



City of Ormond Beach

City Commission Meeting

City Hall Commission Chambers

22 South Beach St., Ormond Beach FL 32174

March 31, 2026, 7:00 PM

*Jason Leslie, Mayor
Lori Tolland, Zone 1
Travis Sargent, Zone 2
Kristin Deaton, Zone 3
Harold Briley, Zone 4*

Agenda

1. CALL TO ORDER

2. INVOCATION

3. PLEDGE OF ALLEGIANCE

4. RESOLUTIONS

A1. Avalon Park and Daytona Beach v. City of Ormond Beach

RESOLUTION NO. 2026-46A: A RESOLUTION RELATING TO THE COMPREHENSIVE SETTLEMENT AGREEMENT AND MUTUAL RELEASE OF CLAIMS INCLUSIVE OF THE WATER AND WASTEWATER AGREEMENTS THEREIN THAT WERE MUTUALLY NEGOTIATED AND APPROVED IN 2006 BY THE CITY OF ORMOND BEACH AND CITY OF DAYTONA BEACH; CONSIDERING A PROPOSAL FROM AVALON PARK DAYTONA, LLC, AVALON PARK LAND HOLDING LP, AND THE CITY OF DAYTONA BEACH RELATED TO THE MEDIATION PROCESS REQUIRED BY THE COURT; REJECTING THE SAID PROPOSAL; INVITING THE CITY OF DAYTONA BEACH TO ENGAGE IN THE GOVERNMENTAL CONFLICT RESOLUTION PROCESS UNDER CHAPTER 164, FLORIDA STATUTES TO RESOLVE DISPUTED ISSUES; AND SETTING FORTH AN EFFECTIVE DATE. **(OPTION 1)**

A2. **RESOLUTION NO. 2026-46B:** A RESOLUTION APPROVING AN OFFER TO SETTLE PENDING LITIGATION FILED BY AVALON PARK DAYTONA, LLC, AVALON PARK DAYTONA LAND HOLDING, LP, AND THE CITY OF DAYTONA BEACH; AUTHORIZING THE EXECUTION OF ALL PAPERS NECESSARY AND INCIDENTAL THERETO; AND SETTING FORTH AN EFFECTIVE DATE. **(OPTION 2)**

5. ADJOURNMENT

Website Address – www.ormondbeach.org

NOTICE – Pursuant to Section 286.0105 of the Florida Statutes, if any person decides to appeal any decision made by the City Commission with respect to any matter considered at this public meeting, such person will need a record of the proceedings and for such purpose, such person may need to ensure that a verbatim record of the proceedings is made, including the testimony and evidence upon which the appeal is to be based.



For special accommodations, please notify the City Clerk's Office at least 72 hours in advance.
Phone: 386-610-0400



Help for the hearing impaired is available through the Assistive Listening System. Receivers can be obtained from the City Clerk's Office.

In accordance with the Americans with Disabilities Act (ADA), persons with a disability, such as a vision, hearing or speech impairment, or persons needing other types of assistance, and who wish to attend City Commission meetings or any other board or committee meeting may contact the City Clerk's Office in writing, or may call 386-610-0400 for information regarding available aids and services.



City of Ormond Beach
City Commission Agenda
Staff Report

Agenda Date	March 31, 2026	Item No	4.A.
Section	RESOLUTIONS	Category	Resolution
Subject	Avalon Park and Daytona Beach v. City of Ormond Beach		
Recommended Action	I recommend that the city commission approve the first resolution 2026-46A, rejecting the renewed proposal by Daytona Beach and Avalon that was previously rejected in December 2025. For the reasons stated, I can neither endorse nor recommend approval of Resolution 2026-46B.		
Strategic Goal	Governance - Other		
Department Staff Contact	City Attorney Randy Hayes, City Attorney		

Summary

Daytona Beach, Avalon Park Daytona, and Avalon Park Land Holding have provided a renewed offer to resolve all litigation against the city. Two resolutions have been prepared for consideration: Resolution 2026-46A rejects the proposal, which is essentially the same proposal the city commission rejected in December 2025 but with additional onerous conditions. Resolution 2026-46B accepts the renewed proposal which would result in the payment to Ormond Beach of \$2,300,000.00 by Daytona Beach and the payment of \$200,000.00 by Avalon conditioned upon the waiver and relinquishment by Ormond Beach of the right to exercise certain sovereign powers.

In 2006, the cities of Ormond Beach and Daytona Beach mutually negotiated, mutually drafted, and mutually approved a Comprehensive Settlement Agreement and Mutual Release of Claims that resolved long-standing potable water and wastewater service area issues. The Daytona Beach city commission ratified and reaffirmed that mutually agreed upon settlement agreement in 2016. Under the comprehensive settlement agreement, Ormond Beach is to provide wholesale water to Daytona Beach and Daytona Beach will provide the water to customers in Ormond Beach's service area on a retail basis. Daytona Beach is Ormond Beach's customer. Avalon is neither a party to the comprehensive settlement agreement, nor a customer of Ormond Beach.

For nearly 20 years, from 2006 to 2023, Daytona Beach never objected to or raised concerns regarding the comprehensive settlement agreement and release of claims that had been mutually negotiated, drafted, approved, and subsequently ratified and affirmed. Importantly, Daytona

Beach never claimed that Ormond Beach violated the comprehensive settlement agreement. In fact, Ormond Beach has consistently indicated that it is ready, willing, and able to comply with the comprehensive settlement agreement.

In December 2024, Avalon Park Daytona and Avalon Park Land Holding sued Ormond Beach in a cooperative effort with Daytona Beach to invalidate the mutually agreed upon comprehensive settlement agreement and release of claims. Daytona Beach subsequently filed a claim against Ormond Beach. Daytona Beach does not want to comply with its financial obligations to Ormond Beach, and Avalon does not want to incur the expense of connecting utility lines to Ormond Beach and Daytona Beach's utility systems that will serve the entire development. Daytona Beach and Avalon do not contend that Ormond Beach has violated the comprehensive settlement agreement.

The city commission rejected a settlement proposal in December 2025. Daytona Beach and Avalon have re-submitted essentially the same proposal, but with several waivers and conditions that would impermissibly require the present and future city commissions to waive the exercise of sovereign powers; and for that reason, among others, I can neither endorse nor recommend the commission accept the renewed offer that it previously rejected.

Two resolutions have been prepared for your consideration. The first resolution (Resolution 2026-46A) rejects the renewed proposal by Daytona Beach and Avalon, and invites Daytona (through its city council) to engage with Ormond Beach (through our city commission) to engage in the conflict resolution process under Chapter 164, Florida Statutes, to resolve concerns that Daytona Beach (and Avalon) may have regarding performance that is required under the comprehensive settlement agreement. The second resolution (Resolution 2026-46B) would accept the renewed proposal by Daytona Beach and Avalon.

Financial Impact

N/A

Citizen Impact

N/A

Attachments

- 1. 26-46A Denial of Proposal
- 2. Settlement Agreement 3.13.2026
- 3. 26-46B Approve Settlement Resolution
- 4. Settlement Agreement 3.13.2026

RESOLUTION NO. 2026-46A

A RESOLUTION RELATING TO THE COMPREHENSIVE SETTLEMENT AGREEMENT AND MUTUAL RELEASE OF CLAIMS INCLUSIVE OF THE WATER AND WASTEWATER AGREEMENTS THEREIN THAT WERE MUTUALLY NEGOTIATED AND APPROVED IN 2006 BY THE CITY OF ORMOND BEACH AND CITY OF DAYTONA BEACH; CONSIDERING A PROPOSAL FROM AVALON PARK DAYTONA, LLC, AVALON PARK LAND HOLDING LP, AND THE CITY OF DAYTONA BEACH RELATED TO THE MEDIATION PROCESS REQUIRED BY THE COURT; REJECTING THE SAID PROPOSAL; INVITING THE CITY OF DAYTONA BEACH TO ENGAGE IN THE GOVERNMENTAL CONFLICT RESOLUTION PROCESS UNDER CHAPTER 164, FLORIDA STATUTES TO RESOLVE DISPUTED ISSUES; AND SETTING FORTH AN EFFECTIVE DATE.

WHEREAS, in 1962, the City of Ormond Beach annexed a 125-foot-wide corridor extending several miles west of I-95 for the purpose of protecting the City of Ormond Beach's utility service area and to prevent the City of Daytona Beach from annexing land around the City of Ormond Beach, thereby land-locking the City of Ormond Beach (similar to what has since occurred to the cities of Holly Hill and South Daytona), and to prevent the negative impacts from the development of lands annexed by Daytona Beach on the quality of life of Ormond Beach residents and taxpayers, and on Ormond Beach's infrastructure (such as recreation and cultural facilities, local roads, and police and fire services), and

WHEREAS, issues between the cities continued, resulting in a retail utility service area agreement in 1981 (which was amended in 1991 and 1992) with Daytona Beach's service area being the unincorporated lands south of the agreed upon service line, and Ormond Beach's service area being the unincorporated lands north of the agreed upon service line, and

WHEREAS, the 1991 amended agreement provided that the service area line

reflected the southernmost and northernmost future municipal boundaries west of Clyde Morris Boulevard of the respective cities and that neither city would annex into the other city's service area, and

WHEREAS, issues regarding the amended agreement resulted in litigation in 2001 during which Daytona Beach challenged the enforceability of the no-annexation provision; however, Daytona Beach did not challenge the validity of the amended agreement, and

WHEREAS, the court struck the no-annexation provision from the amended 1981 agreement because it contracted away the legislative power to annex; however, the court left in place the remaining provisions of the amended agreement pertaining to the retail utility service areas of the cities, and

WHEREAS, Daytona Beach subsequently annexed in 2003 approximately 3,000 acres of land in Ormond Beach's utility service area, also being situated in Ormond Beach's West Ormond Utility Service District, and

WHEREAS, in accordance with the requirements of the Florida Governmental Conflict Resolution Act, Chapter 164, Florida Statutes, the cities engaged in pre-suit negotiations to resolve the long-standing issues related to the service area lands, which resulted in a Comprehensive Settlement Agreement and Mutual Release of Claims in 2006 (inclusive of all known and unknown, and present and future claims) comprised of: (a) a Second Amended Water and Sewer Service Area Agreement, (b) an Interlocal Wholesale and Wastewater Treatment Service, (c) an Interlocal Agreement for the Operation, Administration and Maintenance of Finished Water Interconnects East [and West] of I-95, and

WHEREAS, under the mutually negotiated and approved Comprehensive

Settlement Agreement, Ormond Beach is to provide wholesale water and wastewater service to Daytona Beach at designated points of connection located in Ormond Beach for Daytona Beach's use in the Ormond Beach Service Area, and

WHEREAS, the Second Amended Water and Sewer Service Area Agreement of the Comprehensive Settlement Agreement and Mutual Release of Claims was subsequently amended by the parties in 2016 which ratified and reaffirmed the agreements, and

WHEREAS, for nearly twenty years, from 2006 to 2023, Daytona Beach never objected to or raised concerns regarding the 2006 Comprehensive Settlement Agreement and Mutual Release of Claims and amended agreements thereto, and Daytona Beach has never asserted that Ormond Beach was or is in violation of the Comprehensive Settlement Agreement and Mutual Release of Claims, and

WHEREAS, in 2018, Daytona Beach approved a Planned Development ("Minto-Tomoka PD") consisting of development both inside and outside of the Ormond Beach Service Area and requiring potable water and wastewater connections to both Daytona Beach and Ormond Beach utility systems, and

WHEREAS, in 2020 Avalon purchased the property which includes the Planned Development ("Minto-Tomoka PD"), and

WHEREAS, in 2021 Ormond Beach utility personnel provided Avalon unrestricted access to locate and test Ormond's Beach's potable water and wastewater utility system in preparation for the design of Avalon's future development, and

WHEREAS, the City of Ormond Beach has constructed over \$4,500,000.00 in improvements to its potable water and wastewater utility system in anticipation of providing

wholesale water and wastewater service to Daytona Beach for use in the Ormond Beach Service Area and stands ready, willing and able to provide such service, and

WHEREAS, on April 1, 2025 Avalon submitted applications to Daytona Beach for a major modification of the Planned Development (“Minto-Tomoka PD”), which includes annexation of additional properties, an amendment to Daytona Beach’s Comprehensive Land use Plan and requested waivers of numerous sections of the City of Daytona Beach Land Development Code.

WHEREAS, Avalon has determined that it does not wish to incur the expense of connecting to both Daytona Beach and Ormond Beach’s utility systems for its future development and instead, would prefer to receive all wholesale and retail potable water and wastewater service solely from Daytona Beach, and

WHEREAS, the City of Daytona Beach has determined that it is now dissatisfied with its monetary obligations to Ormond Beach under the Comprehensive Settlement Agreement and Mutual Release of Claims for the purchase of wholesale potable water and wastewater service to serve Avalon’s future development, and

WHEREAS, Avalon and the City of Daytona Beach filed a cooperative lawsuit in the Circuit Court against the City of Ormond Beach seeking to invalidate the Comprehensive Settlement Agreement and Mutual Release of Claims that was mutually negotiated and approved by Ormond Beach and Daytona Beach, and

WHEREAS, in response to Avalon and Daytona Beach’s cooperative lawsuit, Ormond Beach sought to engage Daytona Beach in the governmental conflict resolution process under Chapter 164, Florida Statutes, the same process by which the Comprehensive Settlement

Agreement and Mutual Release of Claims was mutually negotiated and approved, and

WHEREAS, The stated purpose of Chapter 164, Florida Statutes, is to promote, protect, and improve the public health, safety, and welfare and to enhance intergovernmental coordination efforts by the creation of a governmental conflict resolution procedure that can provide an equitable, expeditious, effective, and inexpensive method for resolution of conflicts between and among local and regional governmental entities, and

WHEREAS, Daytona Beach's staff rejected Ormond Beach's request to engage in the governmental conflict resolution process under Chapter 164, Florida Statutes, and instead chose to pursue its cooperative lawsuit with Avalon against Ormond Beach; and

WHEREAS, Avalon and Daytona Beach have now presented Ormond Beach with a joint settlement proposal seeking to pay Ormond Beach \$2,500,000.00 expressly conditioned on Ormond Beach waiving its rights under the mutually negotiated and approved Comprehensive Settlement Agreement and Mutual Release of Claims, including waivers related to the exercise of certain sovereign powers by the present and future city commissions regarding the provision of wholesale potable water and wastewater service; and to not raise any challenge to Avalon's future development including its land use applications, comprehensive plan amendments, permits or requested exemptions regardless of their lawfulness or impacts on the Ormond Beach community.

BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF ORMOND BEACH, FLORIDA, THAT:

SECTION ONE. The foregoing recitals are incorporated herein as the findings of the city commission.

SECTION TWO. The City of Ormond Beach hereby rejects Avalon and Daytona

Beach's settlement proposal as drafted, a copy of which is attached hereto.

SECTION THREE. In the interest of public policy, the City of Ormond Beach encourages the City of Daytona Beach to engage the City of Ormond Beach in the governmental conflict resolution process under Chapter 164, Florida Statutes, which was the very process by which the parties mutually negotiated, mutually drafted, and mutually resolved its previous disagreements.

SECTION FOUR. This Resolution shall take effect immediately upon its adoption.

APPROVED AND AUTHENTICATED this 31th day of March, 2026.

JASON LESLIE
Mayor

ATTEST:

SUSAN CARROLL DAUDERIS
City Clerk

MEDIATED SETTLEMENT AGREEMENT

THIS SETTLEMENT AGREEMENT (“Agreement”) is made and entered into on this _____ day of March 2026, by and between AVALON PARK DAYTONA, LLC, a Florida limited liability company, and AVALON PARK LAND HOLDING, LP (collectively, “Avalon”), and CITY OF ORMOND BEACH, FLORIDA, a Florida municipal corporation (“Ormond”), and CITY OF DAYTONA BEACH, FLORIDA, a Florida municipal corporation (“Daytona”).

RECITALS:

WHEREAS, on or about October 6, 2006, Ormond and Daytona entered a “Settlement Agreement and Mutual Release of Claims” regarding the provision of water and wastewater services to certain lands and customers, a copy of which is recorded at Book 5999, Page 307 of the Official Records of Volusia County, Florida (“2006 Settlement”); and

WHEREAS, pursuant to the 2006 Settlement, Ormond and Daytona executed an “Interlocal Wholesale Water and Wastewater Service Agreement,” a copy of which is recorded at Book 5949, Page 4142 of the Official Records of Volusia County, Florida (“2006 Interlocal Agreement”); and

WHEREAS, pursuant to the 2006 Settlement, Ormond and Daytona executed a “Second Amended Water and Sewer Service Area Agreement,” a copy of which is recorded at Book 5949, Page 4172 of the Official Records of Volusia County, Florida (“Second Amended Service Area Agreement”); and

WHEREAS, pursuant to the 2006 Settlement, Ormond and Daytona executed an “Interlocal Agreement for the Operation, Administration and Maintenance of Finished Water Interconnects East of I-95,” a copy of which is recorded at Book 5999, Page 301 of the Official Records of Volusia County, Florida (“Interconnect Interlocal Agreement”); and

WHEREAS, on or about December 7, 2016, Ormond and Daytona executed a “First Amendment to Second Amended Water and Sewer Services Area Agreement” (“First Amendment”), a copy of which is recorded at Book 7363, Page 2539 of the Official Records of Volusia County, Florida (collectively, the Second Amended Service Area Agreement, the Interconnect Interlocal Agreement, and the First Amendment are referred to herein as the “Amended Service Area Agreements”); and

WHEREAS, on or about November 19, 2018, Daytona approved the “Minto Tomoka – Parcel A Planned Development Agreement” for the development of 3,250 dwelling units and 200,000 square feet of non-residential use certain real property commonly referred to as Parcel A, a copy of said agreement being recorded at Book 7628, Page 3915 of the Official Records of Volusia County, Florida; and

DRAFT DATED 03-13-26

WHEREAS, on or about November 7, 2019, Daytona approved the “First Amendment to Tomoka – Parcel A Planned Development Agreement,” a copy of which is recorded at Book 7772, Page 645 of the Official Records of Volusia County, Florida; and

WHEREAS, on or about December 7, 2020, Avalon acquired the lands subject to the above-referenced planned development agreements, a copy of said Special Warranty Deed being recorded at Book 7954, Page 292 of the Official Records of Volusia County, Florida; and

WHEREAS, on or about April 12, 2021, and subsequent to Avalon’s property acquisition, Daytona approved the “First Minor Modification to Tomoka – Parcel A Planned Development Agreement,” a copy of which is recorded at Book 8027, Page 4191 of the Official Records of Volusia County, Florida, and, thereafter, the development became known as Avalon Park Daytona; and

WHEREAS, on May 5, 2021, Daytona adopted Resolution No. 2021-162, thereby approving Avalon’s Preliminary Plat for Phase 1 of Avalon Park Daytona consisting of 1,609 dwelling units and 90,000 square feet of non-residential use on Parcel A (“Phase 1 Preliminary Plat”); and

WHEREAS, subsequent to Daytona’s approval of the Phase 1 Preliminary Plat, Avalon made attempts to confirm which governmental entity, Ormond or Daytona, would be the provider of water and wastewater services to the Avalon Park Daytona Beach project, but was unable to receive confirmation necessary to proceed with a final plat for Phase 1 of Avalon Park Daytona; and

WHEREAS, on or about December 2, 2024, Avalon filed a lawsuit against Daytona and Ormond in the Circuit Court in and for Volusia County, Florida, for a declaratory judgment and a writ of mandamus, said case being styled *Avalon Park Daytona LLC, et al. v. City of Ormond Beach, et al.*, Case No. 2024 13870 CICI (“Litigation”); and

WHEREAS, on or about April 25, 2025, Daytona filed a Crossclaim against Ormond in the Litigation; and

WHEREAS, on or about June 9, 2025, Avalon filed an Amended Complaint in the Litigation; and

WHEREAS, on October 29, 2025, and January 21, 2026, Avalon, Ormond, and Daytona participated in formal Court-Ordered mediation conferences in the Litigation, and, thereafter, by and through their counsel, continued to explore various options to settle the Litigation; and

WHEREAS, on or about March 10, 2026, Avalon, by and through Todd Norman, Esquire, sent a written notice and demand letter to Ormond regarding an alleged federal takings claim (“March 10 Takings Notice”); and

WHEREAS, Avalon, Ormond, and Daytona desire to enter into this Agreement for the purposes of resolving the Litigation and related disputes, are motivated by a desire to avoid the costs, time, and uncertainty associated with further litigation and to arrive at a fair and reasonable agreement to resolve their dispute.

NOW, THEREFORE, in consideration of the terms and mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Avalon, Ormond, and Daytona (collectively, the “Parties”), intending to be legally bound, agree as follows:

1. **Recitals**. The above-referenced recitals are true and correct and are hereby incorporated into this Agreement for all purposes.

2. **Terms of Agreement**. In connection with the Parties’ mutual execution of this Agreement and the covenants and terms herein, the Parties agree as follows:

- A. Within twenty (20) days of the recording by Daytona of a fully-executed copy of this Agreement in the Official Records of Volusia County, Florida: (1) Daytona shall deliver a lump sum payment in the amount of \$2,300,000.00 to Ormond; and (2) Avalon shall deliver a lump sum payment in the amount of \$200,000.00 to Ormond (collectively, the “Settlement Payments”).
- B. Based upon the Settlement Payments and in consideration thereof, Ormond and Daytona hereby mutually terminate the 2006 Interlocal Agreement and the Amended Service Area Agreements in part by terminating in full their application to Ormond’s Service Area Boundary located west of Interstate 95 with respect to the following areas: (1) all property located within the corporate limits of Daytona, including the Avalon Park Daytona development; and (2) those parcels identified in applications DEV2025-217, DEV2025-218, and DEV2025-219 that Avalon has filed with Daytona. In this regard, Ormond shall terminate that portion of its Chapter 180 utility service area that includes any property located west of Interstate 95 within the jurisdiction of the City of Daytona Beach and the property described in DEV2025-219 and hereby waives any right Ormond has or may have to provide water and wastewater services to such property.
- C. In addition to the partial termination of the 2006 Interlocal Agreement and the Amended Service Area Agreements as provided in Paragraph B above, Ormond hereby waives, relinquishes, and acknowledges that it no longer has any claim or legal right to provide water or wastewater services, whether wholesale, retail or otherwise, or to future lost revenue or profit, or for reimbursement of costs previously committed or incurred in anticipation of the provision of water or wastewater service, with respect to the Service Area Boundary, as described above, west of Interstate 95 within the corporate limits of Daytona or property described in DEV2025-217, DEV2025-218 and DEV2025-219. Consistent therewith, Ormond’s approval and consent is not required for, and Ormond may not veto, the provision of water or wastewater services by Daytona Beach or otherwise for the

Avalon Park Daytona development, including that property described in DEV2025-217, DEV2025-218 and DEV2025-219.

- D. Except as modified and mutually terminated above, the 2006 Interlocal Agreement and Amended Service Area Agreements shall remain in full force and effect as to all other properties, areas, and provisions, including, without limitation, all areas east of Interstate 95, any other unincorporated areas west of Interstate 95, and the provisions for bulk potable water purchases by Ormond from Daytona. To the extent there is any conflict or inconsistency between this Agreement and the 2006 Interlocal Agreement and Amended Service Area Agreements, this Agreement shall take precedence and govern.
- E. In consideration of Ormond's termination and waiver of any right to serve the property described in DEV2025-219, Avalon hereby releases, acquits, satisfies, and forever discharges Ormond, including its elected officials and employees, and any and all affiliates, legal representatives, insurance carriers, successors, and assigns thereof, from any and all claims and potential causes of action referenced in the March 10 Takings Notice.
- F. The Parties expressly agree to bear the fees and costs of their respective counsel, experts, and consultants in the Litigation and in the preparation of this Agreement, and the Parties expressly waive any and all rights to pursue an award of attorneys' fees and costs in the Litigation, except as otherwise provided herein with respect to the enforcement of this Agreement.
- G. This Agreement shall be submitted to and approved by Court Order in the Litigation, and within ten (10) days thereafter, Daytona shall record a fully executed copy of this Agreement in the Official Records of Volusia County, Florida.
- H. Upon the Court's entry of an Order in the Litigation accepting and approving of this Agreement: (1) Avalon shall file a notice of dismissal of its Amended Complaint with prejudice in the Litigation; and (2) Daytona shall file a notice of dismissal of its Crossclaim with prejudice in the Litigation.

3. **Nature and Effect of Agreement.**

- (a) Each Party represents and warrants that it has taken (or will take) all corporate, partnership and/or other action on its part necessary for the authorization, execution and delivery of this Agreement, and that this Agreement constitutes a legal, valid and binding obligation, enforceable in accordance with its terms.
- (b) Each Party represents and warrants that it has not assigned or encumbered any of the rights granted in this Agreement, that such rights are free and clear of any liens or encumbrances, and that the Party is free to grant all such rights.

- (c) This Agreement is entered into by the Parties without reliance upon any statement, representation or promise not expressly contained within this Settlement Agreement.
- (d) Each Party has cooperated in the drafting and preparation of this Agreement. Consequently, this Agreement shall not be construed against any Party on the basis that one such Party was the drafter of the Agreement. The headings are for the convenience of the Parties and are not to be used in construing the meaning of any provision of this Agreement.
- (e) The Parties acknowledge that they have been represented by independent legal counsel of their own choice throughout all of the negotiations that preceded the execution of this Agreement, and that they have executed this Agreement with the consent of, and on the advice of, such independent legal counsel. The Parties further acknowledge that they and their counsel have had adequate opportunity to make whatever investigation or inquiry that they may deem necessary or desirable in connection with the subject matter of this Agreement prior to the execution hereof, and the delivery and acceptance of the consideration specified herein.

4. **No Admission of Liability.** This Settlement Agreement constitutes a compromise and settlement of disputed claims including the Action and is made solely to avoid expensive and time-consuming litigation. This Settlement Agreement shall not be construed as an admission of liability, wrongdoing, fault, judgment, or concession, by the Parties to this Agreement, and may not be used by the Parties for any purpose in any future litigation or other dispute resolution process, except in an action to enforce the terms of this Agreement.

5. **Unknown Claims.** Each Party acknowledges that it may hereafter discover claims or facts in addition to, or different from, those it now knows or believes to exist with respect to the Litigation, which, if known or suspected at the time of execution of this Agreement, may have materially affected the settlement embodied herein, and nonetheless, the release in Paragraph 9 herein applies to any such additional or different claims or facts.

6. **Governing Law; Venue.** This Agreement shall be construed, interpreted, enforced, and governed in accordance with the laws of the State of Florida. Venue for any action arising out of or related to this Agreement shall be in Volusia County, Florida.

7. **Binding Effect.** This Agreement shall be binding upon and shall inure to the benefit of the respective successors, heirs, assigns, agents, trustees, and representatives of the Parties.

8. **Non-Waiver.** Failure by the Parties to insist upon the strict performance of any of the terms, conditions, or provisions of this Agreement shall not be deemed to be a waiver of such terms, conditions, and provisions, and any Party, notwithstanding such failure, shall have the right

hereafter to insist upon the strict performance of any or all such terms and conditions of this Agreement as set forth herein.

9. **Mutual Releases.**

- A. Avalon hereby waives and releases, acquits, satisfies, and forever discharges Ormond and Daytona, including their elected officials and employees, and any and all affiliates, legal representatives, insurance carriers, successors, and assigns thereof (collectively, the “City Related Parties”), from the claims raised by any Party in the Litigation as of the Effective Date of this Agreement. The release set forth in this provision does not apply to any rights granted by or arising from this Agreement. For the avoidance of doubt, nothing herein shall be considered a waiver of rights to future utility and related services provided by Daytona.
- B. Daytona hereby waives and releases, acquits, satisfies, and forever discharges Avalon and Ormond, including their legal representatives, insurance carriers, successors, heirs, and assigns thereof (collectively, the “Related Parties”), from the claims raised by any Party in the Litigation as of the Effective Date of this Agreement. The release set forth in this provision does not apply to any rights granted by or arising from this Agreement.
- C. Ormond hereby waives and releases, acquits, satisfies, and forever discharges Avalon and Daytona, including their legal representatives, insurance carriers, successors, heirs, and assigns thereof (collectively, the “Related Parties”), from the claims raised by any Party in the Litigation as of the Effective Date of this Agreement. The release set forth in this provision does not apply to any rights granted by or arising from this Agreement.
- D. Ormond covenants and agrees that it shall not challenge or fund a challenge, or otherwise litigate, directly or indirectly, the Avalon Park Daytona development, including any land use approvals, comprehensive plan amendments, permits, authorizations, or exemptions related thereto, including DEV2025-217, DEV2025-218 and DEV2025-219, whether issued by Daytona, the Florida Department of Environmental Protection, the St. Johns River Water Management District, or any other federal, state or local agency.
- E. The releases and covenants set forth in this section do not become effective and binding upon the Parties until the Effective Date of this Agreement as defined in Section 19 below.

10. **Construction; Headings.** The Parties acknowledge that they participated in the negotiation and drafting of the terms of this Agreement and acknowledge that no provision shall be strictly construed against one party or the other based solely on draftsmanship. The Parties have entered into this Agreement without duress, coercion, or under undue influence of any kind, and are motivated by a desire to avoid the costs, time, and uncertainty associated with litigation, including the Litigation, and to arrive at a fair and reasonable agreement with regard to the Parties' dispute. The Parties acknowledge that they enter into this Agreement freely and voluntarily. All sections and descriptive headings in this Agreement are inserted for convenience only, and shall neither affect the construction or interpretation hereof, nor add or subtract from the meaning of the contents of each section.

11. **Interpretation.** This Agreement shall be read and interpreted in such a manner as to give all provisions their ordinary and customary meaning, and all words, terms, and phrases not otherwise specifically defined by a capitalized term or otherwise shall have the same meaning and interpretation as customarily used among lay persons. The terms "hereby," "hereof," "herein," "hereto," "hereunder," and any similar terms refer to this Agreement in its entirety and not solely to the particular section or paragraph in which the term is used. All words, terms, and phrases specifically defined by a capitalized term shall apply throughout this Agreement in its entirety and not solely to the particular section or paragraph in which the term is used. In construing this Agreement, the singular shall be held to include the plural, the plural shall include the singular, and the use of any gender shall include every other and all genders.

12. **Entire Agreement; Amendments.** This Agreement represents the entire understanding and agreement between the Parties with respect to the subject matter hereof. No representations have been made, either express or implied by the Parties, other than those expressly set forth in this Agreement. This Agreement or any part hereof may not be changed, amended, waived, discharged, or terminated except by an instrument in writing, executed by all Parties.

13. **Enforcement; Remedies.** The Parties shall have all equitable and legal remedies available under Florida law to enforce the terms and conditions of this Agreement, and the terms of this Agreement shall be specifically enforceable in court. In the event of any dispute hereunder or any action to interpret or enforce this Agreement, any provision hereof, or any matter arising here from, the prevailing party shall be paid by the non-prevailing party the reasonable attorneys' fees and costs incurred in enforcing its rights and remedies, whether incurred at the pre-trial, trial, or appellate levels, including any fees and costs incurred in determining the amount of awardable fees.

14. **Severability.** If any part of this Agreement is found invalid or unenforceable by any court of competent jurisdiction, such invalidity or unenforceability shall not affect the other parts of this Agreement if the rights and obligations of the parties contained therein are not materially prejudiced and if the intentions of the parties can continue to be effectuated. To that end, this Agreement is declared severable.

15. **Disclaimer of Third-Party Beneficiaries.** This Agreement is solely for the benefit of the Parties and no right or cause of action shall accrue by reason hereof to or for the benefit of any third party. Nothing in this Agreement, expressed or implied, is intended or shall be construed

to confer upon or give any other third person or entity any right, remedy, or claim under or by reason of this Agreement or any provisions or conditions hereof, other than as expressly stated herein.

16. **Purpose of this Agreement; Not Establishing Precedent.** By entering into this Agreement, the Parties do not admit any liability whatsoever to the other, or to any other person, arising out of any claims asserted in the Litigation, and expressly deny any and all such liability. The Parties acknowledge and agree that this Agreement is not intended by any Party to be construed, and shall not be construed, as an admission by any Party of any liability or violation of any law, statute, ordinance, regulation, agreement, or other legal duty of any nature whatsoever. Rather, this Agreement is for the compromise of potential and disputed claims, involving both fact and law, and the Parties enter into this Agreement in a spirit of cooperation for the purpose of ending litigation, including the Litigation, and in recognition of the desire for the speedy and reasonable resolution of the Parties' dispute. The acceptance of proposals for purposes of this Agreement is part of a mediated settlement affecting many factual and legal issues and is not an endorsement of, and does not establish precedent for, the use of these proposals in any other circumstances.

17. **Notices.** All notices and other communications required hereunder shall be in writing and shall be delivered personally, or by registered or certified mail, return receipt requested, postage prepaid, or by Federal Express or other nationally recognized overnight commercial delivery service, fees prepaid for next day delivery. Such notices shall be deemed to have been received: (i) upon delivery, if personally delivered; (ii) upon the earlier of actual receipt or the third day after mailing, if mailed by registered or certified United States mail, return receipt requested, postage prepaid; and (iii) upon the earlier of actual receipt or the next business day if sent by Federal Express or other nationally recognized overnight commercial delivery service, if fees are prepaid for next day delivery. The addresses for delivery of such notices shall be as follows:

(a) To Avalon

Avalon Park Daytona Park, LLC
c/o Marybel Defillo, Registered Agent
3801 Avalon Park E. Blvd., Suite 400
Orlando, Florida 32828

Avalon Park Daytona Land Holding, LP
c/o Marybel Defillo, Registered Agent
3801 Avalon Park E. Blvd., Suite 400
Orlando, Florida 32828

With a copy to:

S. Brent Spain, Esquire
Theriaque & Spain
1809 Edgewater Drive

Orlando, Florida 32804

And with an additional copy to:

Todd K. Norman, Esquire
Nelson Mullins
390 N. Orange Ave., Suite 1400
Orlando, Florida 32801

(b) To Ormond Beach

Joyce Shanahan, City Manager
City of Ormond Beach
22 S. Beach Street
Ormond Beach, Florida 32174

With a copy to:

Randy Hayes, Esquire
City of Ormond Beach
22 S. Beach Street
Ormond Beach, Florida 32174

(c) To Daytona Beach

Deric C. Feacher, City Manager
City of Daytona Beach
301 South Ridgewood Avenue
Daytona Beach, Florida 32114-4933

With a copy to:

Ben Gross, Esquire
City of Daytona Beach
301 South Ridgewood Avenue
Daytona Beach, Florida 32114-4933

or to such other address as any party hereto shall from time to time designate to the other party by notice in writing as herein provided.

18. **Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed to be an original and need not be signed by more than one of the Parties hereto and all of which shall constitute one and the same agreement. The Parties hereto further agree that each Party shall execute and deliver all other appropriate supplemental agreements and other

instruments, and take any other action necessary to make this Agreement fully and legally effective, binding, and enforceable as between them and as against third parties.

19. **Effective Date.** This Agreement and the terms herein, including the partial termination of the 2006 Interlocal Agreement and Amended Service Area Agreements, the Parties' waivers, and the Parties' releases, shall become effective upon the rendition of the Court's Order in the Litigation accepting and approving this Agreement. In the event the Court does not enter an Order in the Litigation accepting and approving this Agreement, this Agreement, including any and all obligations, releases, and waivers herein, shall be null and void and the Parties shall retain all of their rights to continue with the Litigation and all other legal recourse.

20. **Notice and Cure.** If a Party believes that another Party has breached this Agreement, the aggrieved Party shall furnish the other Party with a written notice (in accordance with Paragraph 17) that must describe the perceived breach and, if possible, how the breach can be cured ("Cure Notice"). No later than five (5) business days after receipt of the Cure Notice, the Party receiving the Cure Notice shall cure the breach and provide to the other Party a written description of all steps taken to conform with the terms of this Agreement. The Parties may not file any motion or action to enforce or construe this Agreement before the other Party has had at least five (5) business days to cure the breach after receiving written notice.

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21. **WAIVER OF JURY TRIAL. THE PARTIES HEREBY KNOWINGLY, VOLUNTARILY, AND INTENTIONALLY WAIVE ANY RIGHT TO A JURY TRIAL WITH RESPECT TO ANY CLAIMS ARISING IN CONNECTION WITH THIS AGREEMENT.**

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed in a manner sufficient to bind them on the day and year identified above.

Signed, sealed, and delivered before me:

CITY OF DAYTONA BEACH, FLORIDA, a
Florida municipal corporation,

By: _____

Title: _____

Date: _____

ATTEST:

Letitia LaMagna, City Clerk

APPROVED AS TO FORM AND LEGALITY:

Ben Gross, City Attorney

CITY OF ORMOND BEACH, FLORIDA, a
Florida municipal corporation,

By: _____

Title: _____

Date: _____

ATTEST:

Susan Dauderis, City Clerk

APPROVED AS TO FORM AND LEGALITY:

Randy Hayes, City Attorney

WITNESSES

AVALON PARK DAYTONA, LLC, a Florida limited liability company,

Print Name: _____

By: J. Acquisitions Daytona, LLC, a Florida limited liability company, its manager,

Print Name: _____

Name: _____
Jeffry B. Fuqua

Its: Manager

Date: _____

STATE OF FLORIDA

COUNTY OF _____

The foregoing instrument was acknowledged before me by means of [] physical presence or [] online notarization, this ____ day of March 2026, by Jeffry B. Fuqua, as Manager of J. Acquisitions Daytona, LLC, a Florida limited liability company, as manager of Avalon Park Daytona, LLC, a Florida limited liability company, on behalf of said entity. Said person [] is personally known to me or [] has produced _____ as identification.

(Notary Seal)

Printed Name: _____
Notary Public, State of _____
Commission No. _____
My commission expires: _____

WITNESSES

AVALON PARK DAYTONA LAND HOLDING, LP, a Florida limited liability partnership,

Print Name: _____

By: APD Land Holding GP, Inc., a Florida corporation, its general partner,

Print Name: _____

Name: _____
Beat Kahli

Its: President

Date: _____

STATE OF FLORIDA

COUNTY OF ORANGE

The foregoing instrument was acknowledged before me by means of [] physical presence or [] online notarization, this ____ day of March 2026, by Beat Kahli, as President of APD Land Holding GP, Inc, a Florida corporation, as general partner of Avalon Park Daytona Land Holding, LP, a Florida limited partnership, on behalf of said entity. Said person [] is personally known to me or [] has produced _____ as identification.

(Notary Seal)

Printed Name: _____
Notary Public, State of _____
Commission No. _____
My commission expires: _____

RESOLUTION NO. 2026-46B

A RESOLUTION APPROVING AN OFFER TO SETTLE PENDING LITIGATION FILED BY AVALON PARK DAYTONA, LLC, AVALON PARK DAYTONA LAND HOLDING, LP, AND THE CITY OF DAYTONA BEACH; AUTHORIZING THE EXECUTION OF ALL PAPERS NECESSARY AND INCIDENTAL THERETO; AND SETTING FORTH AN EFFECTIVE DATE.

BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF ORMOND BEACH, FLORIDA, THAT:

SECTION ONE. The city commission hereby approves the settlement offer attached hereto between the city and above referenced plaintiffs, for the complete settlement and dismissal with prejudice of the following pending litigation matters: Avalon Park Daytona LLC, et. al., v. the City of Ormond Beach, 2024 13870 CICI, Volusia County Circuit Court.; and Avalon Park Daytona LLC, et. al., v. City of Ormond Beach, U.S. District Court, Middle District, Orland Division, Case No. 6:26-cv-00658 2026, and all claims related thereto. The settlement shall include all claims by the plaintiffs against the city of Ormond Beach.

SECTION TWO. The mayor, city manager, and the city's attorneys or their designees are hereby authorized and directed to execute any and all papers that are necessary and incidental to effectuate the settlement of the above captioned litigation matter, including the payment of said settlement proceeds. A copy of the settlement agreement is attached hereto.

SECTION THREE. This Resolution shall take effect immediately upon its adoption.

APPROVED AND AUTHENTICATED this 31th day of March, 2026.

JASON LESLIE
Mayor

ATTEST:

SUSAN CARROLL DAUDERIS
City Clerk

MEDIATED SETTLEMENT AGREEMENT

THIS SETTLEMENT AGREEMENT (“Agreement”) is made and entered into on this _____ day of March 2026, by and between AVALON PARK DAYTONA, LLC, a Florida limited liability company, and AVALON PARK LAND HOLDING, LP (collectively, “Avalon”), and CITY OF ORMOND BEACH, FLORIDA, a Florida municipal corporation (“Ormond”), and CITY OF DAYTONA BEACH, FLORIDA, a Florida municipal corporation (“Daytona”).

RECITALS:

WHEREAS, on or about October 6, 2006, Ormond and Daytona entered a “Settlement Agreement and Mutual Release of Claims” regarding the provision of water and wastewater services to certain lands and customers, a copy of which is recorded at Book 5999, Page 307 of the Official Records of Volusia County, Florida (“2006 Settlement”); and

WHEREAS, pursuant to the 2006 Settlement, Ormond and Daytona executed an “Interlocal Wholesale Water and Wastewater Service Agreement,” a copy of which is recorded at Book 5949, Page 4142 of the Official Records of Volusia County, Florida (“2006 Interlocal Agreement”); and

WHEREAS, pursuant to the 2006 Settlement, Ormond and Daytona executed a “Second Amended Water and Sewer Service Area Agreement,” a copy of which is recorded at Book 5949, Page 4172 of the Official Records of Volusia County, Florida (“Second Amended Service Area Agreement”); and

WHEREAS, pursuant to the 2006 Settlement, Ormond and Daytona executed an “Interlocal Agreement for the Operation, Administration and Maintenance of Finished Water Interconnects East of I-95,” a copy of which is recorded at Book 5999, Page 301 of the Official Records of Volusia County, Florida (“Interconnect Interlocal Agreement”); and

WHEREAS, on or about December 7, 2016, Ormond and Daytona executed a “First Amendment to Second Amended Water and Sewer Services Area Agreement” (“First Amendment”), a copy of which is recorded at Book 7363, Page 2539 of the Official Records of Volusia County, Florida (collectively, the Second Amended Service Area Agreement, the Interconnect Interlocal Agreement, and the First Amendment are referred to herein as the “Amended Service Area Agreements”); and

WHEREAS, on or about November 19, 2018, Daytona approved the “Minto Tomoka – Parcel A Planned Development Agreement” for the development of 3,250 dwelling units and 200,000 square feet of non-residential use certain real property commonly referred to as Parcel A, a copy of said agreement being recorded at Book 7628, Page 3915 of the Official Records of Volusia County, Florida; and

DRAFT DATED 03-13-26

WHEREAS, on or about November 7, 2019, Daytona approved the “First Amendment to Tomoka – Parcel A Planned Development Agreement,” a copy of which is recorded at Book 7772, Page 645 of the Official Records of Volusia County, Florida; and

WHEREAS, on or about December 7, 2020, Avalon acquired the lands subject to the above-referenced planned development agreements, a copy of said Special Warranty Deed being recorded at Book 7954, Page 292 of the Official Records of Volusia County, Florida; and

WHEREAS, on or about April 12, 2021, and subsequent to Avalon’s property acquisition, Daytona approved the “First Minor Modification to Tomoka – Parcel A Planned Development Agreement,” a copy of which is recorded at Book 8027, Page 4191 of the Official Records of Volusia County, Florida, and, thereafter, the development became known as Avalon Park Daytona; and

WHEREAS, on May 5, 2021, Daytona adopted Resolution No. 2021-162, thereby approving Avalon’s Preliminary Plat for Phase 1 of Avalon Park Daytona consisting of 1,609 dwelling units and 90,000 square feet of non-residential use on Parcel A (“Phase 1 Preliminary Plat”); and

WHEREAS, subsequent to Daytona’s approval of the Phase 1 Preliminary Plat, Avalon made attempts to confirm which governmental entity, Ormond or Daytona, would be the provider of water and wastewater services to the Avalon Park Daytona Beach project, but was unable to receive confirmation necessary to proceed with a final plat for Phase 1 of Avalon Park Daytona; and

WHEREAS, on or about December 2, 2024, Avalon filed a lawsuit against Daytona and Ormond in the Circuit Court in and for Volusia County, Florida, for a declaratory judgment and a writ of mandamus, said case being styled *Avalon Park Daytona LLC, et al. v. City of Ormond Beach, et al.*, Case No. 2024 13870 CICI (“Litigation”); and

WHEREAS, on or about April 25, 2025, Daytona filed a Crossclaim against Ormond in the Litigation; and

WHEREAS, on or about June 9, 2025, Avalon filed an Amended Complaint in the Litigation; and

WHEREAS, on October 29, 2025, and January 21, 2026, Avalon, Ormond, and Daytona participated in formal Court-Ordered mediation conferences in the Litigation, and, thereafter, by and through their counsel, continued to explore various options to settle the Litigation; and

WHEREAS, on or about March 10, 2026, Avalon, by and through Todd Norman, Esquire, sent a written notice and demand letter to Ormond regarding an alleged federal takings claim (“March 10 Takings Notice”); and

WHEREAS, Avalon, Ormond, and Daytona desire to enter into this Agreement for the purposes of resolving the Litigation and related disputes, are motivated by a desire to avoid the costs, time, and uncertainty associated with further litigation and to arrive at a fair and reasonable agreement to resolve their dispute.

NOW, THEREFORE, in consideration of the terms and mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Avalon, Ormond, and Daytona (collectively, the “Parties”), intending to be legally bound, agree as follows:

1. **Recitals**. The above-referenced recitals are true and correct and are hereby incorporated into this Agreement for all purposes.

2. **Terms of Agreement**. In connection with the Parties’ mutual execution of this Agreement and the covenants and terms herein, the Parties agree as follows:

- A. Within twenty (20) days of the recording by Daytona of a fully-executed copy of this Agreement in the Official Records of Volusia County, Florida: (1) Daytona shall deliver a lump sum payment in the amount of \$2,300,000.00 to Ormond; and (2) Avalon shall deliver a lump sum payment in the amount of \$200,000.00 to Ormond (collectively, the “Settlement Payments”).
- B. Based upon the Settlement Payments and in consideration thereof, Ormond and Daytona hereby mutually terminate the 2006 Interlocal Agreement and the Amended Service Area Agreements in part by terminating in full their application to Ormond’s Service Area Boundary located west of Interstate 95 with respect to the following areas: (1) all property located within the corporate limits of Daytona, including the Avalon Park Daytona development; and (2) those parcels identified in applications DEV2025-217, DEV2025-218, and DEV2025-219 that Avalon has filed with Daytona. In this regard, Ormond shall terminate that portion of its Chapter 180 utility service area that includes any property located west of Interstate 95 within the jurisdiction of the City of Daytona Beach and the property described in DEV2025-219 and hereby waives any right Ormond has or may have to provide water and wastewater services to such property.
- C. In addition to the partial termination of the 2006 Interlocal Agreement and the Amended Service Area Agreements as provided in Paragraph B above, Ormond hereby waives, relinquishes, and acknowledges that it no longer has any claim or legal right to provide water or wastewater services, whether wholesale, retail or otherwise, or to future lost revenue or profit, or for reimbursement of costs previously committed or incurred in anticipation of the provision of water or wastewater service, with respect to the Service Area Boundary, as described above, west of Interstate 95 within the corporate limits of Daytona or property described in DEV2025-217, DEV2025-218 and DEV2025-219. Consistent therewith, Ormond’s approval and consent is not required for, and Ormond may not veto, the provision of water or wastewater services by Daytona Beach or otherwise for the

Avalon Park Daytona development, including that property described in DEV2025-217, DEV2025-218 and DEV2025-219.

- D. Except as modified and mutually terminated above, the 2006 Interlocal Agreement and Amended Service Area Agreements shall remain in full force and effect as to all other properties, areas, and provisions, including, without limitation, all areas east of Interstate 95, any other unincorporated areas west of Interstate 95, and the provisions for bulk potable water purchases by Ormond from Daytona. To the extent there is any conflict or inconsistency between this Agreement and the 2006 Interlocal Agreement and Amended Service Area Agreements, this Agreement shall take precedence and govern.
- E. In consideration of Ormond's termination and waiver of any right to serve the property described in DEV2025-219, Avalon hereby releases, acquits, satisfies, and forever discharges Ormond, including its elected officials and employees, and any and all affiliates, legal representatives, insurance carriers, successors, and assigns thereof, from any and all claims and potential causes of action referenced in the March 10 Takings Notice.
- F. The Parties expressly agree to bear the fees and costs of their respective counsel, experts, and consultants in the Litigation and in the preparation of this Agreement, and the Parties expressly waive any and all rights to pursue an award of attorneys' fees and costs in the Litigation, except as otherwise provided herein with respect to the enforcement of this Agreement.
- G. This Agreement shall be submitted to and approved by Court Order in the Litigation, and within ten (10) days thereafter, Daytona shall record a fully executed copy of this Agreement in the Official Records of Volusia County, Florida.
- H. Upon the Court's entry of an Order in the Litigation accepting and approving of this Agreement: (1) Avalon shall file a notice of dismissal of its Amended Complaint with prejudice in the Litigation; and (2) Daytona shall file a notice of dismissal of its Crossclaim with prejudice in the Litigation.

3. **Nature and Effect of Agreement.**

- (a) Each Party represents and warrants that it has taken (or will take) all corporate, partnership and/or other action on its part necessary for the authorization, execution and delivery of this Agreement, and that this Agreement constitutes a legal, valid and binding obligation, enforceable in accordance with its terms.
- (b) Each Party represents and warrants that it has not assigned or encumbered any of the rights granted in this Agreement, that such rights are free and clear of any liens or encumbrances, and that the Party is free to grant all such rights.

- (c) This Agreement is entered into by the Parties without reliance upon any statement, representation or promise not expressly contained within this Settlement Agreement.
- (d) Each Party has cooperated in the drafting and preparation of this Agreement. Consequently, this Agreement shall not be construed against any Party on the basis that one such Party was the drafter of the Agreement. The headings are for the convenience of the Parties and are not to be used in construing the meaning of any provision of this Agreement.
- (e) The Parties acknowledge that they have been represented by independent legal counsel of their own choice throughout all of the negotiations that preceded the execution of this Agreement, and that they have executed this Agreement with the consent of, and on the advice of, such independent legal counsel. The Parties further acknowledge that they and their counsel have had adequate opportunity to make whatever investigation or inquiry that they may deem necessary or desirable in connection with the subject matter of this Agreement prior to the execution hereof, and the delivery and acceptance of the consideration specified herein.

4. **No Admission of Liability.** This Settlement Agreement constitutes a compromise and settlement of disputed claims including the Action and is made solely to avoid expensive and time-consuming litigation. This Settlement Agreement shall not be construed as an admission of liability, wrongdoing, fault, judgment, or concession, by the Parties to this Agreement, and may not be used by the Parties for any purpose in any future litigation or other dispute resolution process, except in an action to enforce the terms of this Agreement.

5. **Unknown Claims.** Each Party acknowledges that it may hereafter discover claims or facts in addition to, or different from, those it now knows or believes to exist with respect to the Litigation, which, if known or suspected at the time of execution of this Agreement, may have materially affected the settlement embodied herein, and nonetheless, the release in Paragraph 9 herein applies to any such additional or different claims or facts.

6. **Governing Law; Venue.** This Agreement shall be construed, interpreted, enforced, and governed in accordance with the laws of the State of Florida. Venue for any action arising out of or related to this Agreement shall be in Volusia County, Florida.

7. **Binding Effect.** This Agreement shall be binding upon and shall inure to the benefit of the respective successors, heirs, assigns, agents, trustees, and representatives of the Parties.

8. **Non-Waiver.** Failure by the Parties to insist upon the strict performance of any of the terms, conditions, or provisions of this Agreement shall not be deemed to be a waiver of such terms, conditions, and provisions, and any Party, notwithstanding such failure, shall have the right

hereafter to insist upon the strict performance of any or all such terms and conditions of this Agreement as set forth herein.

9. **Mutual Releases.**

- A. Avalon hereby waives and releases, acquits, satisfies, and forever discharges Ormond and Daytona, including their elected officials and employees, and any and all affiliates, legal representatives, insurance carriers, successors, and assigns thereof (collectively, the “City Related Parties”), from the claims raised by any Party in the Litigation as of the Effective Date of this Agreement. The release set forth in this provision does not apply to any rights granted by or arising from this Agreement. For the avoidance of doubt, nothing herein shall be considered a waiver of rights to future utility and related services provided by Daytona.
- B. Daytona hereby waives and releases, acquits, satisfies, and forever discharges Avalon and Ormond, including their legal representatives, insurance carriers, successors, heirs, and assigns thereof (collectively, the “Related Parties”), from the claims raised by any Party in the Litigation as of the Effective Date of this Agreement. The release set forth in this provision does not apply to any rights granted by or arising from this Agreement.
- C. Ormond hereby waives and releases, acquits, satisfies, and forever discharges Avalon and Daytona, including their legal representatives, insurance carriers, successors, heirs, and assigns thereof (collectively, the “Related Parties”), from the claims raised by any Party in the Litigation as of the Effective Date of this Agreement. The release set forth in this provision does not apply to any rights granted by or arising from this Agreement.
- D. Ormond covenants and agrees that it shall not challenge or fund a challenge, or otherwise litigate, directly or indirectly, the Avalon Park Daytona development, including any land use approvals, comprehensive plan amendments, permits, authorizations, or exemptions related thereto, including DEV2025-217, DEV2025-218 and DEV2025-219, whether issued by Daytona, the Florida Department of Environmental Protection, the St. Johns River Water Management District, or any other federal, state or local agency.
- E. The releases and covenants set forth in this section do not become effective and binding upon the Parties until the Effective Date of this Agreement as defined in Section 19 below.

10. **Construction; Headings.** The Parties acknowledge that they participated in the negotiation and drafting of the terms of this Agreement and acknowledge that no provision shall be strictly construed against one party or the other based solely on draftsmanship. The Parties have entered into this Agreement without duress, coercion, or under undue influence of any kind, and are motivated by a desire to avoid the costs, time, and uncertainty associated with litigation, including the Litigation, and to arrive at a fair and reasonable agreement with regard to the Parties' dispute. The Parties acknowledge that they enter into this Agreement freely and voluntarily. All sections and descriptive headings in this Agreement are inserted for convenience only, and shall neither affect the construction or interpretation hereof, nor add or subtract from the meaning of the contents of each section.

11. **Interpretation.** This Agreement shall be read and interpreted in such a manner as to give all provisions their ordinary and customary meaning, and all words, terms, and phrases not otherwise specifically defined by a capitalized term or otherwise shall have the same meaning and interpretation as customarily used among lay persons. The terms "hereby," "hereof," "herein," "hereto," "hereunder," and any similar terms refer to this Agreement in its entirety and not solely to the particular section or paragraph in which the term is used. All words, terms, and phrases specifically defined by a capitalized term shall apply throughout this Agreement in its entirety and not solely to the particular section or paragraph in which the term is used. In construing this Agreement, the singular shall be held to include the plural, the plural shall include the singular, and the use of any gender shall include every other and all genders.

12. **Entire Agreement; Amendments.** This Agreement represents the entire understanding and agreement between the Parties with respect to the subject matter hereof. No representations have been made, either express or implied by the Parties, other than those expressly set forth in this Agreement. This Agreement or any part hereof may not be changed, amended, waived, discharged, or terminated except by an instrument in writing, executed by all Parties.

13. **Enforcement; Remedies.** The Parties shall have all equitable and legal remedies available under Florida law to enforce the terms and conditions of this Agreement, and the terms of this Agreement shall be specifically enforceable in court. In the event of any dispute hereunder or any action to interpret or enforce this Agreement, any provision hereof, or any matter arising here from, the prevailing party shall be paid by the non-prevailing party the reasonable attorneys' fees and costs incurred in enforcing its rights and remedies, whether incurred at the pre-trial, trial, or appellate levels, including any fees and costs incurred in determining the amount of awardable fees.

14. **Severability.** If any part of this Agreement is found invalid or unenforceable by any court of competent jurisdiction, such invalidity or unenforceability shall not affect the other parts of this Agreement if the rights and obligations of the parties contained therein are not materially prejudiced and if the intentions of the parties can continue to be effectuated. To that end, this Agreement is declared severable.

15. **Disclaimer of Third-Party Beneficiaries.** This Agreement is solely for the benefit of the Parties and no right or cause of action shall accrue by reason hereof to or for the benefit of any third party. Nothing in this Agreement, expressed or implied, is intended or shall be construed

to confer upon or give any other third person or entity any right, remedy, or claim under or by reason of this Agreement or any provisions or conditions hereof, other than as expressly stated herein.

16. **Purpose of this Agreement; Not Establishing Precedent.** By entering into this Agreement, the Parties do not admit any liability whatsoever to the other, or to any other person, arising out of any claims asserted in the Litigation, and expressly deny any and all such liability. The Parties acknowledge and agree that this Agreement is not intended by any Party to be construed, and shall not be construed, as an admission by any Party of any liability or violation of any law, statute, ordinance, regulation, agreement, or other legal duty of any nature whatsoever. Rather, this Agreement is for the compromise of potential and disputed claims, involving both fact and law, and the Parties enter into this Agreement in a spirit of cooperation for the purpose of ending litigation, including the Litigation, and in recognition of the desire for the speedy and reasonable resolution of the Parties' dispute. The acceptance of proposals for purposes of this Agreement is part of a mediated settlement affecting many factual and legal issues and is not an endorsement of, and does not establish precedent for, the use of these proposals in any other circumstances.

17. **Notices.** All notices and other communications required hereunder shall be in writing and shall be delivered personally, or by registered or certified mail, return receipt requested, postage prepaid, or by Federal Express or other nationally recognized overnight commercial delivery service, fees prepaid for next day delivery. Such notices shall be deemed to have been received: (i) upon delivery, if personally delivered; (ii) upon the earlier of actual receipt or the third day after mailing, if mailed by registered or certified United States mail, return receipt requested, postage prepaid; and (iii) upon the earlier of actual receipt or the next business day if sent by Federal Express or other nationally recognized overnight commercial delivery service, if fees are prepaid for next day delivery. The addresses for delivery of such notices shall be as follows:

(a) To Avalon

Avalon Park Daytona Park, LLC
c/o Marybel Defillo, Registered Agent
3801 Avalon Park E. Blvd., Suite 400
Orlando, Florida 32828

Avalon Park Daytona Land Holding, LP
c/o Marybel Defillo, Registered Agent
3801 Avalon Park E. Blvd., Suite 400
Orlando, Florida 32828

With a copy to:

S. Brent Spain, Esquire
Theriaque & Spain
1809 Edgewater Drive

Orlando, Florida 32804

And with an additional copy to:

Todd K. Norman, Esquire
Nelson Mullins
390 N. Orange Ave., Suite 1400
Orlando, Florida 32801

(b) To Ormond Beach

Joyce Shanahan, City Manager
City of Ormond Beach
22 S. Beach Street
Ormond Beach, Florida 32174

With a copy to:

Randy Hayes, Esquire
City of Ormond Beach
22 S. Beach Street
Ormond Beach, Florida 32174

(c) To Daytona Beach

Deric C. Feacher, City Manager
City of Daytona Beach
301 South Ridgewood Avenue
Daytona Beach, Florida 32114-4933

With a copy to:

Ben Gross, Esquire
City of Daytona Beach
301 South Ridgewood Avenue
Daytona Beach, Florida 32114-4933

or to such other address as any party hereto shall from time to time designate to the other party by notice in writing as herein provided.

18. **Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed to be an original and need not be signed by more than one of the Parties hereto and all of which shall constitute one and the same agreement. The Parties hereto further agree that each Party shall execute and deliver all other appropriate supplemental agreements and other

instruments, and take any other action necessary to make this Agreement fully and legally effective, binding, and enforceable as between them and as against third parties.

19. **Effective Date.** This Agreement and the terms herein, including the partial termination of the 2006 Interlocal Agreement and Amended Service Area Agreements, the Parties' waivers, and the Parties' releases, shall become effective upon the rendition of the Court's Order in the Litigation accepting and approving this Agreement. In the event the Court does not enter an Order in the Litigation accepting and approving this Agreement, this Agreement, including any and all obligations, releases, and waivers herein, shall be null and void and the Parties shall retain all of their rights to continue with the Litigation and all other legal recourse.

20. **Notice and Cure.** If a Party believes that another Party has breached this Agreement, the aggrieved Party shall furnish the other Party with a written notice (in accordance with Paragraph 17) that must describe the perceived breach and, if possible, how the breach can be cured ("Cure Notice"). No later than five (5) business days after receipt of the Cure Notice, the Party receiving the Cure Notice shall cure the breach and provide to the other Party a written description of all steps taken to conform with the terms of this Agreement. The Parties may not file any motion or action to enforce or construe this Agreement before the other Party has had at least five (5) business days to cure the breach after receiving written notice.

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21. **WAIVER OF JURY TRIAL.** THE PARTIES HEREBY KNOWINGLY, VOLUNTARILY, AND INTENTIONALLY WAIVE ANY RIGHT TO A JURY TRIAL WITH RESPECT TO ANY CLAIMS ARISING IN CONNECTION WITH THIS AGREEMENT.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed in a manner sufficient to bind them on the day and year identified above.

Signed, sealed, and delivered before me:

CITY OF DAYTONA BEACH, FLORIDA, a
Florida municipal corporation,

By: _____

Title: _____

Date: _____

ATTEST:

Letitia LaMagna, City Clerk

APPROVED AS TO FORM AND LEGALITY:

Ben Gross, City Attorney

CITY OF ORMOND BEACH, FLORIDA, a
Florida municipal corporation,

By: _____

Title: _____

Date: _____

ATTEST:

Susan Dauderis, City Clerk

APPROVED AS TO FORM AND LEGALITY:

Randy Hayes, City Attorney

WITNESSES

AVALON PARK DAYTONA, LLC, a Florida limited liability company,

Print Name: _____

By: J. Acquisitions Daytona, LLC, a Florida limited liability company, its manager,

Print Name: _____

Name: _____
Jeffry B. Fuqua

Its: Manager

Date: _____

STATE OF FLORIDA

COUNTY OF _____

The foregoing instrument was acknowledged before me by means of [] physical presence or [] online notarization, this ____ day of March 2026, by Jeffry B. Fuqua, as Manager of J. Acquisitions Daytona, LLC, a Florida limited liability company, as manager of Avalon Park Daytona, LLC, a Florida limited liability company, on behalf of said entity. Said person [] is personally known to me or [] has produced _____ as identification.

(Notary Seal)

Printed Name: _____
Notary Public, State of _____
Commission No. _____
My commission expires: _____

WITNESSES

AVALON PARK DAYTONA LAND HOLDING, LP, a Florida limited liability partnership,

Print Name: _____

By: APD Land Holding GP, Inc., a Florida corporation, its general partner,

Print Name: _____

Name: _____
Beat Kahli

Its: President

Date: _____

STATE OF FLORIDA

COUNTY OF ORANGE

The foregoing instrument was acknowledged before me by means of [] physical presence or [] online notarization, this ____ day of March 2026, by Beat Kahli, as President of APD Land Holding GP, Inc, a Florida corporation, as general partner of Avalon Park Daytona Land Holding, LP, a Florida limited partnership, on behalf of said entity. Said person [] is personally known to me or [] has produced _____ as identification.

(Notary Seal)

Printed Name: _____
Notary Public, State of _____
Commission No. _____
My commission expires: _____