

HOUSING SUBSIDY AGREEMENT

THIS HOUSING SUBSIDY AGREEMENT (this “Agreement”) is dated as of May 16, 2025 (the “Effective Date”) by and between **CITY OF NORTH MIAMI**, a Florida municipal corporation (the “City”) and **REDWOOD CP DEV, LLC**, a Florida limited liability company (“Developer”).

RECITALS

WHEREAS, City owns 28.66 acres of land (“Land”) generally located at 1255-1525 NE 135th Street, North Miami, Florida 33167, which, pursuant to City Resolution No. 2023-R-87, is to be redeveloped by Developer, including development of affordable and workforce multi-family housing on a vacant portion of the Land encompassing approximately 11.23 acres (the “Project”); and

WHEREAS, the City and the Developer entered into that certain Agreement and Lease (Claude Pepper Park) dated as of June 23, 2023, with respect to the long-term occupancy and development of the Land, including the Project; and

WHEREAS, the Project is to be developed in phases, with (a) Phase I, as described on Exhibit “A” attached hereto and incorporated herein, to consist of 200 affordable residential units for elderly residents and approximately 20,000 square feet of commercial space and to be developed by Redwood CP Holdings I, LLC, a Florida limited liability company (“Phase I Landlord”) pursuant to that certain Agreement and Bifurcated Lease (Claude Pepper Park – Phase I) to be entered into by and between City and Phase I Landlord (the “Phase I Lease”) and (b) Phase II, as described on Exhibit “B” attached hereto and incorporated herein, to consist of 100 affordable residential units for families and to be developed by Redwood CP Holdings II, LLC, a Florida limited liability company (“Phase II Landlord”, and together with Phase I Landlord, each individually, a “Landlord” and collectively, the “Landlords”) pursuant to that certain Agreement and Bifurcated Lease (Claude Pepper Park – Phase II) to be entered into by and between City and Phase II Landlord (the “Phase II Lease”, and together with the Phase I Lease, the “Lease(s)”); and

WHEREAS, Phase I Landlord and Phase II Landlord are both affiliates of Developer; and

WHEREAS, the Mayor and City Council of the City are desirous of ensuring that adequate opportunities for affordable housing exist within all new developments being constructed within the City limits; and

WHEREAS, the City has adopted Resolution 2025-R-99 (the “Resolution”) providing that rental and occupancy of Phase I and Phase II shall be facilitated by a grant by the City of a housing subsidy (the “Subsidy”) to be paid to the Developer, provided that the residential units in Phases I and II are to be rented only to individuals or families whose incomes are at or below 80% of the Annual Median Income (“AMI”) for Miami-Dade County and who are otherwise eligible to rent residential units in Phases I and/or II; and

WHEREAS, the Resolution provides for the Subsidy to be in the amount of \$695,000 per year for a period of twelve (12) years beginning on the Commencement Date (as defined below), for a total Subsidy of \$8,400,000;

NOW, THEREFORE, in consideration of Ten Dollars (\$10.00), the mutual covenants contained herein and other good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, the parties hereby agree as follows:

1. Recitals. The recitals set forth above are true and correct and are incorporated herein by this reference.

2. Development and Rental of Phases I and II.

(a) Developer and/or Phase I Landlord intends to develop Phase I with a multi-family building with at least 200 residential units ("Units") and approximately 20,000 square feet of commercial space. The prospective tenants for all Units in Phase I shall be households in which the head of household is a person of at least 62 years of age and whose household income is not more than eighty percent (80%) of the AMI for Miami-Dade County, Florida, following guidelines for Multifamily Rental Programs issued annually by Florida Housing Finance Corporation ("FHFC Guidelines").

(b) Developer and/or Phase II Landlord intends to develop Phase II with a multi-family building with at least 100 Units. The prospective tenants for all Units in Phase II shall be households whose household income is not more than eighty percent (80%) of the AMI for Miami-Dade County, Florida, following the FHFC Guidelines.

(c) Developer shall use best efforts to cause each Landlord to report to the City, commencing 180 days after the issuance of a temporary or permanent certificate of occupancy ("CO") for Phase I or Phase II, as applicable, and annually thereafter, to confirm such Landlord's compliance as of the date of such report with the leasing requirements set forth in Section 2 (a) or (b), as applicable, together with a report of the number of vacant Units available for rental and the number of eligible prospective tenants on any waiting list for such Units.

(d) All leases of Units shall be in material compliance with the terms and conditions of i) the applicable Lease, ii) the provisions of leasehold mortgage loan documents governing Unit leases, and (iii) all applicable Federal, State and local laws and regulations governing leasing of Units to tenants qualified for affordable housing.

3. Subsidy.

(a) In order to ensure that adequate opportunities for affordable housing exist within new developments being constructed within the City limits, City agrees to subsidize the development and operation of Phase II in an aggregate amount equal to Eight Million Four Hundred Thousand and No/100 Dollars (\$8,400,000.00) (the "Subsidy Fund") The Subsidy Fund shall be disbursed to the Developer in twelve (12) annual payments of \$695,000 each. Payments of the Subsidy shall commence on the later of (i) January 15, 2027 and (ii) the date when a temporary or permanent

CO has been issued for the improvements constituting both Phase I and Phase II, and shall continue on each anniversary of the first Subsidy payment until the Subsidy Fund has been fully disbursed to the Developer. At the option of the Developer, by written direction to the City, Subsidy payments may be disbursed directly to the Phase I Landlord or the Phase II Landlord,.

(b) The Subsidy shall not be deemed a supplement to, or substitution for payment of rent by tenants of the Units. Tenants of Phase I and Phase II shall be responsible to pay all rent provided for in their respective Unit leases, as such rents are established from time to time in accordance with FHFC Guidelines, and neither the City nor any tenant shall have the right to require that any amount paid out of the Subsidy Fund should or must be applied to supplement or offset any rent obligation. Similarly, Subsidy payments shall not be applied in lieu of or in reimbursement of any tenant's obligation to make a security deposit under their lease, to pay any utility costs relating to the Unit or to pay any other liability of a tenant to the applicable Landlord arising out of their tenancy.

4. Developer's Obligations. Developer will use best efforts to ensure that each Landlord will comply in all material respects with the terms of each Unit lease and will comply with all fair housing laws, rules, regulations or orders applicable to the Project and shall not discriminate on the basis of race, creed, color, sex, age or national origin in the lease, use or occupancy of the Units in the Project.

5. Remedies. In the event of any breach by either party of its obligations hereunder, the non-breaching party shall be entitled to exercise all rights available at law or equity, including maintaining actions for damages, specific enforcement and/or injunctive relief.

6. Term. This Agreement shall commence on the Effective Date and shall continue in full force and effect through the twelfth (12th) anniversary of the date on which the first Subsidy payment is disbursed by City pursuant to Section 3 above (the "Term"). Rental of the Units in Phases I and II shall be subject to the income restrictions on tenants described in this Agreement throughout the Term.

7. Authority. Each party hereto represents and warrants to the other party that a) this Agreement has been duly authorized by action of the Mayor and City Council of the City (with respect to the City) and by all required member or manager consent (with respect to the Developer), b) the individual executing this Agreement on behalf of such party has been duly authorized to execute and deliver this Agreement, c) this Agreement does not violate or constitute a default under any agreement affecting such party or its property, and d) this Agreement is enforceable against such party in accordance with its terms.

8. Notices. Notices required or permitted to be given pursuant to the terms of this Agreement will be sent by certified mail, return receipt requested, postage prepaid or by recognized overnight courier, prepaid. Notice will be effective upon delivery or refusal of delivery. To the extent that a party has agreed to receive notices by electronic mail and has provided its electronic mail address to the other party, notices may be sent by electronic mail, provided that a copy of such notice shall promptly be delivered by certified mail or overnight courier, as provided for above. Notices will be delivered to the following addresses, subject to the right of either party to

change the address at which it is to receive notice by written notice to the other party in accordance herewith:

To City:

City of North Miami
776 N.E. 125th Street
North Miami, Florida 33161
Attn: City Manager

With a copy to:

City of North Miami
776 N.E. 125th Street
North Miami, Florida 33161
Attn: City Attorney

To the Developer:

REDWOOD CP DEV, LLC
529 West 41st Street, Suite 439
Miami Beach, Florida 33140

With copies to:

Stearns Weaver Miller Weissler
Alhadeff & Sitterson, PA
150 W. Flagler St., Suite 2200
Miami, Florida 33130
Attn: Brian McDonough, Esq.

9. Time of the Essence. Time is of the essence of every provision of this Agreement.

10. Assignment; Parties Bound. City shall not assign this Agreement or any interest therein to any other person without Developer's prior written consent, which may be granted or withheld in Developer's sole discretion. Developer may assign this Agreement or any interest therein to a Phase I Landlord or Phase II Landlord, and to any successor owner of the applicable Phase of the Project without City's prior written consent. This Agreement inures to the benefit of and be binding upon, and is intended solely for the benefit of, the parties hereto and their respective permitted successors and assigns, and no third party will have any rights, claims, privileges or other beneficial interests herein or hereunder.

11. Integration and Amendment. This Agreement and the exhibits hereto set forth the entire understanding of the parties with respect to the subject matter hereof, superseding and/or incorporating all prior or contemporaneous oral or written agreements, and may be changed, modified, or amended only by an instrument in writing executed by the party against whom the

enforcement of any such change, modification or amendment is sought.

12. Governing Law. This Agreement and the rights of the parties hereunder shall be governed by, and interpreted in accordance with, the laws of the State of Florida, without regard to principles of conflicts of law.

13. Litigation. In the event of any litigation between City and Developer concerning the terms of this Agreement, the prevailing party will be entitled to reimbursement of its costs and expenses, including reasonable attorneys' fees, incurred in trial, appellate and post-judgment proceedings.

14. Invalid Provisions and Severability. In the event any term or provision of this Agreement is held illegal, unenforceable or inoperative as a matter of law, the remaining terms and provisions shall not be affected thereby, but shall be valid and remain in force and effect, provided that the inoperative provisions are not essential to the interpretation or performance of this Agreement in accordance with the clear intent of the parties.

15. No Waiver of Default. No waiver by a party of any breach of this Agreement by the other party will be deemed to be a waiver of any other breach by such other party (whether preceding or succeeding and whether or not of the same or similar nature), and no acceptance of payment or performance by a party after any breach by the other party will be deemed to be a waiver of any breach of this Agreement by such other party. No failure or delay by a party to exercise any right it may have because of the default of the other party will operate as a waiver of default or modification of this Agreement or prevent the exercise of any right by the first party while the other party continues to be in default.

16. Waiver of Jury Trial. EACH PARTY HEREBY IRREVOCABLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN CONNECTION WITH CLAIM, ACTION OR PROCEEDING BROUGHT IN CONNECTION WITH THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT. EACH PARTY HAS READ AND UNDERSTANDS THE EFFECT OF THIS WAIVER OF JURY TRIAL PROVISION.

17. No Joint Venture. The parties expressly agree that no joint venture, partnership or agency relationship is created or intended by this Agreement.

18. Counterparts; Electronic Signatures. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. This Agreement may be executed and delivered electronically, including without limitation, clear images of manually executed signatures transmitted by electronic format such as "pdf", "tif" or "jpg", as well as other electronic signatures such as DocuSign and AdobeSign.

[Signatures on following page]

IN WITNESS WHEREOF, this Agreement has been duly executed and delivered by City as of the date first above written.

City:

CITY OF NORTH MIAMI, a Florida municipal corporation

By:_____

Name:_____

Title: City Manager

Attest:

Vanessa Joseph, Esq.
City Clerk

Approved as to form
and legal sufficiency:

Jeff P.H. Cazeau, Esq.
City Attorney

IN WITNESS WHEREOF, this Agreement has been duly executed and delivered by Developer as of the date first above written.

DEVELOPER:

REDWOOD CP DEV, LLC, a Florida limited liability company

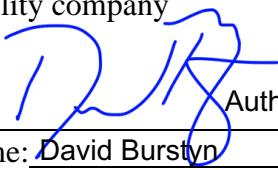
By:  Authorized Signatory
Name: David Burstyn
Title: Authorized Signatory

EXHIBIT "A"

Phase I

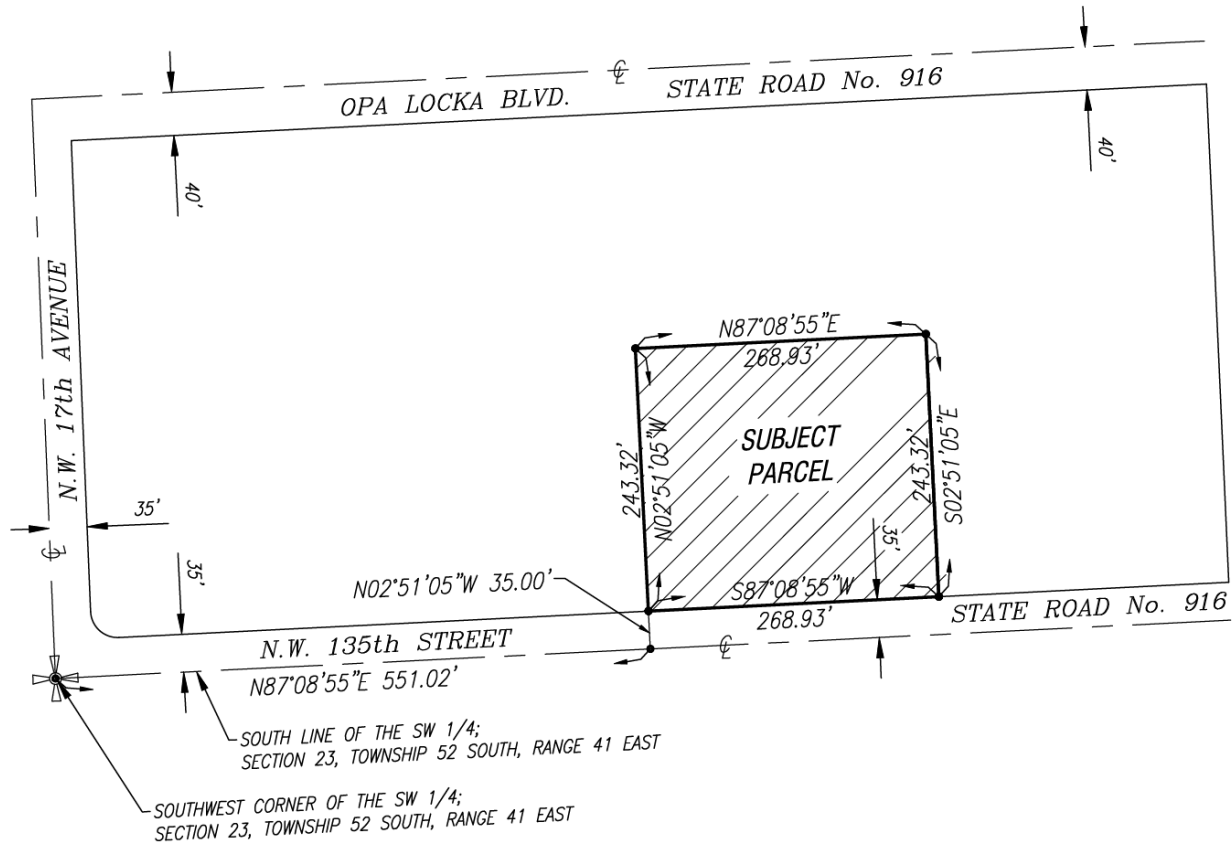


EXHIBIT "B"

Phase II

