

**CITY OF HOLLYWOOD
INTEROFFICE MEMORANDUM**

TO: Mayor and Commissioners

DATE: May 23, 2017

FROM: Alan Fallik
Acting City Attorney

SUBJECT: Proposed First Amendment to the License Agreement with Washington Park Child Care Center, Inc. for the use of City property located at 5723 Pembroke Road as a daycare facility.

I have reviewed the above captioned agreement for form and legality. The general business terms and other significant provisions are as follows:

1) Department/Division involved – Dept. of Development Services/Community Development Division

2) Type of Agreement – First Amendment to License Agreement

3) Method of Procurement (RFP, bid, etc.) - n/a

4) Term of Contract

a) initial - The proposed amendment changes the term to 5 years commencing on June 7, 2017 and expiring on June 6, 2022.

b) renewals (if any) – Yes, two (2) additional five (5) year terms.

c) who exercises option to renew – At the sole option of the city.

5) Contract Amount - Annual license fee of \$1.00.

6) Termination rights – a) If there is a breach of the Agreement, City may immediately terminate;

b) Upon dissolution of the corporation, the Agreement will be terminated; c) City has the option to terminate the License Agreement upon 90 days written notice if the premises are damaged or destroyed; and d) **Under the proposed First Amendment**, in the event that Licensee defaults on its loan payment obligations, then the such default will be cause for immediate termination.

7) Indemnity/Insurance Requirements - Licensee indemnifies and insures City.

8) Scope of Services - Licensee has the use of the subject property solely and exclusively for a daycare facility. **Under the proposed First Amendment, Paragraph 7 is being amended relating to the Licensee's obligation to maintain and make certain repairs. In order to expedite the required repair work, the parties will enter into a loan agreement in order to fund the cost of the repairs, as Licensee does not have funding immediately available to complete the repairs. Licensee shall remain fully obligated and responsible for**

maintenance as set forth in Paragraph 7 of the License Agreement, including but not limited to maintenance of the additional improvements/repairs being funded.

9) City's prior experience with Vendor (if any) – Since 1996.

10) Other significant provisions – a) To the extent permitted by law and HRS regulations, Licensee shall endeavor to give preference to those children residing in the Washington Park target area; and b) Paragraph 22 related to City's ability to terminate the Agreement for any public purpose is being deleted...

cc: Wazir A. Ishmael, Ph.D., City Manager