

**CITY OF HOLLYWOOD  
INTEROFFICE MEMORANDUM**

**TO:** Mayor and Commissioners **DATE:** May 24, 2017  
**FROM:** Alan Fallik, City Attorney  
**SUBJECT:** Proposed CDBG Agreement between the City and Washington Park Child Care Center, Inc. for loan funding to complete capital improvement repairs to the facility

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I have discussed the above Agreements with the participating Department/Office, and the proposed general business terms and other significant provisions are as follows:

- 1) Department/Division involved – Community Development Division
- 2) Type of Agreement – CDBG Block Grant Project Agreement
- 3) Method of Procurement (RFP, bid, etc.) – n/a
- 4) Term of Contract
  - a) initial – For purposes of the loan repayment, the term shall commence upon execution of this agreement by the parties and expire on July 1, 2032 (based upon a 15 repayment schedule) . As to the repairs for which the loan funding is being provided, repairs shall be completed in accordance with the contract(s) for rehabilitation services between the subgrantee and the contractor.
  - b) renewals (if any) – none
  - c) who exercises option to renew – n/a
- 5) Contract Amount – \$145,000.00. Funding is contingent upon the Release of Funds from the United States Dept. of Housing and Urban Development. Funding will be provided as a line of credit at 0% interest payable over a 15 year term. Funding will be based upon the draw schedule (see Exhibit “B”).
- 6) Termination rights – (a) Agreement is contingent upon availability of funds and release of funds from HUD.. If funds are not available, then this Agreement shall terminate upon no less than 24 hours notice in writing to the subgrantee; (b) if the subgrantee fails to commence work within three months from the date of execution of this Agreement, or fails to fulfill in a timely and proper manner its obligations, or subgrantee violates the terms of this Agreement, City has the right to terminate this Agreement or suspend payment by written notice and specifying the effective date of such suspension or termination at least five (5) days before the effective date; and (c) Either party may terminate upon thirty (30) days notice and stating the reason for such termination.
- 7) Indemnity/Insurance Requirements – Subgrantee agrees to indemnify the City.

TERM SHEET CONTINUED - WASHINGTON PARK CHILD CARE CENTER, INC.

- 8) Scope of Services – Washington Park Child Care Center, Inc. will retain contractor(s) to make the required repairs to the facility as described in Exhibit “A” and maintain said capital improvements.
  - 9) City’s prior experience with Contractor (if any) – Yes.
  - 10) Other significant provisions – If the cost of the capital improvements comes under the \$145,000.00, then Exhibit “G” shall be administratively amended to reflect the actual outlay from the line of credit.
- cc: Wazir A. Ishmael, Ph.D, City Manager