

EXTENSION OF LINE OF CREDIT AGREEMENT

This Extension of Line of Credit Agreement is effective as of June 1, 2016, by and between the City of Hollywood, a Florida municipal corporation (the "City"), and Wells Fargo Bank, National Association (the "Bank"), and their respective successors and assigns.

WHEREAS, the City and the Bank entered into a Line of Credit Agreement effective September 2, 2010, an Extension of Line of Credit Agreement effective May 1, 2011, a Reinstatement and Extension of Line of Credit Agreement effective as of July 27, 2012, an Extension of Line of Credit Agreement effective June 1, 2013, an Extension of Line of Credit Agreement effective June 1, 2014 and an Extension of Line of Credit Agreement effective June 1, 2015 (collectively, the "Agreement") for the purpose of establishing a line of credit in an amount not to exceed \$10,000,000.00 to meet cost recovery following a disaster and approving the form of such agreement; and

WHEREAS, Section 14 of the Agreement provides that by written request of the City delivered to the Bank no more than sixty (60) days, and no less than thirty (30) days, prior to April 30, the Bank and the City may agree to extend this Agreement for an additional successive period or periods, each period not to exceed one (1) year; and the Bank shall respond in writing within ten (10) days of receipt of a written request as to its willingness to agree to an extension.

WHEREAS, pursuant thereto, the City has requested a one (1) year extension from the Bank, the Bank has agreed to such request, and the City has paid the Bank a \$35,000.00 upfront renewal fee and \$1,500.00 to cover the Bank's legal costs in connection therewith; and

WHEREAS, the Bank has also agreed to waive the \$25,000.00 draw fee pursuant to Section 12 of the Agreement for any draws made on the Line of Credit; and

WHEREAS, on May , 2016, the City adopted Resolution No. R-2016- , authorizing the extension of the Agreement for a one (1) year period.

NOW, THEREFORE, in consideration for the mutual covenants herein expressed, the parties hereto do hereunto agree as follows:

SECTION 1. EXTENSION OF LETTER OF CREDIT AGREEMENT. The Agreement is hereby extended for a one (1) year period, commencing June 1, 2016 and ending May 31, 2017. Accordingly, the Note may be issued not later than June 1, 2016, and, if issued, draws on the Note may be made until May 31, 2017.

SECTION 2. COVENANT COMPLIANCE CERTIFICATE. The City's represents and warrants that the calculations set forth in the Covenant Compliance Certificate in the form attached hereto as Exhibit "A" accurately represent the matters set forth therein for the City's fiscal year ended September 30, 2015.

SECTION 3. WAIVER OF DRAW FEE. The Bank waives the \$25,000.00 Draw Fee required by Section 12(c) of the Agreement which is due at the time of the first draw on the Note.

SECTION 4. EXTENSION OF AVAILABILITY OF LINE OF CREDIT. In addition to the requirements of Section 14 of the Agreement, the City shall deliver to the Bank, in connection with any request to further extend the Agreement, (a) an executed Covenant Compliance Certificate in the form attached as Exhibit "B" to the Agreement, and (b) a bank renewal fee in an amount of \$35,000.00, and \$1,500.00 to cover the Bank's legal costs.

SECTION 5. LIMITATION ON ISSUANCE OF NOTE(S) AND DRAWS THEREUNDER. The City acknowledges that the Agreement, as extended hereby, sets forth the terms and conditions under which the Note and additional note(s) could be issued and under which the City could make draws on such note(s), but that it does not irrevocably obligate the Bank to fund such draws. The Bank shall only be obligated to fund draws requested to be made under the Note or any additional note to the extent and subject to the conditions and requirements contained in the Agreement.

SECTION 6. AGREEMENT TO REMAIN IN FULL FORCE AND EFFECT. The Agreement shall remain in full force and effect, as extended hereby.

SECTION 7. EFFECTIVE DATE. This Extension of Line of Credit Agreement shall take effect immediately upon its execution by the parties hereto.

Entered into this _____ day of _____, 2016.

CITY OF HOLLYWOOD

PETER BOBER, Mayor

ATTEST:

PATRICIA A. CERNY, MMC, City Clerk

APPROVED AS TO FORM AND LEGALITY
for the use and reliance of the
City of Hollywood, Florida, only.

JEFFREY P. SHEFFEL, CITY ATTORNEY

**WELLS FARGO BANK, NATIONAL
ASSOCIATION**

Vice President

EXHIBIT "A"

COVENANT COMPLIANCE CERTIFICATE