

MASTER DEVELOPMENT AGREEMENT
BETWEEN
CITY OF KISSIMMEE
AND
AZURE HOTEL INTERNATIONAL, INC.

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MASTER DEVELOPMENT AGREEMENT

This Master Development Agreement (the "**Agreement**") is entered into on this 19th, day of August, 2025, by and between the City of Kissimmee, Florida, a municipal corporation organized and existing under the laws of the State of Florida (hereinafter referred to as "**City**"), and Azure Hotel International, Inc., a corporation duly organized and existing under the laws of the State of Florida (hereinafter referred to as "**Developer**" or "**AHI**"); the City and the Developer are each a "Party" and may collectively be referred to as the "Parties". This Agreement serves to formalize the partnership between the City and the Developer for the development and operation of a transformative project consisting of a hotel and convention center in downtown Kissimmee. The project aims to stimulate economic growth, attract tourism, and enhance the quality of life in the community.

WITNESSETH

WHEREAS, the City has long expressed a desire to enhance its downtown district to attract more tourists and stimulate economic growth; and

WHEREAS, the City is duly authorized by its City Charter (Section 4, Chapter 2), the Florida Constitution, and Florida Statutes, to own, hold, use, rent, lease, grant, sell, and dispose of the Property, and any interest therein, for municipal and public purposes; and

WHEREAS, the City Commission, sitting as the Downtown Kissimmee Community Redevelopment Agency, adopted its most recent Community Redevelopment Area (CRA) Master Plan pursuant to chapter 163, Florida Statutes, establishing a goal to improve and provide additional amenities within public spaces and specifically to develop a new convention center within the CRA (Goal 23.8); and

WHEREAS, the City owns certain real property and an existing convention center in downtown Kissimmee, as more particularly described in the Legal Description, attached hereto as **Exhibit A** and incorporated herein (the “**Property**”); and

WHEREAS, on February 28, 2025, Developer submitted an unsolicited proposal to the City Commission for the development of a 10-story, 300-room hotel and a 45,000 square foot convention center on the Property, aimed at revitalizing downtown Kissimmee through the first public-private partnership of its kind in the City's history; and

WHEREAS, the City also received a competing unsolicited proposal for development of a hotel and associated uses on the Property from IHRMC Hotels and Resorts Management; and

WHEREAS, following a series of public meetings, the Developer submitted a revised unsolicited proposal on June 9, 2025, which included a \$183.8 million investment, the construction of two distinct buildings comprising a city-owned convention center and a privately operated hotel, and a revenue-sharing structure beneficial to the City; and

WHEREAS, on July 1, 2025, the City Commission held a duly noticed public meeting at which the Developer’s revised proposal as well as a revised proposal of IHRMC Hotels and Resorts Management were presented, affected public entities and members of the public were able to provide comment, and the City Commission unanimously approved Developer’s proposal; and

WHEREAS, on July 30, 2025, the City published in the Florida Administrative Register Issue 51/149, a Public Notice of Intent to sell property located within the City of Kissimmee Downtown Community Redevelopment District, pursuant to F.S. 163.380; and

WHEREAS, on August 19, 2025, the City Commission considered the Developer’s revised proposal at a second duly noticed public meeting and determined that Developer’s proposal

is in the public interest pursuant to section 255.065(3)(c), Florida Statutes, and to therefore proceed without engaging in further solicitation for additional competing proposals; and

WHEREAS, the City shall file a report including the public interest determination required by section 255.065(3)(c), Florida Statutes, the factors considered in making such public interest determination, and the City's findings as to each factor; and

WHEREAS, the parties intend to enter into this Agreement to formalize their partnership, underpinned by the statutory authority of Fla. Stat. § 255.065, ensuring compliance with all applicable public-private partnership requirements, including but not limited to, the prohibition against creating public debt or financial guarantees, preservation of City ownership of public assets, and incorporation of performance guarantees; and

NOW, THEREFORE, in consideration of the mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree to the terms and conditions set forth in this Agreement as follows:

ARTICLE I - DEFINITIONS

1.1 Definitions.

For the purposes of this Agreement, the following capitalized terms shall have the meanings ascribed to them below:

- a. **"Agreement"** means the Master Development entered into by and between the Developer and the City, including all exhibits, schedules, amendments, and modifications thereto.

- b. **“by Azure,” “Azure Resorts,”** means a phrase that must be included in the name of the Convention Center during the term of Azure’s lease agreement, as part of the branding and references to the Convention Center.
- c. **"Builder’s risk insurance"** means insurance that covers a building where the building or insured area is under construction. It can cover just the structure, or also the materials on site waiting to be installed or transported to the job site.
- d. **“CC Draw Event”** means, for the Convention Center and permitting City draw under §7.1A: (i) failure to Commence Vertical Construction (Convention Center) by twenty-four (24) months after the Effective Date; (ii) cessation of material work for ninety (90) consecutive days (excluding Force Majeure); (iii) failure to obtain a Certificate of Occupancy within forty-two (42) months after the Effective Date (Force Majeure only); (iv) misuse of City funds; or (v) any uncured Event of Default relating to the Convention Center.
- e. **"Certificate of Occupancy"** means a document issued by a local government agency or building department certifying a building's compliance with applicable building codes and other laws, and indicating it to be in a condition suitable for occupancy.
- f. **"City"** means the City of Kissimmee, a municipal corporation of the State of Florida.
- g. **"City Contribution"** means the financial and other contributions to be made by the City towards the development and operation of the Convention Center as outlined in this Agreement.
- h. **"Comprehensive General Liability (CGL) Insurance"** means insurance coverage that protects against claims for bodily injury, property damage, and personal and advertising injury that may arise from business operations.

- i. **"Convention Center"** means the facility to be developed and operated by the Developer pursuant to the terms of this Agreement.
- j. **"Convention Center Operator"** means a special purpose entity owned by AHI, designated to manage the Convention Center on behalf of AHI under this Agreement.
- k. **"Cyber liability insurance"** means insurance that covers businesses for data breaches and other cyber security issues.
- l. **"Developer"** means AHI, a corporation duly organized and existing under the laws of the State of Florida.
- m. **"Development Milestones"** means specific progress points in the development process at which certain actions are taken, or conditions must be met.
- n. **"Estimated Cost Breakdown"** means a detailed allocation of the project's costs, including soft costs, hard costs, and contingencies.
- o. **"Events of Default"** means conditions that constitute a breach of the Agreement's terms, leading to possible termination.
- p. **"Force Majeure"** means any event beyond the control of the parties, including but not limited to acts of God, war, terrorism, civil disturbance, governmental action, or natural disaster, that prevents one or both parties from fulfilling their obligations under this Agreement.
- q. **"GAAP"** means Generally Accepted Accounting Principles.
- r. **"Gross Negligence"** means a severe degree of negligence taken as reckless disregard, blatant indifference to one's legal duties, or the rights and safety of others.
- s. **"Hotel"** means Azure Hotel – Historic Kissimmee Downtown, to be constructed, owned, and operated by the Developer pursuant to this Agreement.

- t. **“Hotel NOI”** means for any period, Hotel Gross Revenues from the Hotel minus Operating Expenses incurred in the ordinary course of operating and maintaining the Hotel, calculated on an accrual basis in accordance with U.S. GAAP consistently applied, excluding (i) debt service and other financing costs, (ii) federal, state, and local income taxes, (iii) depreciation and amortization, and (iv) capital expenditures.
- u. **“Hotel Property”** means the property that will be deeded to the Developer for the construction of the Hotel.
- v. **“Hotel Profit Sharing Structure and Benefits”** means the specific terms outlining the division of net operating income between the City and the Developer, as part of their Agreement.
- w. **“Independent Entity”** means a business that operates independently, without control from any outside organizations, including the parties to this Agreement.
- x. **“Indirect, Special, Incidental, Punitive, or Consequential Damages”** means damages that are not directly related to the breach of contract but are a secondary consequence of a breach, such as lost profits, revenue, data, or use.
- y. **“Lease Agreement”** means an arrangement where the City grants the Developer the right to operate and manage the City-owned Convention Center for a specified annual fee.
- z. **“Licenses, Permits, and Approvals”** means official documents or permissions required by law to engage in certain activities or operations.
- aa. **“Naming Rights”** means the exclusive right of the City to name the Convention Center and to market, assign, or sell such rights to “Azure” or “by Azure Resorts”.

- bb. "No-Lien Covenant"** means an agreement that AHI will not encumber or otherwise burden the Convention Center, any City-owned property, or public assets with liens, mortgages, or similar claims.
- cc. "Notice and Cure Period"** means the timeframe provided to a defaulting party to remedy a breach of the Agreement.
- dd. "Performance Terms"** means criteria set forth to evaluate the Developer's management and operations of the Convention Center, including revenue and event volume thresholds.
- ee. "Pioneer Grant"** means a financial incentive provided by the City pursuant to its Pioneer Project Incentive Program (PIIP) in the amount not to exceed \$1.5 million provided by the City to support the development of the hotel, which shall be disbursed in accordance with the milestone schedule set forth in Exhibit F. The Pioneer Grant funds may only be used for qualified development costs as defined in Section 5.3 of this Agreement and shall be subject to the City's verification and audit rights.
- ff. "Project"** means the comprehensive development described in this Agreement, including the planning, financing, equipping, construction, ownership, operation, and maintenance of (i) a publicly owned Convention Center and (ii) a privately owned hotel, currently known as the Azure Hotel – Historic Kissimmee Downtown, both located in downtown Kissimmee, Florida. The Project encompasses all associated infrastructure improvements, performance requirements, public-private partnership terms, and economic development components as outlined in this Agreement.
- gg. "Public-Private Partnership"** means a cooperative arrangement between one or more public sectors (in this case, the City of Kissimmee) and the private sector (in this case,

Azure Hotel International, Inc.), aimed at financing, designing, constructing, improving, renovating, expanding, equipping, maintaining, implementing, and operating projects serving a public purpose and supporting facilities.

hh. "Remedies" means the actions or penalties that may be taken or imposed by the non-defaulting party in response to a breach of the Agreement.

ii. "Substantial Completion" shall mean the stage in the progress of construction when the Project, or a designated portion thereof, is sufficiently complete in accordance with the approved plans and specifications, such that the Project (or applicable portion) can be occupied, used, and operated for its intended purpose in compliance with applicable codes, regulations, and permits, and all building systems are functional and operational, even if minor or punch list items remain to be completed or corrected. Substantial Completion shall be evidenced by the issuance of a Temporary Certificate of Occupancy or equivalent documentation from the authority having jurisdiction or equivalent documentation acceptable to both Parties, permitting use and occupancy of the facility for its primary intended function, subject only to final inspections, minor corrections, and non-life-safety related deficiencies.

jj. "Termination Rights" means the conditions under which either party may elect to terminate the Agreement.

kk. "Total Investment" means the total financial investment required for the development and operation of the Convention Center and associated Hotel.

ll. "Tourist Development Tax (TDT) Revenues" means funds collected by Osceola County from taxes on tourism-related activities, which may be used by the County to support the development of the Convention Center.

mm. “**Vertical Construction**” shall mean the commencement of above-grade building activities on the Project site, including but not limited to the erection of structural elements such as footings, columns, walls, beams, or slabs that form part of the permanent structure of the building. Vertical Construction excludes site preparation, demolition, grading, excavation, utility installation, foundation work below grade, and other preliminary or enabling activities. For purposes of this Agreement, Vertical Construction shall be deemed to have commenced upon the first physical placement of building materials above the existing ground level that are intended to remain as part of the permanent structure, and may be verified through City inspection or permitting documentation.

ARTICLE II - PROJECT DESCRIPTION AND COMPONENTS

2.1 Project Description.

The Project consists of the development of a multi-purpose Convention Center facility designed to host conferences, exhibitions, and large-scale events, along with a hotel facility to accommodate convention attendees and visitors. This Agreement governs the ownership structure of both properties, terms of the City's land contribution, deed restrictions, and zoning/entitlement responsibilities.

2.2 Project Components.

- a. The Convention Center.** The Developer shall develop and operate the Convention Center in accordance with the Convention Center Development and Operations Plan, attached hereto as **EXHIBIT B**. This plan outlines key design elements, construction milestones, staffing models, operational protocols, performance expectations, and maintenance

standards. The Developer shall not materially deviate from this plan without prior written approval from the City, which shall not be unreasonably withheld or delayed.

- b. The Hotel.** The Developer shall construct the Hotel in accordance with the schedule, milestones, and design standards set forth in the Hotel Construction Plan, attached hereto as **EXHIBIT C**. Any material changes to the Hotel Construction Plan shall require prior written approval from the City, which shall not be unreasonably withheld or delayed.
- c. Economic and Community Impact.** This project is poised to generate significant employment opportunities, increase local income, and foster sustainable economic growth. By attracting visitors and businesses, the convention center and hotel will elevate Kissimmee's profile as a destination, while the thoughtful design and alignment with city regulations ensures long-term benefits for residents, including improved quality of life through enhanced infrastructure and amenities.

2.3 Project Timeline.

- a. Definitive Agreements Execution.** All definitive agreements with the City, including this Agreement, must be executed on or before August 19, 2025, in order to meet target opening dates. The Parties understand and acknowledge that the failure to meet this deadline may result in schedule adjustments and potential cost increases.
- b. Convention Center Target Opening.** The target grand opening for the Convention Center is set for the first quarter of 2029, subject to a 36-month construction timeline. This schedule is contingent upon there being no force majeure events, permitting delays, or other circumstances beyond AHI's reasonable control.
- c. Hotel Target Opening.** The target grand opening for the Hotel is set for the second quarter of 2029, subject to a 42-month construction timeline. This timeline will commence upon

both (i) receipt of all necessary permits and approvals and (ii) AHI obtaining control of the civic center and is contingent upon there being no force majeure events, permitting government delays, or other circumstances beyond AHI's reasonable control.

- d. Adjustments for Delayed Agreement Signing.** In the event that this Agreement is not signed by August 19, 2025, for any reason, including delays caused by the City's internal processes or approvals, (i) the target opening dates shall be adjusted day-for-day to account for such delay, and (ii) the construction timeline durations shall remain the same from the date of actual signing. For purposes of day-for-day adjustments, target opening dates shall be calculated from the last business day of the specified target quarter. If the adjustment results in a date falling in a different quarter, the adjusted target quarter shall be updated accordingly in all project documentation.

ARTICLE III - LAND USE AND OWNERSHIP

3.1 Land Use and Ownership.

This section establishes the terms and conditions under which land use and ownership of the Property, as described in Exhibit A, shall be governed between the City and Developer concerning the development of the Convention Center and the Hotel.

3.2 Convention Center Land Use and Ownership.

Prior to construction of the Convention Center, any existing buildings on the Property shall be removed, and the site shall be cleared and prepared for construction by the Developer or its contractors. The Convention Center shall then be constructed on the Property and shall be subject to a long-term ground lease agreement between the City, as lessor, and the Developer, as lessee, as set forth in Article VI of this Agreement and to be drafted and approved by the City Commission

at a later date. The City shall retain fee simple title to both the Property and all improvements constructed thereon, including without limitation the Convention Center. This ownership structure is intended to enable private financing and operation of the Convention Center by the Developer while preserving the City's public ownership interest. The Developer hereby acknowledges and agrees that (i) the City holds exclusive fee simple title to the Property and all improvements thereon, (ii) the Developer's only interest in the Property and improvements is as lessee under the Lease Agreement, and (iii) the Developer shall not take any action that challenges, interferes with, or is inconsistent with the City's fee simple ownership, private financing, and operation of the Convention Center by the Developer while preserving the City's public ownership interest. **3.3 Hotel Land Use and Ownership.**

The real property on which the hotel will be developed shall be conveyed by the City to the Developer, pursuant to the land transfer documents attached as **EXHIBIT D** (the “Land Transfer Documents – Hotel Site”). The City shall plat and deed the Hotel Property, generally located on or about the area of the existing site of the Kissimmee Civic Center, to the Developer at no cost. The total acreage of land to be deeded to the Developer shall not exceed the minimum amount necessary to accommodate the site layout and configuration required to comply with all applicable codes, ordinances, and statutory requirements. The final legal description of the property to be conveyed shall be mutually agreed upon by both parties prior to transfer. The transfer shall be contingent upon satisfaction of pre-closing conditions and compliance with all applicable statutory requirements, including Florida public-private partnership laws, as set forth in the Land Transfer Documents – Hotel Site. The Developer shall have sole ownership of the Hotel Property, subject to the following conditions:

a. Restrictions on Transfer. The Developer may not sell, transfer, or otherwise convey the hotel property before completion of construction and issuance of a Certificate of Occupancy, without the City's prior written consent.

b. Contingency on Compliance. Development rights are contingent upon compliance with all terms of this Agreement, including achieving specified Development Milestones and obtaining necessary permits and approvals.

c. Performance Bond. The Developer shall provide a performance bond equal to the appraised value of the land at the time of conveyance, as determined by the average of two independent City-approved MAI-certified appraisals (one selected by each Party). This bond shall remain in place until a Certificate of Occupancy is issued for the Hotel. If a Performance Bond cannot be obtained by the developer for the intended purposes of this section, the Developer shall place in Escrow the full amount of the appraised Hotel Property that shall be subject to the same terms.

d. Failure to Perform. If the Developer fails to (i) complete substantial construction within thirty-six (36) months, or (ii) complete construction and obtain a Certificate of Occupancy within forty-eight (48) months (unless delayed by force majeure, governmental actions, supply chain disruptions, or other circumstances beyond Developer's reasonable control), the performance bond shall be forfeited and paid to the City. Title shall automatically revert to the City if the Developer fails to initiate vertical construction within twenty-four (24) months. Project deadlines shall be automatically extended to account for qualifying delays outlined in this section above.

ARTICLE IV- DESIGN, DEVELOPMENT AND CONSTRUCTION OBLIGATIONS

4.1 Convention Center.

The City and Developer agree that development of the Convention Center shall proceed in three sequential phases , each with specific deliverables and associated expected outcomes, as outlined below:

a. Design Phase

- **Deliverable.** Developer shall prepare and submit complete architectural and engineering plans for the Convention Center.
- **Expected Outcome.** City approval of final design documents, such approval not to be unreasonably withheld, conditioned, or delayed.

b. Development Phase

- **Deliverable.** In addition to the specific matters listed in (d) below, Developer shall obtain all required land use approvals, permits, and authorizations necessary for construction.
- **Expected Outcome.** Issuance of all zoning, environmental, and building permits by the appropriate regulatory authorities.

c. Construction Phase

- **Deliverable.** Developer shall construct the Convention Center in accordance with the approved plans, specifications, and applicable laws.

- **Expected Outcome.** Issuance of a Certificate of Occupancy for the Convention Center.

d. Permit and Regulatory Compliance

Developer shall obtain and maintain, at its sole cost, all permits and approvals necessary for the Convention Center, including but not limited to:

- i. Zoning and land use approvals from the City of Kissimmee Development Services Department;
- ii. Building permits from the City's Development Services Department;
- iii. Environmental permits from federal, state, and local authorities, including but not limited to compliance with the Clean Air Act, Clean Water Act, National Environmental Policy Act (NEPA), and all applicable Florida environmental regulations;
- iv. Fire and life safety approvals;
- v. Utility connection permits;
- vi. Certificate of Occupancy upon completion.

Developer shall ensure compliance with all applicable environmental and building codes and shall meet the quality, design, and performance standards set forth in this Agreement and its exhibits. The City reserves the right to review and approve the final design and construction plans solely to ensure conformity with the terms of this Agreement and to safeguard the City's interest in the completed asset.

e. Design Standards and Review Process

Design Standards.

- i. The Developer shall adhere to high-quality architectural and engineering standards that align with the strategic vision for the downtown Kissimmee area. This includes sustainable design practices, compliance with local aesthetic guidelines, and incorporation of innovative construction technologies.
- ii. The design must prioritize energy efficiency, accessibility, and environmental sustainability, incorporating elements such as green roofs, solar panels, and rainwater harvesting systems where feasible.
- iii. The Developer is required to ensure that all design elements are consistent with the character and historical context of the downtown Kissimmee area, promoting architectural harmony and community integration.

Review Process.

- i. The Developer shall submit preliminary design concepts to the City for initial feedback within 60 days of executing this Agreement.
- ii. Detailed architectural and engineering plans shall be submitted to the City for formal review no later than 120 days from the execution of this Agreement.
- iii. The City shall have 30 business days to review and provide any necessary feedback or request modifications to ensure compliance with the agreed design standards.
- iv. The Developer shall incorporate the City's feedback and resubmit the revised plans within 20 business days of receiving the City's comments.
- v. Final approval of the design plans by the City shall not be unreasonably withheld, conditioned, or delayed.

- vi. Any subsequent material changes to the approved design plans must be submitted to the City for approval, which shall follow the same review timelines and procedures outlined above.

The parties acknowledge that the City must ensure a professional review and evaluation of the design and construction throughout the project to assure material quality standards, interior space utilization, budget estimates, design and construction schedules, and sustainable design and construction standards consistent with public projects. Such review shall be performed by an architect, a landscape architect, or an engineer licensed in this state qualified to perform the review, and such professional shall advise the City through completion of the design and construction of the Project.

The parties acknowledge that the “expected outcomes” are intended to set forth the sequential intended timeline of events between the contracting parties and, specifically as to the City, in a proprietary capacity. Nothing contained in this Agreement, including but not limited to the expected outcomes listed above, represents an agreement to grant any development approvals needed for the Project.

f. City Contributions

The City shall provide financial contributions and support in accordance with Article V of this Agreement, subject to Developer’s satisfaction of the milestones and performance guarantees described herein.

g. Change Management

- i. **Change Orders.** Any change in scope, cost, or construction schedule shall require a written change order. All change orders must be approved in writing by both the Developer and the City. Any change order that would increase the total project cost for the Convention Center of \$54,900,000 or extend contract time requires approval by the governing body (City Commission).
- ii. **Contractor Selection and Oversight.** Developer shall be solely responsible for hiring and managing contractors and subcontractors. All contractors and subcontractors must meet required licensing, insurance, and performance standards required by this Agreement and section 255.065(5)(a), Florida Statutes, requiring compliance with any minimum standards of the City for traditional projects.

h. Force Majeure – Convention Center

In the event of Force Majeure involving the Convention Center project, the affected party shall provide prompt written notice to the other party detailing the nature of the event and its expected impact. The parties shall cooperate in good faith to mitigate the effects and resume performance under the Agreement as soon as reasonably practicable. If the Force Majeure event continues for a period exceeding ninety (90) consecutive days, either party may terminate this Agreement upon written notice to the other party, without liability or penalty, except for payments due for obligations performed prior to the date of termination. Additionally, the parties may mutually agree in writing to extend the ninety (90) day period if there is a reasonable expectation that the Force Majeure event will be resolved and performance can resume.

4.2 Hotel.

The development of the Hotel shall similarly follow a phased approach, with Developer assuming full responsibility for financing, design, construction, and operations.

a. Design Phase

- **Deliverable:** Developer shall submit architectural and engineering drawings for the Hotel, including floor plans, elevations, and systems designs.
- **Expected Outcome:** Completion of final design package and submission to relevant regulatory authorities for review and permitting.

b. Development Phase

- **Deliverable:** Developer shall obtain all necessary permits and approvals, including site plan approval, building permits, and environmental clearances.
- **Expected Outcome:** Authorization to commence construction activities.

c. Construction Phase

- **Deliverable:** Developer shall demolish the existing Kissimmee Civic Center and construct the Hotel in accordance with the approved plans and shall meet all applicable health, safety, and building code requirements. The City shall, at its own cost and expense, relocate all existing occupants and utilities from the Kissimmee Civic Center, typically included in general demolition activities, and provide written certification that the facility is vacant and ready for demolition. Developer's obligation to commence demolition and the associated project timeline shall be automatically extended day-for-day for any delays in the City's completion of such relocation activities.

- **Expected Outcome:** Issuance of a Certificate of Occupancy and readiness for operational launch.

d. Permit and Compliance Obligations

Developer shall be responsible for securing all permits necessary for hotel development, including:

1. Site plan approval and zoning compliance;
2. Environmental permits, as applicable;
3. Construction permits from the City of Kissimmee;
4. Fire, life safety, and accessibility compliance; and
5. Certificate of Occupancy prior to operation.

e. City Contributions

The City shall provide financial and real property contributions and support in accordance with Article V of this Agreement.

4.3 City Oversight and Conditions.

The City shall retain the right to review development progress for the purpose of confirming compliance with approved plans and the public objectives of this Agreement. Additionally, in the event of delay or non-compliance, Developer acknowledges that performance bond and clawback provisions under Sections 7.1 and 7.2 of this Agreement shall apply.

ARTICLE V - FINANCING AND FUNDING

5.1 Purpose.

This Article outlines the financial commitments, funding mechanisms, and cost-sharing arrangements between the City and Developer in support of the design, development, construction, and operation of the Convention Center and the Hotel.

5.2 Financial Structure

The total estimated investment for the Project is \$183.8 million, allocated between the Hotel and the Convention Center as follows:

Component	Hotel	Convention Center	Combined
Soft Costs	\$15.2M	\$11.5M	\$26.7M
Hard Costs	\$102.0M	\$38.4M	\$140.4M
Contingencies	\$11.7M	\$5M	\$16.7M
Total Investment	\$128.9M	\$54.9M	\$183.8M

Note: Investment estimates are subject to refinement during final design and development.

5.3 Financing Structure

a. Convention Center Financing

- The Convention Center shall be financed by the Developer through private capital sources.
- Loan repayment shall derive exclusively from Convention Center revenue or if Osceola County, in its discretion allocated TDT funds for eligible convention center purposes, such funds may be applied with no pre-payment penalty.

- The City shall have no obligation to repay, guarantee, or underwrite any portion of the Convention Center financing.
- All financing secured by the Developer shall be non-recourse to the City.
- Under no circumstances may Developer pledge, mortgage, encumber, or place liens on the Convention Center or any other City-owned asset.
- Developer's financing for the Convention Center shall not exceed \$54.9 million, not including contingencies for price increases, pre-opening expenses and 6 months operational reserves.

b. Hotel Financing

- The Hotel shall be financed through a private loan secured by the Developer, with a planned amortization over 30 years from commencement of operations.
- The City shall not assume any risk or liability for the Hotel's debt or financial performance.

5.4 City Financial Support.

The City's financial support for the Project includes the following:

- a. \$10 Million Allocation.** Designated for redevelopment of the Kissimmee Civic Center site, including construction support for the Convention Center.
- b. Demolition Reimbursement.** The City shall reimburse the Developer for demolition costs of the existing Civic Center, based on an independently sourced estimate approved by the City and aligned with the Project schedule. The reimbursement amount shall be included in the Public Funding Schedule.

- c. **Pioneer Grant.** A one-time \$1.5 million grant to support hotel development, to be disbursed according to the Public Funding Schedule upon achievement of specified development milestones.
- d. **Tax Incentives.** The City of Kissimmee shall provide AHI with the following tax incentives where applicable, legally permitted, and agreed upon when credits require the approval of the City Commission. The City shall cooperate with AHI to complete all necessary documentation to secure these incentives within 30 days of request. AHI may also be eligible for other standard hospitality industry tax incentives as may be available from time to time.
- e. **Owner Direct Purchasing.** To reduce construction costs, the City may implement an Owner Direct Purchasing (ODP) program for materials, furniture, fixtures, and equipment (FFE) using its tax-exempt status for constructing and equipping the City-owned Convention Center. AHI and its contractors shall: (a) identify eligible items for the ODP program; (b) provide detailed cost estimates and specifications for such items at least thirty (30) days prior to scheduled procurement; (c) coordinate with the City's purchasing department to facilitate direct purchases; and (d) inspect all ODP items upon delivery for compliance with specifications. AHI shall assume all risk and remain fully responsible for all material incorporated into any project, directly purchased by the City or not. This will include, but not be limited to, insurance, theft, storage, damage during installation, coordination, quantities ordered, submittals, protection, scheduling, shipping, security, expediting, receiving, installation, cleaning, and all applicable warranties, etc. The title and ownership of any ODP items shall remain with the City. Notwithstanding the foregoing: (i) the parties shall share equally any costs from concealed defects in ODP items not

discoverable through reasonable inspection; and (ii) the City shall be responsible for project delays and additional costs caused by City vendors or purchasing processes, with project timelines automatically extended day-for-day for such delays.

5.5 City Disbursement Schedule.

- a. An initial deposit of \$3 million (30% of the \$10 million allocation) will be paid to Developer within five (5) business days of execution of definitive agreements subject to lawful appropriation.
- b. The remaining balance shall be disbursed in phases based on verified Development Milestones and submission of supporting invoices.
- c. The City may, in its sole discretion and subject to funding availability, make additional contributions toward Convention Center construction costs from other sources, including Tourist Development Tax (TDT) revenues, with no prepayment penalties applied.
- d. The City's financial contributions, disbursement schedule, and applicable incentive programs are outlined in **EXHIBIT E (Public Funding Schedule)**, attached hereto and incorporated by reference. These schedules govern the timing, conditions, and permitted uses of public funds and incentives made available by the City

5.6 Economic Impact and Return on Investment

- a. **Estimated Payback Period.** The City's anticipated \$11.8 million contribution to the Convention Center and Hotel is projected to be recouped within approximately five to six (5–6) years through, hotel tax collections, and increased economic activity, subject to market conditions and other factors outside Developer's control.

ARTICLE VI - LEASE TERMS

6.1 Management and Lease of the Convention Center.

a. Lease Agreement and Annual Rent. The City shall enter into a Lease Agreement with the Developer, under which the Convention Center shall be leased to the Developer for an initial annual base rent of Two Million Five Hundred Thousand Dollars (\$2,500,000), payable in quarterly installments on or before the 15th calendar day of the first month of each quarter. The base rent shall be subject to annual adjustment using a mutually agreed-upon inflation index, as specified in the Lease Agreement, provided that any annual increase shall not exceed three percent (3%) regardless of the actual inflation rate. However, in no case shall the annual adjustment be less than 1%. The Developer shall assume operational and financial responsibility for the Convention Center throughout the lease term, subject to force majeure events and other exceptions specified in this Agreement.

The initial term of the Lease Agreement shall be thirty (30) years, with options to renew for additional ten (10) year increments, subject to:

1. mutual agreement by the Parties,
2. continued compliance with performance standards set forth in this Agreement and the Lease Agreement, and
3. satisfactory operational performance as evaluated by the City under this Agreement.

For purposes of clarity, Developer shall remain contractually responsible to the City for all obligations under this Agreement and the Lease Agreement, including the acts or omissions of the Convention Center Operator.

b. Marketing and Promotion Plan. On or before January 15 of each year, the Developer shall submit an annual Marketing and Promotional Plan for the Convention Center to the City.

This plan shall outline strategies to maximize facility utilization, attract target market segments, and increase bookings.

c. Performance Standards. Starting in the fourth (4th) year of operations, the City shall conduct an annual performance evaluation based on the following thresholds:

1. **Gross Revenue Floor.** The Convention Center's annual gross revenue shall not fall below eighty percent (80%) of the average gross revenue generated during the first three (3) full fiscal years of operations, adjusted annually for inflation using a mutually agreed index.
2. **Event Volume Floor.** The annual number of event days shall not fall below eighty percent (80%) of the average event volume during the same initial three-year period, excluding City-sponsored events.

Failure to meet either threshold for two consecutive fiscal years, absent a force majeure event, material adverse market conditions, or other excusable circumstances as defined in Article XX, shall constitute a Performance Default, subject to penalties and potential corrective measures as defined in the Lease Agreement. Either Party may request a reevaluation of the performance baselines in the event of a material market shift, including but not limited to pandemics or economic recessions.

d. Operating Reserves and Losses. If the Convention Center's gross revenue in any fiscal year is insufficient to cover approved operating expenses, the Developer shall be solely

responsible for funding any resulting shortfalls. Under no circumstances shall the City be obligated to subsidize operations or assume liability for financial losses.

e. Payment and Reporting Requirements. All financial obligations due from the Developer to the City, including lease payments, or other payments, shall be paid quarterly, no later than the 15th calendar day of the month following each quarter. Each payment shall be accompanied by an itemized financial statement disclosing:

- Gross revenues
- Management fee calculations
- Operating costs
- Any supporting documentation mutually agreed upon and reasonably requested by the City, with at least 30 days' prior written notice, provided that such requests shall not be unduly burdensome or disruptive to Developer's normal business operations

ARTICLE VII - PERFORMANCE GUARANTEES

7.1 Convention Center Completion Guarantee.

If a Certificate of Occupancy (CO) for the Convention Center is not issued within forty-two (42) months from the Effective Date of this Master Development Agreement, the following remedies shall apply:

- The City shall suspend all remaining financial contributions under this Agreement, including, but not limited to, any undisbursed municipal funds and demolition reimbursements.

- The Developer shall be required to refund all financial contributions previously disbursed by the City under this Agreement within sixty (60) calendar days of written notice and may draw under the bond or letter of credit within Section 7.1A Convention Center Performance Guarantee.
- The City shall have no obligation or liability for any soft costs, hard costs, or debt obligations incurred by the Developer or its affiliates.
- The City shall have the right, in its sole discretion, to terminate this Agreement upon written notice to the Developer.

7.1A Convention Center Performance Guarantee

a. Form and Amount. As a condition precedent to any City disbursement under Exhibit E, Developer shall deliver to City, and maintain through issuance of the Convention Center CO, either (i) AIA Document A312 Performance and Payment Bonds (latest edition) naming City as obligee and issued by a Florida-admitted surety rated A-/VII or better (A.M. Best), or (ii) an irrevocable standby letter of credit acceptable to City, in each case in an amount not less than the total project cost of the Convention Center (currently \$54,900,000) plus ten percent (10%) (the “Convention Center Performance Security”). Any LOC must be irrevocable, unconditional, payable at sight on City’s certificate of a CC Draw Event, evergreen through CO with 60 days’ non-renewal notice, and issued by a U.S. FDIC-insured bank. No substitution or reduction without City’s prior written consent.

b. Secured Obligations. The Convention Center Performance Security secures: (1) completion of the Convention Center in accordance with this Agreement; and (2) refund of all City funds disbursed under Exhibit E if required by §7.1.

c. Draw Events. City may draw, in whole or part, upon any CC Draw Event:

1. Non-Commencement: failure to Commence Vertical Construction (Convention Center) within twenty-four (24) months after the Effective Date;
2. Cessation/Abandonment: cessation of material work for ninety (90) consecutive days (excluding Force Majeure);
3. Completion Failure: failure to obtain a CO within forty-two (42) months after the Effective Date (Force Majeure only);
4. Misuse of City Funds;
5. Material Default (uncured under Art. XV);
6. LOC Non-Renewal/No Replacement: City receives non-renewal notice and no replacement security acceptable to City is delivered ≥ 30 days before expiry;
7. Surety/Bank Downgrade: required rating is lost and acceptable replacement is not delivered within 10 business days.

d. Notice and Cure Before Draw. City shall give 10 business days' prior written notice of intent to draw identifying the CC Draw Event; if fully cured in that period, City will not draw (Non-Commencement and Completion Failure are not curable by promise).

e. Application of Proceeds. Proceeds may be applied to (i) reimburse City (including interest and reasonable enforcement costs) and/or (ii) completion of the Convention Center.

f. Replenishment. Developer shall replenish any drawn amount within 15 days.

g. Survival. This §7.1A survives termination to permit draws for pre-termination CC Draw Events.
7.2 Hotel Completion Guarantee.

If a Certificate of Occupancy (CO) for the Hotel is not issued within forty-eight (48) months from the date the City transfers the Property to the Developer, the following shall occur:

- The performance bond required under Section 3.3 shall be immediately forfeited and paid to the City of Kissimmee.
- The Developer shall refund all City contributions disbursed in support of the hotel project, including the \$1.5 million Pioneer Grant and any other direct financial incentives, within sixty (60) calendar days of notice of default.

7.3 Additional Security Instruments.

To ensure compliance with its development and operational obligations, the Developer shall provide and maintain adequate performance guarantees, which may include but are not limited to:

- Performance bonds;
- Letters of credit;
- Insurance coverage meeting minimum standards as set forth in this Agreement.

The City shall retain oversight and audit rights, exercisable upon reasonable advance written notice during normal business hours and no more than once per calendar year (unless there is reasonable suspicion of non-compliance), to verify compliance with all performance guarantees and reserves the right to request reasonable modifications to the security instruments to address evolving project risks.

VIII - REVENUE SHARING AND ECONOMIC TERMS

8.1 Convention Center Lease Payments.

Pursuant to the lease arrangement outlined in Article VI (Lease Terms), the Developer shall lease the Convention Center from the City. All lease terms, including renewals, escalation formulas, and payment mechanics, are further detailed in Article VI and the separate Lease Agreement.

8.2 Marketing and Promotional Budget.

The Developer shall allocate a minimum of \$350,000 annually for marketing, promotion, and event sales efforts for the Convention Center. This budget shall be included in the Developer's Annual Operating Plan, to be submitted to the City for review and non-binding recommendations, as described in Article VI.

8.3 Use of City Contributions.

The City's financial contributions, including up to \$10 million in funding and reimbursement for demolition of the existing Civic Center, shall be used solely toward the development of the Convention Center. The City's financial contributions of a \$1.5 million Pioneer Grant shall be used solely toward the development of the Hotel. Disbursements shall be milestone-based and subject to verification of completion of work, as outlined in Article V (Financing and Funding).

8.4 Additional Funding Commitments.

The City shall use commercially reasonable efforts to identify and apply additional sources of funding, including grants, tax incentives, and Tourist Development Tax (TDT) revenues, to support Convention Center construction and activation. The City shall not be obligated to provide funds beyond those expressly committed in this Agreement.

8.5 Economic Impact Reporting.

The Developer shall submit to the City an Annual Economic Impact Report no later than January 31st of each year, detailing Convention Center performance metrics including event volume, attendance, gross revenue, hotel occupancy impact, job creation, and local spending estimates.

8.6 Hotel Tax Revenue.

All applicable ad valorem, sales, and tourist development taxes generated from the Hotel and Convention Center operations shall be collected in accordance with state and local law. The Developer agrees to comply with all reporting and remittance requirements and shall cooperate with the City to ensure accurate documentation of tax-generating activity.

8.7 Hotel Profit Sharing Structure and Benefits

a. Profit Share.

Beginning on the first full calendar quarter following the Hotel's opening for business to the public, Developer shall pay to City an amount equal to five percent (5%) of Hotel NOI for such quarter. Payments shall continue for the Term.

b. True Up.

Within thirty (30) days after the end of each calendar quarter, Developer shall deliver to City a statement showing Hotel Gross Revenues, Operating Expenses, and Hotel NOI for such quarter, together with payment of the Hotel Profit Share due for that quarter. Within ninety (90) days after the end of each fiscal year, Developer shall deliver an annual statement and make any true-up payment necessary so that City has received five percent (5%) of the Hotel NOI for the fiscal year in the aggregate.

c. Negative Periods.

If Hotel NOI for a period is negative, no Hotel Profit Share is due for that period, and such negative amount shall not carry forward to reduce Hotel NOI in subsequent periods.

d. No Setoff.

Developer shall not withhold, defer, or set off the Hotel Profit Share against any amounts claimed to be due from City, except as expressly permitted in this Agreement.

e. Coordination with Other Economic Terms.

The Hotel Profit Share is separate from and in addition to any revenue-sharing, fees, or performance obligations related to the Convention Center or any other Project component, and shall not be used to offset or reduce those obligations.

ARTICLE IX – CITY RIGHTS AND PUBLIC USE

9.1 City-Sponsored Use of Convention Center.

As a core component of this Public-Private Partnership, the City shall retain the right to utilize the Convention Center, at no charge, for official municipal and community purposes.

Eligible uses include, but are not limited to:

- Official City ceremonies and meetings
- Intergovernmental and civic events
- Economic development initiatives
- Signature City events
- Community-focused programming and activities

These rights shall apply to both recurring events identified at the time of execution of this Agreement and future events as reasonably requested by the City.

9.2 Reserved Dates and Annual Scheduling.

The Developer shall reserve a minimum of ten (10) calendar days per calendar year exclusively for City use, as outlined in the **Event Use Schedule** attached hereto as **EXHIBIT F**. No later than October 1 of each year, the City and Developer shall meet to schedule known events for the upcoming 18-month period. Additional requests submitted throughout the year shall be accommodated in good faith and subject to venue availability. Developer shall not unreasonably withhold approval of such requests.

9.3 Cost Exemptions and Third-Party Expenses.

City-sponsored use shall be exempt from all rental fees, management fees, and internal service charges. However, any direct third-party costs incurred by the Developer specifically in

connection with City events, such as event security, specialty equipment rental, or catering, may be billed to the City at cost, provided that:

- The Developer provides advance notice of the anticipated charges; and
- The City approves such costs prior to incurring the expense.

9.4 Emergency Use Rights.

In the event of a declared local, state, or federal emergency, the City shall have the right to access and utilize the Convention Center for emergency response, sheltering, coordination, or other public safety purposes as determined by the City Manager or designee, subject to reasonable coordination with Developer regarding operational logistics. While no talent or management fees shall be charged, the City shall reimburse Developer for direct out-of-pocket costs incurred in supporting such emergency use.

9.5 Use of Hotel Meeting Facilities.

To the extent available and not in conflict with pre-existing bookings, the City shall also have the right to use hotel meeting space, separate from the Convention Center, at no cost, for official government purposes. Such use shall be coordinated in advance with hotel operations staff and shall be subject to availability and operational feasibility.

ARTICLE X – TRANSPARENCY, REPORTING, AND AUDIT RIGHTS

10.1 Reporting Obligations.

To promote accountability and transparency throughout the term of this Agreement, the Developer shall furnish the City with periodic financial and operational reports related to the Convention Center. The scope, format, and frequency of such reports shall be mutually agreed upon by the Parties and shall include, at a minimum:

- Quarterly and annual financial statements
- Operational performance summaries
- Status updates on milestones and deliverables
- Documentation related to the use of City contributions and public funds

10.2 Audit Rights.

The City, or its designated representatives, shall have the right to audit the Developer's books, records, and operations pertaining to the Convention Center to ensure compliance with the terms of this Agreement, applicable law, and public accountability standards. This audit right includes:

- Access to financial records, contracts, invoices, and supporting documentation
- On-site inspections of relevant operations
- Interviews with key personnel, if reasonably necessary

The Developer shall cooperate in good faith with all audit and inspection activities and shall make all relevant documentation available within a reasonable timeframe upon request.

10.3 Audited Financial Statements.

Upon request by the City, the Developer shall provide audited financial statements for the Convention Center, prepared by an independent certified public accountant. These statements shall conform to generally accepted accounting principles (GAAP) and be delivered within a reasonable period following the request.

10.4 Duration of Reporting and Audit Rights.

The reporting and audit obligations described in this Article shall continue throughout the duration of this Agreement and shall remain in effect for a period of five (5) years following its expiration or termination.

ARTICLE XI - NAMING RIGHTS

The City shall retain naming rights to the Convention Center (the "Naming Rights"), provided that any proposed name shall be subject to Developer's reasonable approval to ensure compatibility with the facility's brand standards and market positioning. The City may market, assign, sell or otherwise monetize the Naming Rights in consultation with Developer and shall retain all revenues generated therefrom. Notwithstanding the City's rights hereunder, for the duration of the Lease Agreement between the City and Developer, any name designated for the Convention Center shall include the phrase "by Azure", "Azure Resorts", or assigns, as a suffix in all official branding, marketing materials, and public references to the facility.

Nothing within the Agreement shall prevent AHI from selling the rights to name Convention Center components of the Project, such as ballrooms or signage. The naming of such components shall be subject to the City's reasonable approval to ensure compatibility with the City's brand and reputation.

ARTICLE XII - INSURANCE

Throughout the term of this Agreement, the Developer shall procure and maintain, at its own expense, all insurance coverages specified in **EXHIBIT G ("Insurance Requirements")**, with insurers and coverage terms meeting the requirements set forth therein. All required insurance shall remain in effect for the duration of the work performed under this Agreement and for any warranty period specified in Exhibit G.

The Developer shall ensure that all required liability policies name the City, its officers, elected officials, agents, and employees as Additional Insureds, on a primary and non-contributory basis, as further detailed in Exhibit G.

The Developer shall ensure that all subcontractors performing work under this Agreement maintain insurance coverage meeting the requirements of Exhibit G for the duration of their work, including any applicable warranty period. The Developer shall be responsible for verifying and documenting subcontractor compliance and providing certificates of insurance to the City upon request.

Certificates of insurance and endorsements evidencing compliance with Exhibit G shall be provided to the City prior to commencement of any work, upon renewal of any policy, and at any other time upon the City's request. The Developer shall give the City not less than thirty (30) days' prior written notice of any cancellation, non-renewal, or material change in any required coverage. Failure to maintain the insurance coverages required in Exhibit G shall constitute a material breach of this Agreement and may result in the immediate suspension of work or termination of this Agreement.

ARTICLE XIII – INDEMNIFICATION

To the fullest extent permitted by law, the Developer shall indemnify, defend (with counsel reasonably acceptable to the City), and hold harmless the City, its officers, elected officials, agents, employees, and representatives (collectively, "Indemnitees") from and against any and all claims, demands, causes of action, damages, liabilities, losses, costs, and expenses (including reasonable attorneys' fees and defense costs) arising out of or in connection with:

- a. The Developer's performance or failure to perform under this Agreement;
- b. The operation of the Convention Center and Hotel;
- c. Any breach by the Developer of any terms of this Agreement; or
- d. Any negligent act, error, or omission of the Developer or its employees, agents, contractors, or subcontractors.

This indemnification obligation applies regardless of whether the claim is caused in part by an Indemnitee, except to the extent such claim arises from the sole negligence or willful misconduct of the Indemnitee.

The insurance requirements in Exhibit G support, but do not limit, the Developer's indemnification obligations. Nothing contained herein shall be construed as a waiver of any claims, defenses, or immunities available to the City under Section 768.28, Florida Statutes, or other applicable law.

ARTICLE XIV - ENVIRONMENTAL MATTERS

The Developer shall comply with all applicable environmental laws and regulations in the development, construction, and operation of the Convention Center and hotel. This includes, but is not limited to, obtaining necessary environmental permits, conducting environmental assessments, and implementing mitigation measures as required to minimize environmental impact. The Developer shall ensure that construction activities are conducted in a manner that protects natural resources, air quality, water quality, and wildlife habitats.

The Developer agrees to perform all necessary due diligence, including Phase I and if warranted Phase II environmental site assessments, to identify any potential environmental liabilities associated with the project site prior to the commencement of construction. In the event that any hazardous materials or environmental conditions are identified, the Developer shall

promptly notify the City and take all necessary actions to remediate such conditions in accordance with applicable laws and standards, subject to the City's review and approval of the remediation plan.

The City shall have the right to review and approve the Developer's environmental management plans, including any remediation or mitigation strategies, to ensure compliance with all legal and regulatory requirements. The Developer shall provide the City with regular updates on environmental compliance and any significant environmental issues that arise during the project.

The Developer shall indemnify, defend, and hold harmless the City and its officers, employees, agents, and representatives from and against any claims, damages, liabilities, costs, expenses (including reasonable attorneys' fees), fines, penalties, or judgments arising out of any environmental contamination, non-compliance with environmental laws, or adverse environmental impacts attributable to the Developer's activities under this Agreement, excluding any pre-existing environmental conditions discovered during the Developer's due diligence investigations. This indemnification obligation shall survive for a period of ten (10) years beyond the termination or expiration of this Agreement.

ARTICLE XV - TERMINATION AND DEFAULT

15.1 Termination and Default.

This section governs Events of Default, remedies, and termination rights for both the City and Developer. Termination and Default clause sets forth the conditions under which either the City or Developer may terminate the Agreement and the consequences of such termination.

15.2 Event of Default.

Events of default under this Agreement occur if either party fails to comply with any material obligation, including but not limited to:

- a. Failure to meet Development Milestones, including delays in commencing or completing construction, and obtaining necessary certificates such as the Certificate of Occupancy within the specified timeframe.
- b. Breach of the No-Lien Covenant, resulting in unauthorized liens or encumbrances on the Convention Center or City-owned properties.
- c. Failure to maintain the required insurance coverage, including comprehensive general liability, builder's risk, cyber liability insurance, and hotel operator's liability insurance.
- d. Failure to achieve the Performance Terms outlined for the Convention Center or the Hotel, including not meeting gross revenue or event volume thresholds.
- e. Insolvency or initiation of bankruptcy proceedings by either party.
- f. Failure to make any payments due under the Agreement, including lease payments, profit-sharing amounts, hotel franchise fees, hotel management fees, or other financial obligations.
- g. Breach of any representation, warranty, or covenant set forth in this Agreement.
- h. Unauthorized assignment or transfer of rights under this Agreement without obtaining necessary consents.
- i. Failure to comply with public records obligations under Florida law, resulting in non-compliance with statutory requirements.

- j. Non-compliance with any applicable local, state, or federal laws, ordinances, or regulations that materially affect the performance of obligations under this Agreement.
- k. Material breach of any other term or condition of this Agreement.

15.3 Notice and Cure Period.

Upon the occurrence of an event of default, the non-defaulting party shall provide written notice to the defaulting party, specifying the nature of the default. The defaulting party will have a period of sixty (60) days from the receipt of such notice to cure the default unless the nature of the default requires more than sixty (60) days to cure. For construction-related defaults or those requiring governmental approvals, the cure period shall automatically extend to one hundred and twenty (120) days provided the defaulting party is diligently pursuing cure. In such cases, the defaulting party must commence cure within the thirty (30) day period and diligently continue efforts to cure the default in a reasonable timeframe.

15.4 Remedies.

Upon default, the non-defaulting party shall:

- a. Provide written notice and opportunity to cure;
- b. If uncured, seek specific performance or monetary damages;
- c. If monetary remedies are insufficient, terminate the Agreement;
- d. Exercise additional remedies including, without limitation:
 - i. Clawback of City Contributions
 - ii. Enforcement of No-Lien Covenant
 - iii. Termination of Operating Rights
 - iv. City's reclamation of Convention Center Naming Rights; and

v. Forfeiture of Performance Bond

All remedies are cumulative and may be pursued simultaneously or sequentially.

15.5 Termination Rights.

Either party may terminate this Agreement:

- a. Upon an uncured material breach by the other party; or
- b. If a Force Majeure event prevents fulfillment of material obligations for more than six (6) months.

XVI - LIEN WAIVERS

The Developer shall not permit any mechanics', materialmen's, or other liens to be filed or remain against the Convention Center or any portion thereof for work performed or materials furnished in connection with the Project. The Developer shall promptly discharge or bond over any such liens at its own expense. The Developer reserves the right to contest the validity of any lien; however, under no circumstances shall the Developer have the authority to bind the City or encumber City-owned property. As a condition of each payment to contractors or subcontractors, the Developer shall obtain and retain appropriate lien waivers and releases, in a form reasonably acceptable to the City.

XVII - REPRESENTATIONS, WARRANTIES AND DISCLAIMERS

16.1 Developer Warranties.

The Developer hereby represents and warrants to the City that:

- a. It is a corporation duly organized, validly existing, and in good standing under the laws of the state of Florida, with the full power and authority to enter into this Agreement and to perform its obligations hereunder.
- b. All necessary corporate actions have been taken to authorize the execution, delivery, and performance of this Agreement.
- c. The Developer shall designate a special-purpose entity as the Convention Center Operator, owned by AHI, to manage the Convention Center. The Developer shall remain liable for all obligations of such entity under this Agreement.
- d. There is no pending or threatened litigation, arbitration, or governmental investigation that could materially affect its ability to perform its obligations under this Agreement.
- e. It will comply with all applicable laws, ordinances, codes, and regulations in the performance of its obligations under this Agreement.
- f. The information provided to the City in connection with this Agreement is true, accurate, and complete in all material respects.

16.2 City Warranties.

The City represents and warrants to the Developer that:

- a. It is a municipal corporation duly organized and validly existing under the laws of the state of Florida, with the full power and authority to enter into this Agreement and to perform its obligations hereunder.
- b. The City has taken all necessary actions to authorize the execution, delivery, and performance of this Agreement.

- c. There is no pending or threatened litigation, arbitration, or governmental investigation that could materially affect its ability to perform its obligations under this Agreement.
- d. It will comply with all applicable laws, ordinances, codes, and regulations in the performance of its obligations under this Agreement.

16.3 Mutual Warranties.

Both parties agree that:

- a. EXCEPT AS EXPRESSLY PROVIDED IN THIS AGREEMENT, NEITHER PARTY MAKES ANY REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR NON-INFRINGEMENT.
- b. Neither party shall be liable for any indirect, special, incidental, or consequential damages arising out of or in connection with this Agreement, whether based in contract, tort (including negligence), or otherwise, even if advised of the possibility of such damages.
- c. In no event will Developer's liability for any damages arising out of or related to this Agreement exceed the total amount paid or payable by the City to the Developer under this Agreement, and in no event will the City's liability exceed the actual direct damages incurred by Developer.
- d. This section shall survive the termination or expiration of this Agreement.

XVIII - NON-DISCRIMINATION

Both parties agree that no person shall be discriminated against on the basis of race, color, religion, sex, national origin, age, disability, or any other characteristic protected by applicable law in the hiring, promotion, or employment practices related to the performance of this

Agreement. The Developer and the City each affirm their commitment to comply with all applicable federal, state, and local laws and regulations regarding non-discrimination and equal opportunity. The parties further agree to take affirmative steps to ensure that minority and women-owned businesses have the opportunity to participate in the development and operation of the Convention Center.

XIX - OWNERSHIP AND CONTROL OF DEVELOPER

The Developer shall remain an independent entity responsible for its own operations, management, and financial obligations. The City of Kissimmee does not acquire any ownership interest, control, or financial stake in the Developer by virtue of this Agreement, except as expressly provided herein or agreed upon in writing by the parties.

The Developer shall ensure that its ownership and control structure is transparent and compliant with all applicable laws and regulations of the State of Florida. The Developer agrees to promptly notify the City of any significant changes in its ownership or control that could affect the performance of its obligations under this Agreement.

Nothing in this Agreement shall be construed to create a partnership, joint venture, or employer-employee relationship between the City and the Developer. Each party retains its separate legal identity and independence throughout the term of this Agreement and in the conduct of its operations related to the development and operation of the Convention Center.

The Developer is solely responsible for securing and maintaining all necessary licenses, permits, and approvals required for the development, construction, and operation of the Convention Center. This includes, but is not limited to, obtaining a Certificate of Occupancy and ensuring compliance with all building codes, zoning laws, and environmental regulations.

Furthermore, the Developer shall not, without prior written consent from the City, enter into any sub-lease or any other type of license or agreement that would delegate its primary responsibilities under this Agreement or significantly alter the Developer's ownership or control structure in a manner that could adversely affect the Convention Center's development and operation.

XX - FORCE MAJEURE

In the event that either party (the "Affected Party") is prevented from performing its obligations under this Agreement due to an occurrence of a Force Majeure event, such party shall be excused from performing those obligations for the duration of the Force Majeure event. The Affected Party must provide prompt written notice to the other party (the "Non-Affected Party") of the occurrence of the Force Majeure event, detailing the nature of the event, its anticipated duration, and the obligations affected by the event. The Affected Party is required to use reasonable efforts to mitigate the effects of the Force Majeure event and resume performance of its obligations as soon as possible.

Force Majeure events include, but are not limited to, acts of God, war, terrorism, civil disturbances, pandemics, government actions, natural disasters, or any other events beyond the reasonable control of the parties that prevent the Affected Party from fulfilling its obligations under this Agreement. Notwithstanding the foregoing, a Force Majeure event shall not excuse a party's obligation to make payments due under this Agreement.

If a Force Majeure event continues for a period of more than sixty (60) days, either party may terminate this Agreement upon written notice to the other party, without liability. However,

this termination right does not affect any obligations that accrued prior to the occurrence of the Force Majeure event.

Notwithstanding any provision to the contrary, the parties agree that the occurrence of a Force Majeure event shall not relieve the Developer of its obligation to maintain comprehensive general liability (CGL) insurance, builder's risk insurance, and cyber liability insurance as required under this Agreement.

XXI - PUBLIC RECORDS

In accordance with Florida's public records laws, the Developer agrees to ensure that all documents, emails, plans, and other materials related to the development and operation of the Convention Center, including but not limited to the Agreement, City Contribution, Certificate of Occupancy, Lease Agreement, Total Investment, Estimated Cost Breakdown, No-Lien Covenant, Pioneer Grant, Development Milestones, Tourist Development Tax (TDT) Revenues, Net Operating Income (NOI), Hotel Profit Sharing Structure and Benefits, Operating Rights, Performance Terms, Public-Private Partnership agreements, and any other documents related to the performance of this Agreement, are maintained in a manner that they are accessible to the public upon request, except for those documents that are legally exempt from disclosure under Florida law.

IF THE CONTRACTOR HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE CONTRACTOR'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, CONTACT THE CUSTODIAN OF RECORDS AT

407.518.2308, cityclerkemail@kissimmee.gov, or 101 Church Street, Kissimmee, FL 34741.

The Developer shall comply with all applicable Florida statutes regarding public records, including but not limited to Chapter 119, Florida Statutes, provided that any confidential business information, trade secrets, or proprietary information of Developer shall be exempt from disclosure to the extent permitted by law. Developer shall clearly mark any such confidential information prior to submission to the City. If the Developer receives a request for public records relating to the Agreement or the Convention Center, the Developer shall immediately notify the City and provide a copy of the request. The Developer shall consult with the City before responding to any public records request to ensure compliance with Florida public records laws and to determine if any exemptions or redactions are applicable.

The City reserves the right to audit the Developer's records to ensure compliance with this clause and Florida public records laws. Any costs associated with the production, redaction, or reproduction of records in response to a public records request shall be borne by the Developer, unless otherwise agreed upon by the parties in writing.

XXII - NOTICES

All notices, requests, demands, and other communications under this Agreement shall be in writing and shall be deemed to have been duly given on the date of delivery if delivered personally to the party to whom notice is to be given or on the date of mailing if mailed to the party to whom notice is to be given, by first class mail, registered or certified, postage prepaid, and properly addressed as follows:

IF TO CITY:

Mike Steigerwald
City of Kissimmee, Attention: City Manager,
101 Church Street, Suite 200, Kissimmee, FL 34741

With a copy to:

Olga Mercedes Sanchez de Fuentes, City Attorney
City of Kissimmee, Office of the City Attorney
101 Church St Ste 517, Kissimmee, FL 34741-5054

IF TO DEVELOPER:

Ramón Gómez
Azure Hotel International, Attention: Chief Executive Officer,
3201 E COLONIAL DR
UNIT D 50
ORLANDO, FL 32803

With a copy to:

Jennifer D. Newton, Esq.
StartSmart Counsel, PLLC
8400 NW 36th Street, Ste 450
Miami, Florida, 33166

Any party may change its address for purposes of this clause by giving the other party written notice of the new address in the manner set forth above.

Notices sent in accordance with this clause shall be considered to have been received on the date of delivery if delivered personally, or three (3) business days after mailing if sent by first class mail, registered or certified.

XXIII – MISCELLANEOUS

23.1 Compliance with Governing Requirements.

The Developer shall ensure that all aspects of the development, construction, and operation of the Convention Center and Hotel comply with applicable local, state, and federal laws,

regulations, and codes. This includes, but is not limited to, zoning laws, building codes, environmental regulations, and public-private partnership statutes. The Developer agrees to secure all necessary permits, licenses, and approvals required to lawfully execute the Project. Furthermore, the Developer shall maintain comprehensive records of compliance and provide them to the City upon request, ensuring transparency and adherence to all governing requirements throughout the term of this Agreement.

23.2 Governing Law, Forum, and Jurisdiction.

This Agreement and any dispute arising out of or in connection with this Agreement, including any question regarding its existence, validity, or termination, shall be governed by and construed in accordance with the laws of the State of Florida, without giving effect to any choice or conflict of law provision or rule. Any legal suit, action, or proceeding arising out of, or related to, this Agreement or the transactions contemplated hereby shall be instituted exclusively in the federal courts of the Middle District Fla., Orlando Division or the courts of the State of Florida in each case located in the City of Kissimmee and County of Osceola, and each party irrevocably submits to the exclusive jurisdiction of such courts in any such suit, action, or proceeding. The parties irrevocably and unconditionally waive any objection to the venue of any action or proceeding in such courts and irrevocably waive and agree not to plead or claim in any such court that any such action or proceeding brought in any such court has been brought in an inconvenient forum.

23.3 Cooperation.

The Parties agree to cooperate in good faith and work collaboratively to facilitate the successful completion of the Project. This includes, but is not limited to, timely sharing of information, providing mutual support, and coordinating efforts to resolve any issues or challenges

that may arise. Both Parties commit to maintaining open lines of communication and meeting regularly to assess progress, discuss potential obstacles, and develop strategies to ensure the Project's objectives are met efficiently and effectively. Each Party shall designate a representative to act as a primary point of contact for all communications related to the Project, ensuring consistent and streamlined interaction throughout the duration of this Agreement.

23.4 Entire Agreement.

This Agreement, including all exhibits, schedules, and amendments hereto, and any documents incorporated herein by reference, constitutes the entire agreement between the Developer and the City with respect to the subject matter hereof and supersedes all prior agreements, understandings, negotiations, and discussions, whether oral or written, between the parties. No amendment, supplement, modification, or waiver of this Agreement shall be binding unless executed in writing by both parties. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provision (whether or not similar), nor shall such waiver constitute a continuing waiver unless otherwise expressly provided.

Each party acknowledges that it has not relied on any representation, warranty, or agreement of the other party or of any other person on behalf of the other party, except for those expressly contained in this Agreement. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

23.5 Amendment and Waiver.

This Agreement may be amended, modified, or supplemented only by written agreement of the parties. No waiver by any party of any of the provisions hereof shall be effective unless

explicitly set forth in writing and signed by the party so waiving. The waiver by any party of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach.

Notwithstanding the foregoing, any amendment or waiver that materially changes the rights or obligations of either party with respect to the City Contribution, Total City Contribution, Development Milestones, Performance Terms, Naming Rights, Convention Center Operations, or any provisions related to the Public-Private Partnership structure, must receive prior written approval from the appropriate authorities of both parties, in accordance with applicable law and regulations governing such changes.

Amendments or waivers that require regulatory approval or consent from third parties shall not be effective until such approval or consent has been obtained. The parties agree to execute any documents and to take any further actions as may reasonably be required to effectuate the provisions of this clause.

23.6 Severability.

If any provision of this Agreement is held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision of this Agreement. Instead, this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been included, except to the extent that such provision is inseparably intertwined with other provisions of this Agreement, in which case this Agreement shall be construed by modifying such provision to the minimum extent necessary to make it valid, legal, and enforceable while preserving its intent or, if that is not possible, by substituting another provision that is valid, legal, and enforceable which achieves to the greatest extent possible the

same economic effect and intent. This clause shall be applied in a manner that is consistent with the parties' intention in entering into this Agreement, with due consideration given to the public-private partnership nature of the Agreement and the mutual benefits intended to be derived from it.

23.7 Assignment and Subcontracting.

The Developer shall not assign, in whole or in part, any of its rights, duties, or obligations under this Agreement to any unaffiliated third party without the prior written consent of the City, which consent shall not be unreasonably withheld, conditioned, or delayed. Notwithstanding the foregoing, the Developer may, without the City's consent, assign its rights and obligations under this Agreement to an affiliate or to a successor entity in connection with a merger, acquisition, corporate reorganization, or sale of all or substantially all of its assets, provided that such affiliate or successor entity assumes in writing all of the obligations of the Developer under this Agreement.

The Developer shall submit a written request for assignment or transfer to the City at least 60 days prior to the proposed effective date of the assignment. The request shall include detailed information about the proposed assignee, including financial statements, qualifications, and experience. The City shall have 30 days to review the request and provide a written response. If additional information is required, the City shall notify the Developer within 15 days of receiving the initial request. The Developer shall provide the requested information within 10 days, and the City shall then have an additional 15 days to review and respond to the request.

Subcontracting of any work under this Agreement shall not relieve the Developer of its responsibilities and obligations under this Agreement. The Developer shall ensure that all subcontractors comply with the terms and conditions of this Agreement. All subcontracts entered

into by the Developer shall include a provision to this effect. The Developer shall provide the City with written notice of major subcontracts (those exceeding \$500,000 in value) entered into pursuant to this Agreement, including the identity of the subcontractor and general scope of work, within fifteen (15) business days of the execution of any such subcontract. The terms of such subcontracts may be redacted to protect confidential commercial information.

23.8 Further Assurances.

Both the City and the Developer agree to perform any acts, execute, and deliver any documents, and provide all reasonable assistance to each other as may be necessary or desirable to give full effect to the terms and intentions of this Agreement. This includes, but is not limited to, compliance with Community Redevelopment Agency (CRA) requirements, securing necessary demolition permits, and any other actions required to fulfill the development and operational goals of the Convention Center.

The parties shall develop and maintain a detailed project timeline as an appendix to this Agreement. This timeline shall include specific milestone dates and completion deadlines for key phases of the Convention Center development. Both parties agree to adhere to this timeline and update it as necessary, subject to mutual agreement.

Each party commits to acting in good faith to complete the tasks and obligations assigned to them under this Agreement, including the facilitation of any necessary approvals, consents, and clearances from governmental or regulatory bodies. Furthermore, both parties shall cooperate fully to resolve any disputes or issues that may arise in a manner that minimally impacts the project timeline and the mutual benefits envisaged under this Agreement. Both parties are obligated to take all reasonable measures to mitigate any delays in the project, including but not limited to

promptly addressing issues, reallocating resources, and implementing contingency plans when necessary.

In the event that additional documentation is required to effectuate any of the provisions of this Agreement, or to assert or protect any rights or interests that arise as a result of this Agreement, both parties agree to execute such documents promptly upon request. This includes, without limitation, documents necessary for the application, processing, and obtaining of licenses, permits, and approvals related to the development and operation of the Convention Center, as well as any documents required for compliance with local, state, and federal laws.

23.9 Timeline Extensions.

Either party may request a timeline extension by submitting a written request to the other party, detailing the reasons for the extension and the proposed new timeline. The receiving party shall review the request within 10 business days and respond in writing, either granting the extension, proposing modifications, or denying the request with reasons. Extensions shall be granted for circumstances including but not limited to Force Majeure events, unforeseen site conditions, delays in obtaining necessary permits or approvals that are not the fault of the requesting party, material changes in market conditions, or supply chain disruptions affecting construction materials or equipment. In the event of concurrent delays caused by both parties, the timeline extension will be proportionally allocated based on the relative impact and responsibility of each party's contributions to the delay. Both parties agree to mitigate the effects of concurrent delays and work cooperatively to minimize overall project timelines. All timeline extensions must be mutually agreed upon in writing by both parties.

23.10 Captions.

The captions and headings used in this Agreement are inserted for convenience and ease of reference only and shall not be considered in interpreting or construing this Agreement. The singular includes the plural, and the plural includes the singular, unless the context otherwise requires. The use of any gender shall be applicable to all genders. Any reference to any federal, state, local, or foreign statute or law shall be deemed also to refer to all rules and regulations promulgated thereunder, unless the context requires otherwise.

23.11 Counterparts.

This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. The parties agree that facsimile signatures, electronic signatures, or signatures transmitted by electronic mail in so-called "PDF" or other format shall be as effective as original signatures. Each party may use such facsimile, electronic, or emailed signatures as evidence of the execution and delivery of this Agreement by all parties to the same extent that an original signature could be used.

23.12 No Third-Party Beneficiaries.

This Agreement is made for the exclusive benefit of the parties hereto, namely the City of Kissimmee and AHI, and their respective successors and assigns. Nothing in this Agreement, express or implied, is intended to or shall confer upon any other person or entity any legal or equitable right, benefit, or remedy of any nature whatsoever, under or by reason of this Agreement.

Furthermore, no third-party beneficiary rights shall be implied or created under any circumstances. This includes, but is not limited to, any parties involved indirectly through business relationships with the City or Developer, or any individuals or entities that may be affected by the

execution or performance of this Agreement. The parties agree that their obligations under this Agreement do not extend beyond their mutual agreement and shall not be construed to benefit or create any obligation towards any third party not explicitly mentioned herein.

[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first above written.

ATTEST:

By: Tameara Crespo

Name: Tameara Crespo

Title: City Clerk



CITY:

CITY OF KISSIMMEE, FLORIDA, a municipal corporation organized and existing under the laws of the State of Florida

By: Jackie Espinosa

Name: Jackie Espinosa

Title: Mayor-Commissioner

Date Signed: August 19, 2025

DEVELOPER:

AZURE HOTEL INTERNATIONAL, INC., a Florida Corporation

By: [Signature]

Name: Ramón Gómez

Title: Chief Executive Officer

Date Signed: August 14, 2025

EXHIBIT A – LEGAL DESCRIPTION OF PROPERTY

Notice Regarding Property Description. The legal description in this Exhibit A identifies the overall Project site for reference only and does not convey or entitle Developer to the entire described parcel. Any conveyance, lease, easement, or subdivision creating Development Parcels shall be made only in accordance with the Agreement, approved surveys/plats, and applicable law, and shall be limited to the area reasonably necessary to implement the approved Project.

[INITIAL PLAT OF SITE TO BE USED FOR THIS EXHIBIT]

LAKEFRONT COMPLEX

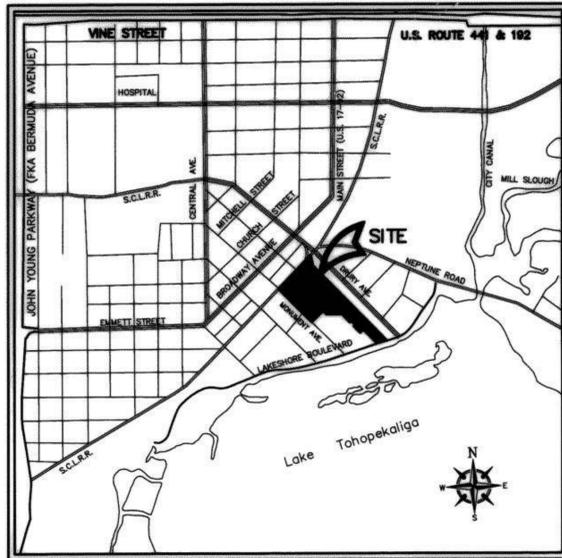
SECTION 22, TOWNSHIP 25 SOUTH, RANGE 29 EAST
CITY OF KISSIMMEE, OSCEOLA COUNTY, FLORIDA

LEGAL DESCRIPTION:

Being a Replat of Block A, Toliga Lake View as filed in Plat Book 1, Page 184 of the Public Records of Osceola County, Florida; a Portion of the South Florida Railroad Company's Plat of Kissimmee City as filed and recorded in Plat Book A, Page 3 of the Public Records of Osceola County, Florida; Lot 1, Tracts A, B, C, D and a Portion of Tract E, N.T. Dawe's, as filed and recorded in Plat Book 1, Page 89 of the Public Records of Osceola County, Florida; a Portion of Lots 2, 3, 4, 5, 6, 7, 8, and 9, WM Cannons Subdivision, as filed and Recorded in Plat Book A, Page 8 of the Public Records of Osceola County, Florida, being more particularly described as follows:

Beginning at most Southerly corner of Lot 20, Block A, Toliga Lake View, as filed and recorded in Plat Book 1, Page 184 of the Public Records of Osceola County, Florida, said Point being at the intersection of the Westerly right of way line of Johnston Street and the Northerly right of way line of Monument Avenue; run thence N46°35'05"W, along said Northerly right of way line, a distance of 559.88 feet to the Southerly right of way line of the CSX Railroad (formerly known as the Seaboard Coast Line Railroad); run thence along said Southerly right of way line the following four courses; run thence N44°07'25"E, a distance of 369.79 feet; run thence N43°22'45"E, a distance of 315.58 feet; run thence N00°16'50"E, a distance of 7.08 feet to a point on a curve, concave to the northwest, having a Radius of 4,812.24 feet and a Central Angle of 03°00'22"; thence run northeasterly along the Arc of said curve, a distance of 252.48 feet (Chord Bearing = N39°29'19"E, Chord = 252.45 feet); thence departing said Southerly right of way line run S15°53'23"E, a distance of 162.55 feet to the Southeasterly corner of Lot 3, Cape Breeze, as filed and recorded in Plat Book 1, Page 49 of the Public Records of Osceola County, Florida; run thence S46°44'57"E, along the South line of said Cape Breeze and the Southeasterly extension thereof, a distance of 351.68 feet to the Easterly right of way line of Tohopekaliga Avenue; run thence N57°25'10"E along said Easterly right of way line, a distance of 72.20 feet to the most Westerly corner of Lot 10 of aforesaid Cape Breeze; run thence S45°54'54"E along the Southerly line of said Lot 1, a distance of 127.36 feet to the Southeasterly corner of said Lot 10, said Point also being the Southwesterly corner of Lot 1, Replat of Neptune, as filed and recorded in Plat Book 1, Page 273; run thence S43°15'07"W, along the projection of the Westerly line of said Lot 1, a distance of 10.00 feet; run thence S46°47'28"E, along the projection of the East line of said Lot 1, a distance of 10.00 feet to the Southwesterly corner of Lot 2 of aforesaid Replat of Neptune; run thence S46°47'45"E, along the South line of said Lot 2, a distance of 76.07 feet to the Southeasterly corner of said Lot 2; run thence S42°40'16"W, along the projection of the Easterly line of said Lot 2, a distance of 70.01 feet to the Southerly line of Lot 9, Wm Cannon's Subdivision, as filed and recorded in Plat Book A, Page 8 of the Public Records of Osceola County, Florida; run thence S43°20'04"W, a distance of 70.00 feet to the Northerly line of said Lot 4, Sun Shores, as filed and recorded in Plat Book 1, Page 302 of the Public Records of Osceola County, Florida; run thence N46°39'56"W, along the Northerly line of Lots 4, 5 and the Northwesterly projection thereof of Sun Shores, a distance of 225.77 feet to the Southeasterly corner of Lot 11 of said Sun Shores; run thence N43°32'32"E, a distance of 10.00 feet; run thence N46°39'56"W, a distance of 150.01 feet; run thence S42°38'11"W, a distance of 10.00 feet to the Northeasterly corner of Lot 13 of said Sun Shores; run thence N46°39'56"W along the North line of said Lot 13, a distance of 79.83 feet to the Northwesterly corner of said Lot 13; run thence S57°32'03"W along the Westerly line of said Lot 13, a distance of 288.91 feet to the Northerly right of way line of Dakin Avenue; run thence N46°37'25"W, along said Northerly right of way line, a distance of 53.57 feet; run thence S44°11'03"W, along the Westerly right of way line and the Northeasterly projection thereof, a distance of 370.18 feet to the POINT OF BEGINNING.

Containing 16.178 acres, more or less.



VICINITY MAP

NOT TO SCALE



ABBREVIATIONS

Table of abbreviations for surveying symbols and terms, including symbols for monuments, bearings, distances, and utility easements.

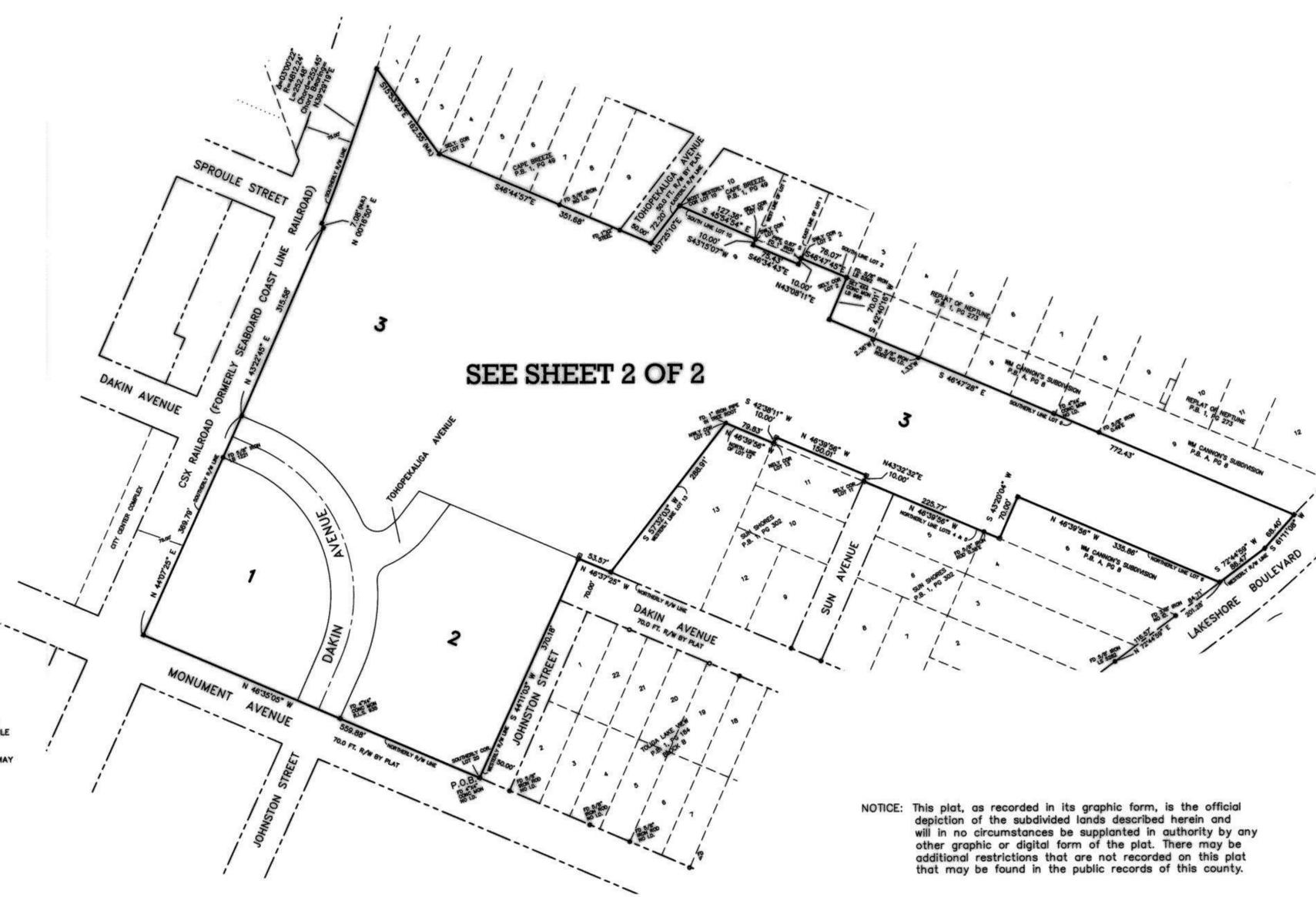
NOTES:

- 1. ALL LOT LINES THAT INTERSECT CURVILINEAR RIGHT OF WAY LINES ARE RADIAL UNLESS OTHERWISE NOTED.
2. BEARINGS AS SHOWN HEREON ARE BASED ON GPS DERIVED FIELD DATA AND ARE BASED ON THE FLORIDA STATE PLANE COORDINATE GRID SYSTEM, EAST ZONE, REFERENCE BEARING = NORTH 48°35'05" WEST ALONG THE EASTERLY RIGHT OF WAY LINE OF MONUMENT AVENUE.
3. ALL PLATTED UTILITY EASEMENTS SHALL PROVIDE THAT SUCH EASEMENTS SHALL ALSO BE EASEMENTS FOR THE CONSTRUCTION, INSTALLATION, MAINTENANCE AND OPERATION OF CABLE TELEVISION SERVICES, PER F.S. 177.091(28).
4. THERE MAY BE ADDITIONAL RESTRICTIONS THAT ARE NOT RECORDED ON THIS PLAT THAT MAY BE FOUND IN THE PUBLIC RECORDS OF OSCEOLA COUNTY, FLORIDA.

JOHNSTON'S SURVEYING INC.

900 Shady Lane, Kissimmee, Florida 34744-8695
Tel. (407) 847-2179 Fax (407) 847-6140

PROFESSIONAL SURVEYING CERTIFICATE OF AUTHORIZATION NO. L.B. 966



SEE SHEET 2 OF 2

NOTICE: This plat, as recorded in its graphic form, is the official depiction of the subdivided lands described herein and will in no circumstances be supplanted in authority by any other graphic or digital form of the plat. There may be additional restrictions that are not recorded on this plat that may be found in the public records of this county.

DEDICATION

LAKEFRONT COMPLEX

KNOW ALL MEN BY THESE PRESENTS, That the Corporation, named below, being the owner in fee simple of the lands described in the foregoing caption to this plat, hereby dedicates said lands and plat for the uses and purposes therein expressed and dedicate the drainage easements shown hereon to the perpetual use of the public. The 10.0 foot utility easement is dedicated to the Tohopekaliga Water Authority, as shown hereon.

IN WITNESS WHEREOF, has caused these presents to be signed and attested to by the officers named below and its corporate seal to be affixed hereto on 4/2/2010

Mark E. Durbin, City Manager

Attest:

Paula C. Little, Patricia C. Little, Notary Public

STATE OF FLORIDA COUNTY OF OSCEOLA
THIS IS TO CERTIFY, that on April 2, 2010 before me, an officer duly authorized to take acknowledgments in the State and County aforesaid, personally appeared Mark E. Durbin and

respectively City Manager and City Clerk of the above named corporation incorporated under the laws of the State of Florida to me known to be the individuals and officers described in and who executed the foregoing Dedication and severally acknowledged the execution thereof to be their free act and deed as such officers thereunto duly authorized; that the official seal of said corporation is duly affixed thereto; and that the said Dedication is the act and deed of said corporation. Officers known to me personally.

IN WITNESS WHEREOF, I hereto set my hand and seal on the above date. Linda S. Hansen, Notary Public

My Commission Expires 01/15/2012

CERTIFICATE OF SURVEYOR

KNOW ALL MEN BY THESE PRESENTS, That the undersigned, being a licensed and registered land surveyor, does hereby certify that on April 21, 2009 she completed the survey of the lands as shown in the foregoing plat or plan and said survey was made under her responsible direction and supervision and the survey data complies with all of the requirements of Chapter 177, Florida Statutes; that said plat is a true and correct representation of the lands herein described and platted or subdivided; that permanent reference monuments have been placed as shown thereon as required by Chapter 177, Florida Statutes; and by The Land Development Code of the City of Kissimmee, Florida and that said land is located in Section 22, Township 25 South, Range 29 East Osceola County, Florida.

Dated 03.30.2010 Registration No. 9224
PROFESSIONAL SURVEYING CERTIFICATE OF AUTHORIZATION NO. L.B. 966
JOHNSTON'S SURVEYING INC. 900 Shady Lane, Kissimmee, Florida 34744-8695

CERTIFICATE OF APPROVAL BY THE CITY SURVEYOR

THIS IS TO CERTIFY, That on 4-2-2010 the Florida Professional Surveyor and Mapper representing the City of Kissimmee reviewed this plat. This plat conforms to Florida Statutes, Chapter 177.
Dated 4-2-2010 Registration No. 4087

CERTIFICATE OF APPROVAL BY MUNICIPALITY

CITY OF KISSIMMEE
approved the foregoing plat
Attest: City Clerk

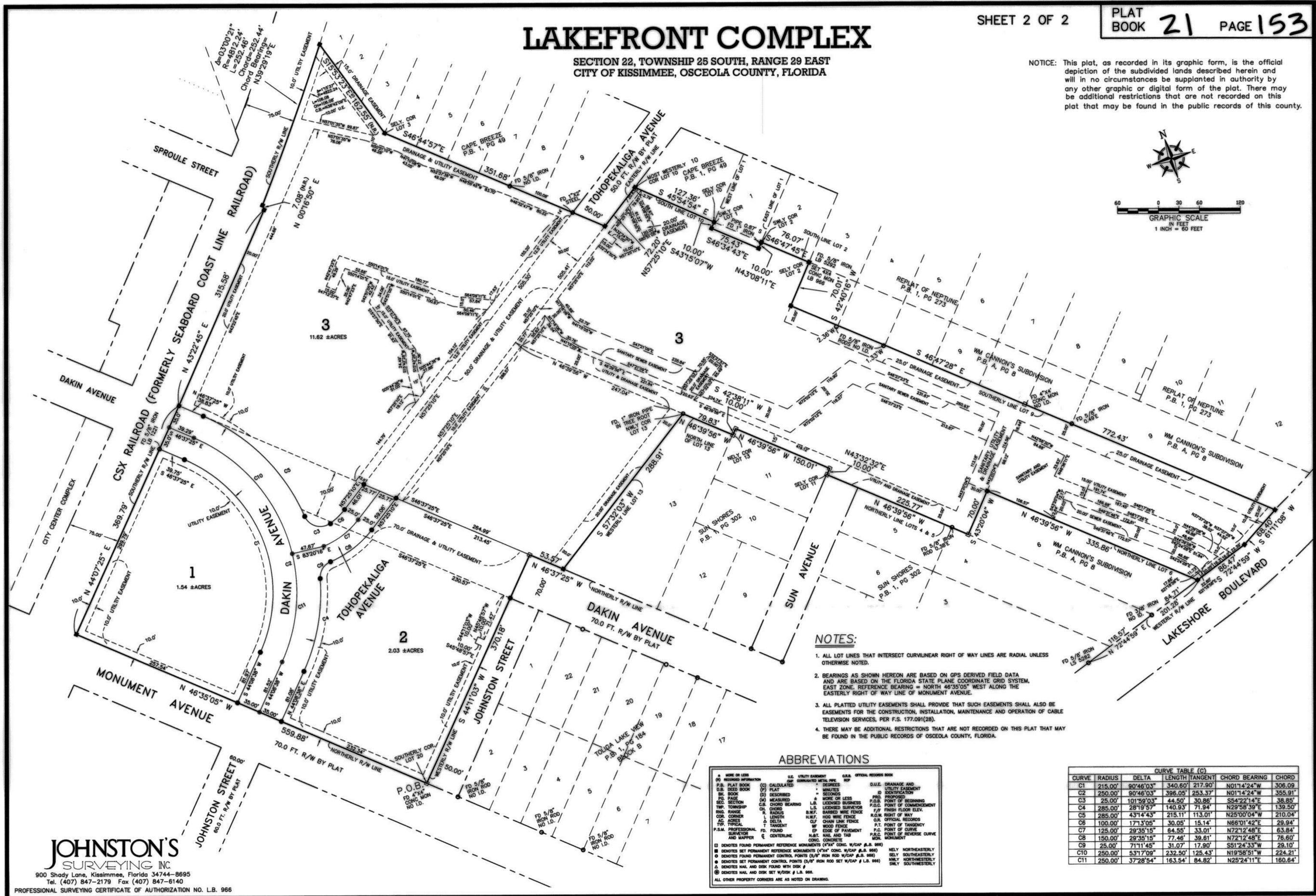
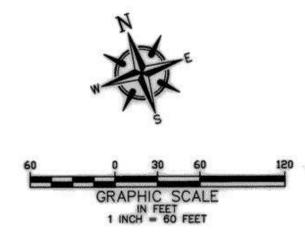
CERTIFICATE OF COUNTY CLERK

I HEREBY CERTIFY, That I have examined the foregoing plat and find that it complies in form with all the requirements of Chapter 177, Florida Statutes and was filed for record on 4/2/2010 at 11:12:47 AM
Clerk of the Circuit Court in and for Osceola County, Florida

LAKEFRONT COMPLEX

SECTION 22, TOWNSHIP 25 SOUTH, RANGE 29 EAST
CITY OF KISSIMMEE, OSCEOLA COUNTY, FLORIDA

NOTICE: This plat, as recorded in its graphic form, is the official depiction of the subdivided lands described herein and will in no circumstances be supplanted in authority by any other graphic or digital form of the plat. There may be additional restrictions that are not recorded on this plat that may be found in the public records of this county.



NOTES:

1. ALL LOT LINES THAT INTERSECT CURVILINEAR RIGHT OF WAY LINES ARE RADIAL UNLESS OTHERWISE NOTED.
2. BEARINGS AS SHOWN HEREON ARE BASED ON GPS DERIVED FIELD DATA AND ARE BASED ON THE FLORIDA STATE PLANE COORDINATE GRID SYSTEM, EAST ZONE. REFERENCE BEARING = NORTH 46°35'05" WEST ALONG THE EASTERLY RIGHT OF WAY LINE OF MONUMENT AVENUE.
3. ALL PLATTED UTILITY EASEMENTS SHALL PROVIDE THAT SUCH EASEMENTS SHALL ALSO BE EASEMENTS FOR THE CONSTRUCTION, INSTALLATION, MAINTENANCE AND OPERATION OF CABLE TELEVISION SERVICES, PER F.S. 177.091(28).
4. THERE MAY BE ADDITIONAL RESTRICTIONS THAT ARE NOT RECORDED ON THIS PLAT THAT MAY BE FOUND IN THE PUBLIC RECORDS OF OSCEOLA COUNTY, FLORIDA.

ABBREVIATIONS

P.B. PLAT BOOK	(C) CALCULATED	D.U.E. UTILITY EASEMENT	D.S.R. OFFICIAL RECORDS BOOK
D.B. DEED BOOK	(P) PLAT	D.E. DEGREES	D.I.E. DRAINAGE AND UTILITY EASEMENT
B.K. BOOK	(D) DESCRIBED	M. MINUTES	I.D. IDENTIFICATION
P.C. PAGE	(M) MEASURED	S. SECONDS	P.P. PROPOSED
SEC. SECTION	(L) LICENSED BUSINESS	M.O.R. MORE OR LESS	P.O.B. POINT OF BEGINNING
TWP. TOWNSHIP	(S) LICENSED SURVEYOR	L.S. LICENSED BUSINESS	P.O.C. POINT OF COMMENCEMENT
ENCL. RANGE	(C) CHORD BEARING	B.M.F. BARRIED WIRE FENCE	F.F. FINISH FLOOR ELEV.
R.C. RANGE	(R) RADIUS	H.W.F. HOG WIRE FENCE	R.O.W. RIGHT OF WAY
COR. CORNER	(L) LENGTH	C.L.F. CHAIN LINK FENCE	O.R. OFFICIAL RECORDS
ACRES	(D) DELTA	W.F. WOOD FENCE	P.T. POINT OF TANGENCY
TYP. TYPICAL	(T) TANGENT	E.P. EDGE OF PAVEMENT	P.C. POINT OF CURVE
P.S.M. PROFESSIONAL SURVEYOR AND MAPPER	(F) FOUND	H.A. HAIL AND TAG	P.R.C. POINT OF REVERSE CURVE
	(C) CENTERLINE	C.C. CONCRETE	M.O. MONUMENT
			N.E. NORTHEASTERLY
			S.E. SOUTHEASTERLY
			N.W. NORTHWESTERLY
			S.W. SOUTHWESTERLY

CURVE	RADIUS	DELTA	CURVE TABLE (C)		
			LENGTH	TANGENT	CHORD BEARING
C1	215.00'	90°46'03"	340.60'	217.90'	N01°14'24"W 306.09'
C2	250.00'	90°46'03"	396.05'	253.37'	N01°14'24"W 355.91'
C3	25.00'	101°59'03"	44.50'	30.86'	S54°22'14"E 38.85'
C4	285.00'	28°19'57"	140.93'	71.94'	N29°58'39"E 139.50'
C5	285.00'	43°14'43"	215.11'	113.01'	N25°00'04"W 210.04'
C6	100.00'	17°13'05"	30.05'	15.14'	N66°01'42"E 29.94'
C7	125.00'	29°35'15"	84.55'	33.01'	N72°12'48"E 63.84'
C8	150.00'	29°35'15"	77.46'	39.61'	N72°12'48"E 76.60'
C9	25.00'	71°11'45"	31.07'	17.90'	S51°24'33"W 29.10'
C10	250.00'	53°17'09"	232.50'	125.43'	N19°58'51"W 224.21'
C11	250.00'	37°28'54"	163.54'	84.82'	N25°24'11"E 160.64'

JOHNSTON'S SURVEYING INC.
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PROFESSIONAL SURVEYING CERTIFICATE OF AUTHORIZATION NO. L.B. 966

EXHIBIT B – CONVENTION CENTER DEVELOPMENT & OPERATIONS PLAN

1. Development Plan

1.1 Project Overview

- **Objective:** Construct a modern, flexible 45,000-square-foot convention center to host regional conventions, trade shows, meetings, and community events, fostering economic growth and tourism.
- **Location:** 201 E. Dakin St., Kissimmee, FL (Parking lot next to the current Civic Center.
- **Target Capacity:** Accommodate up to 1,500 attendees for conventions, 2,000 for banquets, or 3,000 for exhibitions, based on flexible configurations.

1.2 Design and Layout

- **Space Allocation:**
 - **Exhibit Hall:** 20,000 sq. ft. (divisible into two 10,000 sq. ft. sections) for trade shows and expositions, with 30-foot ceilings and minimal columns for flexibility.
 - **Ballroom:** 10,000 sq. ft. (divisible into three smaller rooms) for banquets, galas, or large meetings, featuring natural lighting and city views.
 - **Meeting Rooms:** 8,000 sq. ft. (8 rooms of 1,000 sq. ft. each) for breakout sessions, workshops, or seminars.
 - **Pre-function/Concourse Space:** 5,000 sq. ft. for registration, networking, or receptions, with an all-glass facade for aesthetic appeal.
 - **Support Areas:** 2,000 sq. ft. for loading docks, storage, and back-of-house operations, including 2-3 loading docks for efficient setup/teardown.
- **Design Features:**
 - Incorporate energy-efficient systems (e.g., LED lighting, high-efficiency HVAC, rainwater collection) and sustainable materials to align with modern environmental standards.
 - Use digital signage (20-30 outlets) and robust Wi-Fi supporting 5,000 simultaneous devices to enhance branding and connectivity.
 - Include an outdoor plaza (5,000 sq. ft.) for receptions or community events, with flexible setups for food trucks or live music.
 - Ensure ADA compliance and universal design for accessibility.
- **Architectural Style:** Modern, with a focus on open spaces, natural light, and integration with the surrounding urban environment (e.g., glass facades, pedestrian-friendly connections).
- **Technology:** Equip with advanced AV systems, including 90-foot LED displays for events and hybrid meeting capabilities (e.g., live streaming).

1.3 Construction and Timeline

- **Timeline:** 24-36 months from planning to completion.
 - **Phase 1 (Months 1-6):** Site selection, feasibility studies, and permitting.
 - **Phase 2 (Months 7-12):** Architectural design, contractor selection, and financing finalization.
 - **Phase 3 (Months 13-30):** Construction, phased to minimize disruptions if near existing facilities.
 - **Phase 4 (Months 31-36):** Interior fit-out, technology installation, and staff training.
- **Contractors:** Azure has engaged with Skybuilders USA and Turner Construction.
- **Permitting and Approvals:**
 - Secure General Plan Amendment, zoning changes, and environmental approvals from local authorities.
 - Obtain haul route approvals and extended construction hours if needed.
 - Engage with cultural affairs commissions for design review if required by the municipality.

1.4 Financing

- **Estimated Cost:** \$45–\$55 million (based on \$1,000–\$1,222 per sq. ft. for mid-sized convention centers, reflecting higher-end materials, technology, and regional cost variations).
- **Funding Sources:**
 - **Public Funding:** Tourism Development Tax (TDT) or municipal dollars.
 - **Private Investment:** Partner with developers for adjacent hotel or retail developments to offset costs.
 - **Grants:** Pursue state or federal grants for tourism or economic development, including the Pioneer Grant for innovative community-focused projects.
- **Budget Allocation:**
 - Construction: 70% (\$31.5–\$38.5 million)
 - Technology and AV: 15% (\$6.75–\$8.25 million)
 - Design and Permitting: 10% (\$4.5–\$5.5 million)
 - Contingency: 5% (\$2.25–\$2.75 million)

1.5 Community and Economic Impact

- **Economic Goals:** Generate \$10–15 million annually in direct economic impact through conventions, tourism, and job creation (e.g., 100–150 full-time and part-time jobs).
- **Community Benefits:** Provide public spaces (e.g., outdoor plaza) for local events and support nearby businesses through attendee traffic.

2. Operational Plan

2.1 Management Structure

- **Operator:** Engage Azure to oversee operations, leveraging their expertise in venue management.

- **Staffing:**
 - **Core Team:** General Manager, Director of Operations, Sales/Marketing Director, Event Coordinator (5–7 full-time staff).
 - **Support Staff:** 20–30 part-time staff for events (security, ushers, setup crews).
 - **Technical Staff:** 3–5 AV and IT specialists for hybrid events and digital signage.
- **Training:** Implement ongoing training for customer service, safety, and technology use, ensuring staff can handle diverse events.

2.2 Revenue Streams

- **Venue Rental:** Primary revenue from renting exhibit halls, ballrooms, and meeting rooms (\$50–\$100 per sq. ft. depending on event type).
- **Catering and Concessions:** Partner with a catering provider for exclusive food and beverage services, generating 20–30% of revenue.
- **Sponsorships:** Sell naming rights for key spaces (e.g., ballroom) and digital signage branding opportunities.
- **Ancillary Services:** Offer AV equipment rentals, Wi-Fi packages, and event setup services.

2.3 Marketing and Booking

- **Target Market:** Regional conventions, trade shows, corporate meetings, weddings, and community events (e.g., local festivals, esports tournaments).
- **Marketing Strategy:**
 - Develop a website with interactive floor plans, virtual tours, and booking forms.
 - Partner with local tourism boards and hotels to create event packages.
 - Leverage social media and industry platforms (e.g., Meetings Today) to promote the venue.
- **Booking Goals:** Achieve 60% occupancy in Year 1 (150 event days), increasing to 80% by Year 3 (200 event days).
- **Sales Team:** Hire 2–3 dedicated sales staff to secure bookings, targeting 10–15 major conventions annually.

2.4 Operations and Maintenance

- **Event Operations:**
 - Use flexible setups for quick turnaround between events (e.g., retractable walls, modular furniture).
 - Implement a booking system to avoid scheduling conflicts and maximize utilization.
- **Maintenance:**
 - Conduct regular upkeep of HVAC, lighting, and AV systems to ensure reliability.
 - Budget 5–7% of annual revenue (\$300,000–\$500,000) for maintenance and upgrades.
- **Sustainability:**

- Use low-carbon materials and energy-efficient systems to reduce operating costs by 10–15%.
- Implement waste reduction programs (e.g., composting, recycling) for events.

2.5 Risk Management

- **Risks:**
 - Construction delays due to permitting or supply chain issues.
 - Competition from larger regional convention centers.
 - Economic downturns reducing event bookings.
- **Mitigation:**
 - Build a 10% contingency into the budget and timeline.
 - Differentiate through unique features (e.g., outdoor plaza, advanced technology) and competitive pricing.
 - Diversify event types to include local and niche markets (e.g., esports, cultural festivals).

2.6 Performance Metrics

- **Development Metrics:**
 - Complete construction on time and within budget.
 - Achieve LEED Silver certification for sustainability.
- **Operational Metrics:**
 - Host 150 events in Year 1.
 - Maintain attendee satisfaction scores above 85% (via post-event surveys).
 - Achieve 5% annual growth in bookings and revenue over the first 5 years.

3. Implementation Roadmap

- **Year 0 (Pre-Development):**
 - Secure funding and site approvals.
 - Finalize design and contractor agreements.
- **Year 1–2 (Construction):**
 - Begin and complete construction, focusing on phased development to meet deadlines.
 - Start pre-marketing to secure anchor events.
- **Year 3 (Launch):**
 - Open with a high-profile event (e.g., regional trade show or festival).
 - Ramp up marketing and sales efforts to build bookings.
- **Year 4–5 (Growth):**
 - Expand event portfolio to include national conventions and hybrid events.
 - Evaluate adjacent development opportunities (e.g., hotel or retail partnerships).

4. Conclusion

This plan outlines a feasible approach to developing and operating a 45,000-square-foot convention center, balancing modern design, sustainability, and operational efficiency. By leveraging public-private partnerships, advanced technology, and strategic marketing, the center can become a regional hub for events, driving economic and community benefits.

EXHIBIT C – HOTEL CONSTRUCTION PLAN

Location: 201 E. Dakin St., Kissimmee, FL (Kissimmee Civic Center Site)

Developer: Azure Hotel International, Inc. (AHI)

Architect of Record: ARC4 Design

Date: August 4, 2025

Project Overview

The Kissimmee City Commission has selected Azure Hotel International, Inc. to develop a luxury hotel branded as “Azure Hotel Kissimmee Historic Downtown” and a new convention center to replace the existing Kissimmee Civic Center. The project aims to enhance downtown Kissimmee’s appeal as a tourism and business destination, addressing a critical lodging gap identified in a 2024 HVS market study. The hotel will be a 4.5-star, full-service property under the Preferred Hotels & Resorts portfolio. The convention center will be city-owned, with Azure managing operations under a 30-year agreement.

Key Project Components

- **Hotel:** A 10-story tower with 300 rooms, offering flexible meeting space, a full-service restaurant and bar, a rooftop pool and bar, a spa, retail space, and Cadillac Escalade shuttle services to Kissimmee Gateway Airport and Orlando International Airport.
- **Convention Center:** A new 45,000-square-foot facility, replacing the existing 38,000-square-foot Civic Center, owned by the City of Kissimmee and operated by Azure.
- **Additional Features:** Ground-floor retail and a south-end public trail connecting to adjacent developments, such as Skyview’s planned grocery-anchored mixed-use project.
- **Investment:** Total estimated cost of \$180 million+, with \$55 million allocated for the convention center. AHI is seeking a \$12 million city financial support for the convention center (construction and demolition costs) and a \$1.5 million pioneer grant.
- **Economic Impact:** Expected to generate \$5.0–\$6.5 million annually in property taxes, create 400 temporary construction jobs, and provide 150–250 permanent hospitality jobs.

Construction Plan

1. Pre-Construction Phase (Mid-2025 to Mid-2026)

- **Duration:** Approximately 12 months (Q3 2025 – Q2 2026).
- **Activities:**
 - **Site Assessment and Environmental Testing:** Conduct environmental studies and site evaluations to ensure compliance with local, state, and federal regulations. Assess the existing Civic Center site for demolition feasibility.
 - **Design Finalization:** Collaborate with ARC4 Design to finalize architectural and interior design plans for a 10-story, 300-room hotel and a 45,000-square-foot

convention center, ensuring alignment with the historic downtown aesthetic and Preferred Hotels & Resorts standards.

- **Review & Permitting:** Complete the platting process, Development Review Process, and secure necessary permits from the City of Kissimmee, leveraging expedited review processes. Obtain approvals for demolition, construction, and environmental compliance.
- **Financing:** Finalize funding through a combination of \$125 million in senior bank loans and up to \$36.5 million in mezzanine financing from private investors. Secure city financial support or grants (\$10 million for the convention center, demolition reimbursement, and \$1.5 million pioneer grant).
- **Master Development Agreement:** Negotiate and finalize the Master Development Agreement with the City of Kissimmee, covering land leases, revenue-sharing (5% of hotel revenue to the city), lease agreement for the Convention Center, design standards, and construction milestones.
- **Demolition Preparation:** Plan for the demolition of the existing Kissimmee Civic Center, coordinating with city officials to minimize disruption to downtown activities.

2. Demolition Phase (Mid-2026)

- **Duration:** Approximately 3–6 months (Q2–Q3 2026).
- **Activities:**
 - **Demolition of Existing Civic Center:** Safely demolish the current 38,000-square-foot Civic Center to clear the site for new construction. Ensure proper disposal of materials and compliance with environmental regulations.
 - **Site Preparation:** Clear debris, level the site, and prepare the foundation for the 300-room hotel and 45,000-square-foot convention center. Construct temporary construction fencing to secure the site.
 - **Utility Planning:** Coordinate with utility providers to reroute or install necessary infrastructure (water, electricity, sewage) to support the larger hotel and convention center.

3. Construction Phase (Mid-2026 to Late 2028)

- **Duration:** Approximately 24–30 months (Q3 2026 – Q4 2028).
- **Activities:**
 - **Foundation and Structural Work:** Lay foundations for the 10-story hotel tower and the separate 45,000-square-foot convention center. Construct reinforced concrete or steel frameworks to support the larger structures.
 - **Hotel Construction:**
 - Build a 10-story tower with 300 rooms, with a modern boutique aesthetic. Incorporate 4.5-star amenities, including:
 - Flexible meeting spaces (10,000–12,000 sq. ft., sized to complement the convention center).
 - Full-service restaurant and bar on the ground floor.

- Rooftop bar with views of Lake Tohopekaliga and Downtown Kissimmee.
 - Spa facilities and ground-floor retail spaces.
 - Structured parking to accommodate increased guest capacity and convention center visitors.
- Install high-end finishes, such as custom-designed glass rainfall showers, Bang & Olufsen entertainment systems, and premium bedding.
- **Convention Center Construction:**
 - Construct a 45,000-square-foot facility, designed to modern standards with flexible event spaces, advanced audio-visual systems, and energy-efficient features.
 - Ensure the facility complements the hotel’s meeting spaces without competing.
 - Include ground-floor retail and a south-end public trail to integrate with Skyview’s adjacent mixed-use development.
- **Infrastructure Integration:** Install proprietary reservation and property management systems as required by Azure Hotel Holdings, Inc., ensuring compatibility with Preferred Hotels & Resorts standards. Connect utilities and install shuttle service infrastructure for airport transfers.
- **Job Creation:** Employ approximately 400 temporary construction workers during this phase, prioritizing local labor where possible.

4. Finishing and Fit-Out Phase (Q1–Q4 2028)

- **Duration:** Approximately 12 months (Q1–Q4 2028).
- **Activities:**
 - **Interior Fit-Out:** Complete interior finishes for the 300-room hotel, including guest rooms, public areas, restaurant, bar, spa, and rooftop amenities. Install designed elements, such as custom furniture, lighting, and decor, to achieve a 4.5-star boutique aesthetic.
 - **Convention Center Fit-Out:** Install flooring, lighting, and event-specific equipment in the 45,000-square-foot convention center. Ensure compliance with city ownership requirements and Azure’s operational standards.
 - **Landscaping and Exterior:** Develop the south-end public trail and adjacent green spaces. Complete exterior facade work to blend with historic downtown Kissimmee’s aesthetic, avoiding overly rigid brand standards.
 - **Systems Testing:** Test all building systems (HVAC, electrical, plumbing, reservation systems) to ensure functionality for the larger facility. Conduct safety inspections and obtain occupancy permits.
 - **Staff Training:** Begin training for 150–250 permanent hospitality staff, using Azure’s 5-day training program (as outlined in the FDD) to ensure compliance with brand standards.

5. Completion and Opening (Q1–Q2 2029)

- **Duration:** Q1–Q2 2029.

- **Activities:**
 - **Final Inspections:** Conduct final city and state inspections to ensure compliance with building codes and safety regulations for the expanded hotel and convention center.
 - **Soft Opening:** Launch a soft opening for the convention center in Q4 2028, followed by the hotel in Q2 2029, allowing for operational testing and guest feedback.
 - **Grand Opening:** Host a grand opening event in Q2 2029, showcasing the Azure Hotel Kissimmee Historic Downtown as the first of its kind, with marketing support from Preferred Hotels & Resorts and the City of Kissimmee.
 - **Revenue Sharing:** Implement the revenue-sharing agreement, with the city receiving 5% of hotel revenue (average room rate of \$205/night).

Project Timeline Summary

Phase	Duration	Start–End	Key Milestones
Pre-Construction	12 months	Q3 2025–Q2 2026	Design finalization, permitting, financing, Master Development Agreement
Demolition	3–6 months	Q2–Q3 2026	Civic Center demolition, site preparation
Construction	24–30 months	Q3 2026–Q4 2028	Hotel and convention center construction, infrastructure integration
Finishing and Fit-Out	12 months	Q1–Q4 2028	Interior finishes, systems testing, staff training
Completion and Opening	6 months	Q1–Q2 2029	Soft opening (convention center Q4 2028, hotel Q2 2029), grand opening

Budget Overview

- **Total Estimated Cost:** \$180 million+
 - Hotel Construction: ~\$120 million (including 300 rooms, amenities, and parking).
 - Convention Center: \$54 million (for 45,000 sq. ft.).
- **Funding:**
 - Senior bank loans: \$125 million.
 - Mezzanine financing: Up to \$36.5 million.
 - City financial support: ~\$12 million (convention center) + \$1.5 million (pioneer grant).
- **Economic Benefits:**
 - Annual property taxes: \$5.0–\$6.5 million (based on 300-room hotel).
 - Jobs: 400 temporary construction jobs, 150–250 permanent hospitality jobs.

Design Considerations

- **Hotel's Aesthetic:** The 300-room hotel will feature sleek, modern design elements, with a focus on luxury and local integration. The exterior will complement historic downtown Kissimmee's aesthetic, avoiding overly rigid brand standards.
- **Sustainability:** Incorporate energy-efficient systems and materials to meet modern environmental standards, aligning with Kissimmee's goal of sustainable development.
- **Community Integration:** The south-end public trail and ground-floor retail will enhance connectivity with Skyview's adjacent mixed-use project, promoting foot traffic to local businesses on Broadway and Pleasant Street.

Risks and Mitigation

- **Risk: Construction Delays:** Potential delays due to permitting, weather, or supply chain issues for the larger hotel and convention center.
 - **Mitigation:** Leverage expedited city review processes and secure supply contracts early.
- **Risk: Cost Overruns:** Increased costs due to the expanded 300-room hotel and 45,000-square-foot convention center.
 - **Mitigation:** Use fixed-price contracts where possible and maintain a contingency budget of 10–15% of total costs.
- **Risk: Market Oversaturation:** Concerns about oversupply with a 300-room hotel in downtown Kissimmee.
 - **Mitigation:** AHI's CEO, Ramon Gomez, stated confidence in market demand, supported by the 2024 HVS market study identifying a lodging gap. The expanded convention center supports larger events, driving demand.

Compliance and Approvals

- **Regulatory Compliance:** Adhere to FTC Franchise Rule, Florida state franchise laws, and local zoning regulations. The project complies with the FDD requirements outlined by Azure Hotel Holdings, Inc., including brand standards and operational guidelines.
- **City Approvals:** Secure final approval of the Master Development Agreement by late 2025, as mandated by the Kissimmee City Commission.
- **Environmental Compliance:** Complete environmental testing and ensure sustainable construction practices to meet city and state requirements.

Contact Information

- **Developer:** Azure Hotel International, Inc., 3201 E Colonial Dr., Orlando, FL, 32803.
- **Project Lead:** Ramon Gomez, CEO.
- **City Contact:** Kissimmee City Commission, 101 Church St., Kissimmee, FL 34741.

Note: This construction plan is a sample based on publicly available information and does not constitute a binding agreement. Consult with Azure Hotel International, Inc., a franchise attorney, and the City of Kissimmee for official project details and timelines.

EXHIBIT D – LAND TRANSFER DOCUMENTS (HOTEL SITE)

[Land transfer documents to be provided following Commission Approval]

EXHIBIT E – PUBLIC FUNDING SCHEDULE

1. Pioneer Grant. The Developer will receive a Pioneer Grant upon receipt of the Certificate of Occupancy for the Hotel. The amount and terms of the Pioneer Grant will be specified in a separate agreement, but shall not exceed \$1.5 million, and disbursable pursuant to the grant program's terms over a five (5) year period (one-fifth per year).

2. Initial Deposit. The Developer will receive an initial deposit of \$3 million, representing 30% of the \$10 million funding allocation designated for the redevelopment of the Kissimmee Civic Center site. This payment will be made within five (5) business days following the execution of definitive agreements.

3. Milestone-Based Disbursements. The remaining \$7 million balance of the cash allocation will be disbursed in phases as the Developer achieves verified Development Milestones. Each disbursement will be contingent upon the submission of supporting invoices and documentation that demonstrate the completion of specific project milestones.

a. Phase 1: \$2 million upon completion of the architectural and engineering design plans for the Convention Center and Master Plan submission to the City for approval.

b. Phase 2: \$3 million upon the submission of an early land preparation permit for the Convention Center site.

c. Phase 3: \$2 million upon submission of all necessary zoning, environmental, and building permits.

4. Additional Contributions. Subject to funding availability, the City may make additional contributions towards Convention Center construction costs from other sources, such as Tourist

Development Tax (TDT) revenues. Such contributions are not guaranteed and will not incur prepayment penalties.

5. Reimbursement for Demolition. The City will reimburse the Developer for demolition costs of the existing Civic Center based on an independently sourced estimate approved by the City. Reimbursement will be processed upon verification of demolition completion and submission of relevant invoices.

6. Reporting and Compliance. The Developer shall provide quarterly reports to the City detailing the use of disbursed funds, project progress, and compliance with all funding conditions. The City reserves the right to audit the Developer's records to verify proper use of public funds.

7. Clawback Provisions. In the event of non-compliance with the terms of the Agreement, including failure to meet Development Milestones, the City may suspend further disbursements and require the Developer to refund any previously disbursed funds.

This Public Funding Schedule outlines the timing, conditions, and permitted uses of public funds made available by the City to support the development of the Convention Center. All disbursements are subject to the Developer's adherence to the Agreement's terms and conditions.

EXHIBIT F – EVENT USE SCHEDULE

Single Day Occupancy Needs		
State of the City/City Manager Address	200-400	Annual in the last week of June
Monumental July 4 th	150	Annually on July 4 th
Fandom	3,000	Annually in September (date flexible)
Public Safety Quarterly Awards	200	Annually in the first week of each quarter
Swearing-In for Elected Officials	250	First week of Nov., every two years starting in '26
Employee Annual Holiday Celebration	500	Annually in December (date flexible)

Continuing City Events; Reservation of Rights. The events identified on this Exhibit F represent the City’s currently known, recurring events that are intended to continue to be hosted at the future Convention Center. This list is illustrative only and may be updated by the Parties from time to time. For the avoidance of doubt, nothing in this Exhibit limits the City’s rights under Article IX (City Rights and Public Use) to request and reserve additional dates in accordance with the established notice, scheduling, and cost provisions of the Agreement, and the Developer shall consider such requests in good faith, subject to venue availability and previously contracted events.

EXHIBIT G – INSURANCE REQUIREMENTS

The Developer shall maintain, at its own expense, the following minimum insurance coverage for the duration of the Agreement and any warranty period:

1. Commercial General Liability (CGL)

- Minimum Limits: \$2,000,000 per occurrence / \$4,000,000 aggregate
- Occurrence-based policy form
- Includes coverage for bodily injury, property damage, personal injury, and contractual liability
- Names the City as an Additional Insured (primary and non-contributory)

2. Automobile Liability

- Covers all owned, non-owned, and hired vehicles used in connection with the work
- Minimum Limit: \$1,000,000 combined single limit per accident
- Names the City as an Additional Insured (primary and non-contributory)

3. Workers' Compensation and Employer's Liability

- Coverage as required by Florida law
- Employer's Liability Minimum Limits: \$1,000,000 per accident

4. Builder's Risk Insurance

- "All-risk" coverage during construction
- Covers 100% of the replacement cost of all improvements, materials, and equipment

5. Cyber Liability Insurance

- Required if Developer or its contractors process, store, or transmit personal data
- Minimum Limit: \$1,000,000 per claim

6. Subcontractor Insurance

- All subcontractors shall maintain coverage meeting these requirements for the duration of their work and any applicable warranty period
- Developer shall be responsible for ensuring subcontractor compliance and for providing subcontractor certificates of insurance to the City upon request

7. Warranty Period Coverage

- All required insurance shall remain in effect through the end of any warranty period agreed to in this Agreement

8. Certificates and Notices

- Certificates of insurance and endorsements shall be provided to the City before work begins, upon policy renewal, and upon request
- Developer shall give the City at least thirty (30) days' notice of cancellation, non-renewal, or material modification of coverage.