 2 in the RFP Process.
3. During the process of development, provide you on-call services as may be agreed and needed in Phase 4 for the Building Design, Approval and Construction Process. These services may include financial modelling, pre-development project coordination, community outreach, leasing, activation and sales.
4. As our primary role, help you achieve the Project Outcomes and Economic Benefits in Phase 5 of the RFP Process and as reflected in the proposal and negotiated with the CRA. A separate agreement will be negotiated between our firms to reflect terms of payment, roles and responsibilities.
5. Generally, help you strategize and structure the appropriate deals and transactions that will be required to bring this complex project to life.

We are supportive of and enthusiastic about the idea of helping you develop locally authentic restaurant themes for local entrepreneurs as we have a wealth of experience in the programming and leasing of food-anchored destinations and marketplaces.

We also commend you for securing financial commitments to build the required parking spaces to make this venture possible, including work force housing to help invigorate the local area. Thus, our partnership with Tezral Partners will not rely, nor need, LWLP's significant financial capacity. Our partnership shall be based on helping a management team achieve capacity and implement an effective development plan and create the wonderful waterfront destination district that the City of Riviera Beach has always desired. We may invest in project elements offered by Tezral at our sole discretion and respect your desire to create investment opportunities for local residents.

We are very encouraged by the Tezral Partners team being short-listed on the basis of the initial RFP response, so please feel free to use this letter as documentation of our commitment to this partnership. We have had a 5-year association and our entire LWLP team looks forward to the continuation of this great relationship.

Sincerely,

A handwritten signature in blue ink, appearing to read "Richard Martz".

Richard Martz
Partner & Principal, Live Work Learn Play

Cc.
Max Reim, Co-Managing Partner & Founding Principal, Live Work Learn Play

EXHIBIT C

**TEZRAL PARTNERS, LLC
PROJECT ELEMENT SOURCES
EXHIBIT C**

Phase	Project Element	Budget	Sources		
			Name	Percent	Amount
II.1	Total East Garage	\$ 38,300,000	Municipal Acquisitions	100%	\$ 38,300,000
II.3	Total West Garage	\$ 28,300,000	Municipal Acquisitions	100%	\$ 28,300,000
Total Parking					\$ 66,600,000
II.1	Site 5: Marketplace North & South	\$ 17,280,000	Tezral Equity	5%	\$ 2,581,500
	Site 7: Marketplace West	\$ 34,350,000	Private Equity	5%	\$ 2,581,500
			LIHTC/NMTC Equity	20%	\$ 10,326,000
		\$ 51,630,000	Debt	70%	\$ 36,141,000
Total Site 5 Development					\$ 51,630,000
II.2	Site 1: Restaurant 1	\$ 4,096,550	Restaurant Equity	20%	\$ 819,310
			RBCDE Equity	20%	\$ 819,310
			Debt	60%	\$ 2,457,930
Total Site 1 Development					\$ 4,096,550
II.3	Site 8: Spanish Courts	\$ 38,275,000	Tezral Equity	5%	\$ 1,913,750
			Private Equity	5%	\$ 1,913,750
			LIHTC/NMTC Equity	20%	\$ 7,655,000
			Debt	70%	\$ 26,792,500
Total Site 8 Development					\$ 38,275,000
II.4	Site 6: Hotel	\$ 32,350,000	Tezral Equity	5%	\$ 1,617,500
			Private Equity	10%	\$ 3,235,000
			NMTC Equity	20%	\$ 6,470,000
			Debt	65%	\$ 21,027,500
Total Site 6 Development					\$ 32,350,000
II.5	Site 2: Restaurant 2	\$ 2,285,000	Tezral Equity	5%	\$ 381,480
	Site 3: Restaurant 3	\$ 2,706,000	Private Equity	5%	\$ 381,480
	Site 4: Bicentennial Park	\$ 623,600	Restaurant Equity	20%	\$ 1,525,920
	Linear Park	\$ 1,015,000	CRA Grant	27%	\$ 2,059,992
	Infrastructure	\$ 1,000,000	Debt	43%	\$ 3,280,728
		\$ 7,629,600			
Total Restaurant & Site Development					\$ 7,629,600
Total Development Costs					\$ 200,581,150