

RESOLUTION NO.

R-2020-113

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF HOLLYWOOD, FLORIDA, APPROVING AND AUTHORIZING THE APPROPRIATE CITY OFFICIALS TO EXECUTE A LAND DEVELOPMENT AND DISPOSITION AGREEMENT WITH PARK ROAD DEVELOPMENT, LLC, THE HIGHEST RANKED RESPONDENT TO THE PARK ROAD DEVELOPMENT OPPORTUNITY RFP-4585-18-PB, FOR THE SALE AND REDEVELOPMENT OF APPROXIMATELY 23 ACRES OF CITY-OWNED PROPERTY LOCATED AT 1600 SOUTH PARK ROAD.

WHEREAS, Park Road Development, LLC. ("Park Road"), is a Florida limited liability company; and

WHEREAS, R-2011-199 designated the five parcels of City-owned real property located at 1600 South Park Road ("Subject Site") to be a "brownfield area" in accordance with Florida Statutes Sections 376.77 – 376.85 for the provision of environmental remediation, rehabilitation and economic development; and

WHEREAS, the City Commission requested that staff pursue redevelopment opportunities for the Subject Site, which includes the City's Public Works compound; and

WHEREAS, on March 15, 2018, RFP No. 4585-18-PB, Park Road Redevelopment Opportunity, was posted on Bidsync and responses were received from four firms: Park Road Development, LLC; Bridge Development Partners, LLC; ImmoCorp Ventures; and Prologis; and

WHEREAS, on February 27, 2019, the City Commission held a Special City Commission meeting to consider the best and final offers ("BAFOs") provided by each firm, and approved R-2019-031, ranking the firms in the following order from first to last, based on the original responses to the RFP and the additional information supplied in the BAFOs:

1. Park Road Development, LLC
2. Bridge Development Partners, LLC
3. ImmoCorp Ventures
4. Prologis

; and

WHEREAS, R-2019-031 authorized staff to enter into negotiations with the highest ranked firm, Park Road; and

WHEREAS, on July 3, 2019, the City Commission approved R-2019-213, agreeing to a term sheet outlining the initial business terms agreed upon between the City and Park Road, including purchase price, amount of escrow deposits, minimum entitlements being sought, and basic timelines for executing site remediation and achieving required development approvals, which is memorialized in a Land Development and Disposition Agreement ("Agreement"); and

WHEREAS, City Charter Section 13.01, Sale of City-owned Property, requires one independent qualified appraisal for any disposition of real property having a value of not more than \$250,000.00, a second appraisal if the first exceeds \$250,000.00, and approval by a 5/7th vote of the total City Commission membership; and

WHEREAS, pursuant to City Charter Sec. 13.01, an independent appraisal was obtained, which valued the property at \$5,500,000.00, a copy of which is attached as Exhibit "A", and a second independent appraisal was obtained that valued the Subject Site at \$3,500,000.00, a copy attached as Exhibit "B"; and

WHEREAS, the purchase price of \$3,240,500.00 is comprised of the base purchase price of \$2,200,000.00 and developer payments of \$1,500.00 per residential unit totaling \$472,500.00, and \$8.00 per commercial/neighborhood retail square foot totaling \$568,000.00, along with annual ad valorem taxes estimated at \$660,000.00; and

WHEREAS, additional information regarding the space and facilities requirements for the City's Department of Public Works will be finalized and incorporated into the Agreement; and

WHEREAS, given the desire to maximize positive economic impacts of converting a brownfield site into a mixed use development that generates ad valorem taxes, approval of the Agreement is recommended upon the terms and conditions set forth in the Agreement.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF HOLLYWOOD, FLORIDA:

Section 1: That the foregoing "WHEREAS" clauses are ratified and confirmed as being true and correct and are incorporated in this Resolution.

Section 2: That it approves and authorizes the execution, by the appropriate City officials, of the attached Land Development and Disposition Agreement with Park Road Development, LLC, together with such non-material changes as may be subsequently agreed to by the City Manager and approved as to form and legal sufficiency by the City Attorney.

Section 3: That this Resolution shall be in full force and effect immediately upon its passage and adoption.


A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF HOLLYWOOD, FLORIDA, APPROVING AND AUTHORIZING THE APPROPRIATE CITY OFFICIALS TO EXECUTE A LAND DEVELOPMENT AND DISPOSITION AGREEMENT WITH PARK ROAD DEVELOPMENT, LLC, THE HIGHEST RANKED RESPONDENT TO THE PARK ROAD DEVELOPMENT OPPORTUNITY RFP-4585-18-PB, FOR THE SALE AND REDEVELOPMENT OF APPROXIMATELY 23 ACRES OF CITY-OWNED PROPERTY LOCATED AT 1600 SOUTH PARK ROAD.

PASSED AND ADOPTED this 20 day of May, 2020.



JOSH LEVY, MAYOR

ATTEST:



PATRICIA A. CERNY, MMC
CITY CLERK

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



DOUGLAS R. GONZALES
CITY ATTORNEY

at

This instrument prepared by
and after recording return to:

Steven W, Zelkowitz, Esq.
Fox Rothschild, LLP
One Biscayne Tower
2 S, Biscayne Blvd., Suite 2750
Miami, FL 33131
(305) 301-5533

Folio Number(s): 514220000140
514220040010
514220000040;
514220000170
514220000150

LAND DEVELOPMENT AND DISPOSITION AGREEMENT

THIS LAND DEVELOPMENT AND DISPOSITION AGREEMENT ("Agreement") is made and entered into as of the Effective Date (hereinafter defined) by and between the CITY OF HOLLYWOOD, FLORIDA, a municipal corporation organized and existing under the Laws of the State of Florida ("City"), and PARK ROAD DEVELOPMENT, LLC, a Florida limited liability company ("Developer").

RECITALS

1. City is the owner of certain improved real property located in the City of Hollywood, Broward County, Florida, and more particularly described on the attached Exhibit "A" (the "Subject Site").
2. City will retain ownership of approximately seven acres of the Subject Site needed to accommodate its Public Works operations and administration (the "Retained Area"), which portion of the Subject Site to be included as the Retained Area will be determined during the Development Approvals (as defined below) process. The remainder of the Subject Site to be sold to the Developer in accordance with the terms and provisions of this Agreement is referred to as the "Development Parcel."
3. Developer desires to purchase, remediate and develop the Development Parcel for the Project (as defined below), and City desires to sell the Development Parcel to the Developer for such purposes, upon the terms and conditions set forth herein.
4. All of the terms and conditions for the sale and purchase of the Development Parcel as set forth in this Agreement are being made pursuant to the City of Hollywood Code of Ordinances, Article XIII, Limitation on Sale, Lease or Purchase of City-Owned Real Property.

NOW, THEREFORE, for and in consideration of the mutual covenants and promises set forth herein and of other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the City and Developer agree as follows:

1. Definitions. The following terms when used in this Agreement shall have the following meanings:

- 1.1 Additional Escrow Deposit. The meaning given in Section 3.2
- 1.2 Agreement. This Land Development and Disposition Agreement and all attached Exhibits and amendments. This Agreement is not a Development Agreement as set forth in the Florida Local Government Development Act (F.S. 163.3220 – 163.3243).
- 1.3 Applicable Laws. Shall mean any applicable law, statute, code, ordinance, regulation, permit, license, approval or other rule or requirement now existing or hereafter enacted, adopted, promulgated, entered, or issued by Governmental Authorities, including but not limited to the Code (as defined in Section 1.15) and the Florida Building Code.
- 1.4 Attorneys' Fees. All reasonable fees charged by an attorney for services and the services of any paralegals, legal assistants or law clerks, including (but not limited to) fees charged for representation at the trial level and in all appeals and all costs relative thereto; provided, however, that the foregoing is limited to those types of fees and costs that are legally recoverable and as are awarded by a court of competent jurisdiction.
- 1.5 Base Purchase Price. The meaning given in Section 3.
- 1.6 Business Day. Any day that the banks in Broward County, Florida, are open for business.
- 1.7 Cash to Close. The meaning given in Section 3.3
- 1.8 City. City of Hollywood, a Florida municipal corporation. Attention: Wazir A. Ishmael, City Manager. City's mailing address is 2600 Hollywood Boulevard, Room 419, Hollywood, Florida 33022-9045. Telephone: (954) 921-3201. Telecopy: (954) 921-3314.
- 1.9 City's Attorney. Fox Rothschild, LLP, Attention: Steven W. Zelkowitz, Esq. City's Attorney's mailing address is One Biscayne Tower, 2 South Biscayne Boulevard, Suite 2750, Miami, Florida 33131. Telephone: (305) 442-6540; Telecopy: (305) 442-6541.
- 1.10 City Commission. The City Commission of the City of Hollywood.
- 1.11 Closing. The consummation of the transaction contemplated by this Agreement including delivery of the Deed to Developer concurrently with the delivery of the Closing Payment to City.
- 1.12 Closing Agent. Developer's Attorney as agent for the Title Company shall be the Closing Agent.
- 1.13 Closing Date. Closing will occur within 90 days of the date of issuance of all Development Approvals necessary to make the Subject Site eligible for building permits for the Developer's intended improvements, and such approvals becoming final and not subject to appeal.
- 1.14 Closing Payment. \$2,200,000.00 to be paid upon Closing subject to the Developer receiving the Minimum Entitlements, with all Conditions Precedent to Closing having been satisfied.

1.15 Code. The City's Charter, Code of Ordinances, and Land Development Regulations now existing or hereafter enacted, adopted, promulgated, entered, or issued by the City.

1.16 Commencement of Construction or Commenced Construction. The time at which Developer has (a) executed a Construction Contract with the general contractor for the Project or the applicable part thereof as to which construction work is commencing, (b) given its Contractor notice to proceed with footings, sheeting and shoring under such Construction Contract, and (c) obtained all Permits required to commence such footings, sheeting and shoring.

1.17 Completion of Construction. With respect to the Project or any Project phase, as applicable, that (i) Developer has completed construction of the Project or such Project phase, including the punch list items (but excluding any tenant improvements), in accordance with the final Construction Plans and Specifications, the Site Plan, Development Approvals, Permits, Applicable Laws and this Agreement, (ii) the architect of record has executed an architect's certificate of completion for the Project or such Project phase, and (iii) Developer has obtained the final certificates of occupancy and completion for such Project phase.

1.18 Construction Contract. A contract with a Contractor for the construction of the Project or a portion thereof.

1.19 Construction Plans and Specifications. Detailed architectural drawings and specifications prepared for all aspects of the applicable Project. Construction Plans and Specifications shall be used to (i) obtain the Permits, (ii) obtain detailed cost estimates, and (iii) solicit and receive construction bids, and must at a minimum provide sufficient details to achieve such purposes.

1.20 Contractor. A general contractor for the Project or any portion thereof.

1.21 Control. The possession, directly or indirectly, of the power to direct, or cause the direction of, the management and policies of a Person, whether through ownership of voting securities, membership interests or partnership interests, by contract or otherwise, or the power to elect at least fifty percent (50%) of, as applicable, the directors, managers, managing partners or Persons exercising similar authority with respect to the subject Person. The terms "Control," "Controlling," "Controlled by" or "under common Control with" shall have meanings correlative thereto.

1.22 Deed. The Special Warranty Deed which conveys the Development Parcel from City to Developer.

1.23 Developer. Park Road Development, LLC, a Florida limited liability company. Developer's mailing address is 425 North Federal Highway, Hallandale Beach, Florida 33009. Telephone: (954) 239-4720; Telecopy: (954) 921-5080.

1.24 Developer's Attorney. Leopold Korn, P.A., Attention: Gary A. Korn, Esq. Developer's Attorney's mailing address is 20801 Biscayne Boulevard, Suite 501, Aventura, Florida 33180. Telephone: (305) 356-8411; Telecopy: (786) 899-2311.

1.25 Developer Equity. Developer's equity contribution to the Project, which shall be all amounts necessary to pay for the development of the Project other than the Developer Financing;

provided, however, to the extent that the Lender requires Developer to provide equity in connection in connection with the Developer Financing, the provision of such equity in connection with the Developer Financing will satisfy the requirement for the Developer Equity under this Agreement.

1.26 Developer Financing. The financing to be obtained by the Developer in the amounts necessary to pay for the development of the Project in accordance with this Agreement, taking into account all other sources, which Developer Financing shall be from a Lender and on commercially reasonable terms. Developer Financing shall mean and refer to the Construction Loan for the Project.

1.27 Developer Payment. The Developer Payment consists of:

(a) \$1,500.00 per residential unit (the "Per Unit Payment"), which shall be due and payable for each multi-family residential building with an estimated 315 market rate residential units to be constructed; provided, however, the Developer shall not be obligated to pay the City a Per Unit Payment for any residential units that are required to be rent-restricted and/or income restricted at less than 120% of the area median income per household. The payment of the Per Unit Payment for each respective building shall be due on the earlier of: (a) issuance of a final Certificate of Occupancy (CO) for each respective building, or (b) 180 days after the issuance of a Temporary Certificate of Occupancy (TCO) for each respective building. The issuance of a final Certificate of Occupancy for each building shall be contingent upon the receipt of the Per Unit Payment for such building; plus

(b) \$8.00 per commercial/neighborhood retail space square footage, with related amenities (the "Per Square Footage Payment"), which shall be due and payable for each building constructed with an estimated 71,000 SF of commercial/neighborhood retail space square footage to be constructed upon the Development Parcel. The payment of the Per Square Footage Payment for each respective building shall be due on the earlier of: (a) issuance of a final Certificate of Occupancy (CO) for each respective building, or (b) 180 days after the issuance of a Temporary Certificate of Occupancy (TCO) for each respective building. The issuance of a final Certificate of Occupancy for each building shall be contingent upon the receipt of the Per Square Footage Payment for such building.

The calculation of the Per Unit Payment and the Per Square Footage Payment, as applicable, will be determined based on the approved site plan, as may be amended, for each phase and subsequently incorporated into this Agreement.

1.28 Development Approvals. All City approvals, consents, permits, amendments, rezonings, platting, conditional uses or variances, site plan approval, as well as such other approvals and official actions of the Governmental Authorities that are necessary to develop the Project.

1.29 Development Approvals Period. A period of 540 days from the later to occur of (a) the Expiration Date or (b) the Preliminary Plans Approval Date, with the Developer having the right to extend the Development Approvals Period for up to three additional months, and until the expiration of any applicable appeal periods for Development Approvals issued during the Development Approvals Period.

1.30 Development Schedule. A projected delivery schedule for the Completion of Construction with respect to the Project which will include a substantial completion date for the Project consistent with the time frame durations outlined in the Developers response to the City issued RFP #4585-18-PB.

1.31 Effective Date. The date this Agreement is executed by the last of either the Developer or City.

1.32 Escrow Deposit. The meaning given in Section 3.1

1.33 Evidence of Authority. Evidence of Authority for the execution and performance of this Agreement by the Developer shall mean: (i) necessary resolutions or consents by the member(s), manager(s), shareholder(s), director(s) or partner(s), as applicable; (ii) a certificate of incumbency duly executed by a duly authorized member, manager, or officer of the Developer with respect to the offices or titles held by the persons who executed this Agreement and will execute documents on behalf of the Developer as required or contemplated by this Agreement; (iii) Certificate of Good Standing issued by the Florida Secretary of State; (iv) a certified copy of the Articles of Incorporation or Organization, as applicable, filed with the Florida Secretary of State, and (v) such other documents as reasonably required by the Title Company. The foregoing requirements shall also apply to any member(s), manager(s), shareholder(s), director(s) or partner(s), as applicable, of the Developer who are not a natural person. Evidence of Authority for the execution and performance of this Agreement by the City shall mean: (i) a certified copy of the resolution of the City Commission of the City of Hollywood approving this Agreement and the sale of the Property, and (ii) such other documents as reasonably required by the Title Company.

1.34 Force Majeure. The inability of either party to commence or complete its obligations under this Agreement by the dates required resulting from delays caused by strikes, picketing, acts of God, pandemics (including, without limitation, delays arising out of the spread of COVID-19, but only to the extent that such delays from pandemics in general and COVID-19 in particular result in the responsiveness of, or the unavailability of, Governmental Authorities to grant the Development Approvals or to perform inspections, and/or the unavailability of design professionals, engineers, contractors or laborers), tropical storms, hurricanes, tornados, war, governmental action or inaction, acts of terrorism, emergencies or other causes beyond either party's reasonable control which shall have been timely communicated to the other party. Events of Force Majeure shall extend the period for the performance of the obligations for the period equal to the period(s) of any such delay(s).

1.35 Governmental Authority. Any federal, state, county, municipal or other governmental department, entity, authority, commission, board, bureau, court, agency or any instrumentality of any of them.

1.36 Hazardous Material. Any material that may be dangerous to health or to the environment, including without implied limitation all "hazardous matters," "hazardous waste," "hazardous substances," and "oil" as defined in or contemplated by any applicable federal, state or local law, rule, order or regulation relating to the protection of human health and the environment or hazardous or toxic substances or wastes, pollutants or contaminants, including all of the following statutes and their implementing regulations, as the same may have been amended from time to time: (i) Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. §9601 et seq.; (ii) Toxic Substances Control Act, 15 U.S.C. §2601 et seq.; (iii) Federal Insecticide, Fungicide, and Rodenticide Act, 7 U.S.C. §136; (iv) Hazardous Materials Transportation Act, 49 U.S.C. §5101 et seq.; (v) Federal Water Pollution Control Act, 33 U.S.C. §1251 et seq.; (vi) Resource Conservation and Recovery Act, 42 U.S.C. §6901 et seq.; (vii) Clean Air Act, 42 U.S.C. §300f et seq.; (viii) Safe Drinking Water Act, 42

U.S.C. §3808 et seq.; or (ix) Applicable Laws or equivalent laws and regulations of the State of Florida relating to hazardous matter, substances or wastes, oil or other petroleum products, and air or water quality.

1.37 Improvements. All buildings, structures, improvements and fixtures located on or under the Development Parcel.

1.38 Intangible Personal Property. All intangible property owned by City and used in connection with or relating to the ownership, use, development, operation, management, occupancy or maintenance of the Development Parcel and/or the Improvements including but not limited to the Permits, the Warranties, all public and private contract rights and development usage rights with respect to the Development Parcel and Improvements.

1.39 Leases. All leases and other agreements (whether written or oral) to occupy or traverse the Land and/or the Improvements or any portion thereof, which shall include all exhibits, amendments and modifications thereof.

1.40 Lender. (a) an established federally chartered United States bank, United States trust company or other such recognized United States financial institution (or consortium thereof) (b) a governmental or quasi-governmental lender for the Remediation Work (as defined below), (c) private fund, (d) private investor, (e) any individual, group, business, or entity qualified to be considered capable of providing the financing for the Project or (f) the United States Department of Housing and Urban Development (“HUD”).

1.41 Minimum Entitlements. The Project will include, at a minimum, the following: (a) 315 unrestricted market rate residential units; (b) 71,000 square feet of commercial/retail space, and (c) a convenience store/food market/coffee shop/service station (which may include separate public and private fueling facilities, including but not limited to for the purpose of providing fuel and other services to the City), in addition to an integrated fuel station to serve the City’s Public Works/Fleet Operations. During the Development Approvals Period, the Developer will evaluate the viability of developing up to 450 unrestricted market rate residential units within the Development Parcel and up to 100,000 square feet of commercial/retail space within the Development Parcel.

1.42 Permits. The certificates of occupancy and completion, as applicable, with respect to the Improvements and all other consents, notices of completion, environmental and utility permits and approvals, authorizations, variances, waivers, licenses, permits, certificates and approvals from any governmental or quasi-governmental authority issued or granted with respect to the Property now or prior to Closing.

1.43 Permitted Exceptions. Those matters identified in or referred to in Section 5.2 below and such other title exceptions as may be approved in writing (or deemed to have been approved by the Developer) subject to and in accordance with the terms and provisions of Section 5.

1.44 Project. The Minimum Entitlements as well as all required parking spaces (which may include both structured and surface parking), public and private amenities, landscaping, landscape buffers, utilities and infrastructure, all to be as specified on the site plan.

1.45 Property. The Development Parcel, Improvements and Intangible Personal Property.

1.46 Property Documents. Copies of the following documents to the extent such exist and are in the City's possession: (a) as-built plans and specifications of the Improvements, including infrastructure and utilities; (b) building permits, plans and specifications of prior and existing Improvements; (c) prior boundary survey; (d) prior title and encumbrance report; (e) prior environmental reports and documentation (UST closure letters; prior contracts and scopes of work for environmental testing, remediation, environmental data logs and related documents; (f) proposed site programming of City facilities to be located within the Retained Area; (g) City access requirements to the Retained Area and (h) the legal descriptions of the Development Parcel and the Retained Area after receipt by the City and the Developer of the Analysis (hereinafter defined), together with a survey showing the locations of the Development Parcel and the Retained Area.

1.47 Term Sheet. The Term Sheet between the parties attached as Exhibit "B".

1.48 Title Commitment. An ALTA Title Insurance Commitment from the Title Company, agreeing to issue the Title Policy to Developer upon acquisition of the Development Parcel by Developer pursuant to this Agreement.

1.49 Title Policy. An ALTA owner's title insurance policy in the amount of the Base Purchase Price, insuring Developer's title to the Development Parcels, subject only to the Permitted Exceptions.

1.50 Title Company. First American Title Insurance Company, Chicago Title Insurance Corporation, or such other nationally recognized title insurance company licensed to write title insurance in the State of Florida approved by Developer.

1.51 UCC Report. A report detailing the results of a search of all personal property records in which a security interest, lien or encumbrance may affect any portion of the Property.

1.52 Warranties. All warranties and guarantees relating to the Property, including all warranties and guarantees of the Improvements by general contractors, subcontractors, suppliers and manufacturers.

2. Purchase and Sale: General Intent: Interpretation.

2.1 Purchase and Sale Agreement. City agrees to sell and convey the Property to Developer and Developer agrees to purchase and acquire the Property from City subject to and in accordance with the terms and conditions of this Agreement.

2.2 General Intent. The purpose of this Agreement is to provide the terms and conditions pursuant to which the Developer shall purchase, remediate and redevelop the Development Parcel. The Property shall be redeveloped in substantial accordance with the Governmental Approvals (as defined below) and Applicable Laws with the Minimum Entitlements to be completed on a "turn-key" basis for lease to third party commercial and residential tenants. From and after the date of this Agreement, Developer shall diligently, expeditiously, and in good faith take all action necessary in accordance with this Agreement to purchase, remediate and redevelop the Development Parcel for the Minimum Entitlements in accordance with the terms and conditions of this Agreement.

2.3 Interpretation. In the event of any conflict between the terms and provisions of the Term Sheet and this Agreement, the City and Developer agree that the terms and provisions of this Agreement shall control.

2.4 AS IS. EXCEPT FOR THE REPRESENTATIONS AND WARRANTIES OF CITY AS EXPRESSLY SET FORTH IN THIS AGREEMENT, THE SALE AND CONVEYANCE OF THE PROPERTY TO THE DEVELOPER IS AND WILL BE MADE ON AN “AS IS” “WHERE IS” BASIS, WITHOUT REPRESENTATIONS AND WARRANTIES OF ANY KIND OR NATURE WHATSOEVER, EXPRESS OR IMPLIED. THIS SECTION 2.4 SHALL SURVIVE THE CLOSING AND DELIVERY OF THE DEED.

3. Base Purchase Price. The Base Purchase Price shall be paid as follows:

3.1 Escrow Deposit. Within five Business Days following the Effective Date, Developer shall deposit into escrow, in an interest bearing account opened by the law firm of Leopold Korn P.A. (“Escrow Agent”), an earnest money deposit in the amount of \$250,000.00 (the “Escrow Deposit”). The Escrow Deposit will be available to be utilized by the Developer to fund all third party professional services required to enable the Developer to perform its obligations under this Agreement (environmental engineer, geotechnical engineer, legal fees incurred by the Developer, etc.) associated with the environmental and geotechnical analysis of the Property. The Developer will submit to the City monthly statements showing all expenditures paid from the Escrow Deposit. The Escrow Deposit (reduced by any portions of the Escrow Deposit utilized by the Developer to fund third party professional services) shall be fully refundable to the Developer throughout the Due Diligence Period and until the Developer obtains an approved RAP (as defined below). Upon the earlier to occur of (a) the Expiration Date (as defined below) or (b) the Developer’s receipt of an approved RAP, any remaining Escrow Deposit funds (the “Escrow Deposit Remainder”) shall be transferred to the Successor Escrow Agent (as defined below) and deemed to be non-refundable, except in the event that the City fails to approve the Minimum Entitlements or in the event the Developer is otherwise entitled to the return of the Escrow Deposit Remainder in accordance with the terms and provisions of this Agreement.

3.2 Additional Escrow Deposit. Within 10 days following the Expiration Date, the Developer shall deposit into escrow, in an interest bearing account opened by the law firm of Fox Rothschild LLP (the “Successor Escrow Agent”), an additional earnest money deposit in the amount of \$250,000.00 (along with the Escrow Deposit Remainder, if any, the “Additional Escrow Deposit”). In the event the Developer does not deposit the Additional Escrow Deposit with the Successor Escrow Agent within 10 days following the Expiration Date, the City will have the right and option to terminate this Agreement upon written notice to the Developer. In such event: (i) the Escrow Agent or Successor Escrow Agent, as applicable, shall release the Escrow Deposit Remainder, if any, to the City; (ii) the parties will be released from any further liabilities and obligations to each other concerning and/or relating to the purchase, remediation and/or redevelopment of the Subject Site, except as expressly provided in this Agreement, and (iii) the Developer will promptly assign to the City, without recourse and at Developer’s sole cost and expense, all of the Developer’s work product obtained (i.e., third party reports, environmental testing results, etc.). Interest on the Escrow Deposit and Additional Escrow Deposit shall accrue to the benefit of the Developer unless either the Escrow Deposit Remainder (if any) or the Additional Escrow Deposit are delivered to the City as liquidated damages pursuant to Section 19.1 below, in which event such interest shall accrue to the benefit of the City and be delivered to City as part of the Escrow Deposit Remainder or the Additional Escrow Deposit, as applicable.

3.3 Cash to Close. On the Closing Date, as part of the Closing, Developer shall pay the Closing Payment to the Title Company by wire transfer of immediately usable wired funds to a bank account or bank accounts designated by the Title Company in a notice to Developer to be given at least one day prior to Closing. The Closing Payment shall be adjusted for any credits, debits or prorations required to be made under this Agreement, with full credit for the Escrow Deposit Remainder, if any, and for the Additional Escrow Deposit (collectively the "Cash to Close").

3.4 Developer Payment. The Per Unit Payment and the Per Square Footage Payment, as applicable, shall be paid by the Developer to the City by wire transfer of immediately usable wired funds to a bank account or bank accounts designated by City in a notice to Developer in accordance with Section 1.27 above and as may be otherwise set forth in this Agreement.

4. Property Documents; Due Diligence Period.

4.1 City's Delivery of Property Documents. If prior to the Effective Date the City has not delivered to the Developer any of the Property Documents (as such may be supplemented by the Developer), then the City shall have until five days after the Due Diligence Period (as defined below) commences to deliver such Property Documents, and if the City fails to deliver such Property Documents within such five day period, the commencement of the Due Diligence Period shall be deemed to be automatically extended on a day-for-day basis until the delivery of such Property Documents to the Developer has been effected. City shall have a continuing obligation to deliver to Developer the Property Documents and, if City obtains or becomes aware of any additional Property Documents, City shall promptly deliver such additional Property Documents to Developer.

4.2 Due Diligence Period. The "Due Diligence Period" will commence upon the Effective Date and end 180 days following the Effective Date at 5:00 p.m. (the "Expiration Date"); provided, however, the Developer has the right to extend the Due Diligence Period for up to three additional 30 day periods by submitting a written request for an extension to the City providing the reason(s) for the extension(s). The Expiration Date shall be similarly extended relative to any extension of the Due Diligence Period.

4.3 Inspection of the Development Parcel. During the Due Diligence Period, the City shall permit Developer and its authorized representatives to inspect the Development Parcel and to perform due diligence, surveys, soil analysis and environmental investigations. Developer will conduct any physical inspections, tests, examinations, studies, and appraisals only on Business Days, unless otherwise agreed to on a case by case basis. Developer may only enter upon the Development Parcel, provided (i) Developer provides the City with at least 24 hours prior notice (which notice may be oral or written) of its intent to inspect, test, survey or study, (ii) if requested by the City, Developer is accompanied by a representative of the City and (iii) Developer or Developer's agents or contractors, as applicable, furnishes to the City a certificate of insurance acceptable to the City naming the City as an additional insured and with an insurer and insurance limits and coverage reasonably satisfactory to the City. Developer and its agents and representatives shall be permitted to perform invasive testing without the necessity of obtaining prior written consent from the City. All inspection fees, appraisal fees, engineering fees and all other costs and expenses of any kind incurred by Developer relating to its the inspection of the Property for itself and/or its Lender (collectively, the "Inspection Costs") shall be the responsibility of and paid for by the Developer. To the extent that Developer or any of its representatives, agents or contractor's damages or disturbs the Development Parcel or any portion thereof, Developer shall return the same to substantially the same

condition which existed immediately prior to such damage or disturbance. Developer shall promptly upon its receipt thereof, deliver to the City copies of all such property assessments obtained by Developer. Developer shall itself (and shall require its consultants to) keep the Property free and clear of all liens and encumbrances, including but not limited to mechanics' liens, arising out of any of Developer's (and such consultants') activities on the Property, including its consultants' investigations.

4.4 Developer Due Diligence Period Obligations. During the Due Diligence Period, the Developer shall diligently, expeditiously, and in good faith take all action necessary to secure approval of a Remedial Action Plan ("RAP") by Broward County and the Florida Department of Environmental Protection (FDEP). Additionally, during the Due Diligence Period, the Developer will commence and diligently, expeditiously, and in good faith perform the following work or submit the applications as follows (with City hereby consenting to the submission by Developer of such applications):

(a) Environmental & Geotechnical.

- (i) Coordination Meeting with Broward County/FDEP within 15 days of the Effective Date;
- (ii) Commence environmental and geotechnical borings within 45 days of the Effective Date; and
- (iii) The commencement of environmental and geotechnical borings shall be subject to the City delivering to the Developer as-built drawings (the "Drawings") of all utilities abutting, crossing, and adjacent to the Subject Site within 15 days of the Effective Date to ensure adequate coordination time with Developer's boring subcontractor. In the event the Drawings are not delivered to the Developer within such 15 day period, then the duration of the Due Diligence Period shall be deemed to be extended on a day-to-day basis until the Drawings have been delivered to the Developer.

(b) City Submissions & Applications.

- (i) Submit Draft RAP "Bubble Plan" Development Exhibit to City within 45 days after receipt of the results of the environmental and geotechnical borings (collectively the "Contamination and Geotechnical Assessment Results");
- (ii) File for "Preliminary Application Conceptual Overview" ("PACO") consideration with the City within 120 days from the Effective Date; and
- (iii) City Commission review and comment - before the expiration of the Due Diligence Period, the Developer will have an opportunity to present the draft Preliminary Plans to the City Commission for public review and comment.

(c) Advance Submission of Plat, Land-Use, and Related Applications.

- (i) During the Due Diligence Period, the Developer will prepare applications for the Project and submit the applications to the City Manager ("City Manager") for the City of Hollywood for review and approval as set forth in this subsection. The applications will address land-use, zoning, and platting approvals (collectively, the "Advance Applications"), but will not include any site plan applications. The form and content of the Advance Applications will be finalized within 15 days of Developer's receipt of the

Contamination and Geotechnical Assessment. The Advance Applications shall be subject to the City's prior written approval (to be provided by the City Manager or by the designee of the City Manager and delivered to the Developer within 10 business days from receipt by the City of an Advance Application) as to compliance with the terms and conditions of this Agreement, such approval not to be unreasonably withheld, delayed or conditioned. Following the City's approval of the Advance Applications, the City's sole obligation therewith shall be to execute and deliver the Advance Applications to the Developer. The City's obligations under this subsection shall be at no cost or other obligation to the City.

4.5 Termination of Agreement. Developer shall have until the Expiration Date to determine, in Developer's sole opinion and discretion, the suitability of the Development Parcel for the Minimum Entitlements. Developer shall have the right to terminate this Agreement for any reason whatsoever or for no reason whatsoever at any time on or before the Expiration Date by giving written notice to the City of such election to terminate. If Developer so elects to terminate this Agreement pursuant to this Section 4.5, the Developer shall pay the Inspection Costs and any balance of the Escrow Deposit in possession of the Escrow Agent shall be refunded to the Developer whereupon, except for those provisions of this Agreement that by their express terms survive the termination of this Agreement, no party shall have any other or further rights or obligations under this Agreement. If Developer fails to terminate this Agreement prior to the Expiration Date, the Developer shall have no further right to terminate this Agreement pursuant to this Section 4.5.

4.6 Indemnity. Developer agrees to and shall indemnify, defend and hold harmless the City from and against any and all expense, loss or damage which the City may incur (including, without limitation, reasonable attorney's fees actually incurred) as a result of any act or omission of Developer or its representatives, agents or contractors arising from, related to, or in connection with the due diligence inspections, including any soil analysis and environmental investigations, including any expense, loss or damage resulting from the discovery or release of any Hazardous Substances at the Development Parcel, other than any expense, loss or damage to the extent arising from any act or omission of the City during any such inspection.

4.7 Condition of the Property. Unless this Agreement is terminated by Developer pursuant to Section 4.5 above, as a material inducement to the City to execute this Agreement, and except as otherwise expressly set forth in this Agreement, Developer agrees, represents and warrants that: (i) the Developer will have fully examined and inspected the Development Parcel, including the environmental condition of the Development Parcel; (ii) Developer will have accepted and will be fully satisfied in all respects with the foregoing and with the physical condition of the Development Parcel; (iii) Developer will have decided to purchase, remediate and redevelop the Development Parcel solely on the basis of its own independent investigation. Developer acknowledges and agrees that the City has not made, does not make, and has not authorized anyone else to make any representation and warranty as to the present or future physical condition, value, financing status, leasing, operation, use, tax status, income and expenses and prospects, or any other matter or thing pertaining to the Property, except as expressly set forth in this Agreement. The City shall not be liable for, or be bound by, any verbal or written statements, representations or information pertaining to the Development Parcel furnished by any employee, agent, servant or any other person unless the same are specifically set forth in writing in this Agreement. The City represents and warrants that all information and documentation relating to the Development Parcel that have been provided to Developer or that may be provided to Developer during the course of Developer's

due diligence investigation of the Property have been maintained by the City in the ordinary course of the City's business and Developer acknowledges and agrees that such information and documentation is provided without warranty of any kind, including as to the accuracy, validity, or completeness of any such information or documentation. This Section 4.7 shall survive the Closing and delivery of the Deed.

5. Evidence of Title.

5.1 Delivery of Prior Owner's Policy. If City has not already done so prior to the Effective Date, simultaneously upon its execution of this Agreement, City shall deliver to Developer a copy of its prior owner's policy covering the Development Parcel to the extent such exists and is in the City's possession.

5.2 Marketable Title. At Closing, City shall convey to Developer marketable fee simple title to the Development Parcel, subject only to the Permitted Exceptions. For purposes of this Agreement, the Permitted Exceptions shall consist of:

(a) The lien of all ad valorem real estate taxes for the calendar year in which Closing occurs, subject to the proration as provided for herein;

(b) All laws, ordinances and governmental regulations, including but not limited to applicable building, zoning, land use and environmental ordinances and regulations; and

(c) Exceptions shown on the Title Commitment and Survey, as approved by Developer in accordance with this Agreement.

Notwithstanding the foregoing or anything in this Agreement to the contrary, the Developer acknowledges and agrees that a covenant is to be recorded in the Public Records simultaneously with the Deed pursuant to which the Developer agrees to accept title to the Development Parcel subject to a Declaration of Restrictive Covenants (the "Declaration") to be recorded with the Deed and prepared by the City legal counsel and in a form and substance reasonably acceptable to the City in all respects that provides for, among other things, (a) the maintenance, repair and replacement of the improvements on the Project so that it remains consistent with the Site Plan (as defined below) for a period of 15 years, subject to any and all modifications to the Site Plan approved by the City from time to time, and (b) the prohibition of operation of the Property for the following uses: (i) billiard parlor, night club or other place of recreation or amusement; (ii) any business serving alcoholic beverages except in conjunction with a restaurant operation; (iii) adult entertainment, adult bookstore or other store catering to adults only; (iv) a smoke shop; provided, however, such does not preclude stores specializing tobacco and electronic smoking devices (such as e-cigarettes) but expressly prohibits so called "head shops"; (v) pawn shop; (vi) any business or facility used in growing, delivering, transferring, supplying, dispensing, dispersing, distributing or selling marijuana, whether by prescription, medical recommendation or otherwise, and whether consisting of live plants, seeds, seedlings or processed or harvested portions of the marijuana plant; or (vii) any combination of the foregoing uses for a period of 15 years. The form of the Declaration shall be agreed to by the parties prior to the Expiration Date.

5.3 Title Commitment. Developer shall have 45 days from the Effective Date to obtain a Title Commitment and to examine same.

5.4 Objections to Title/Survey. Developer shall be entitled to object, in its reasonable discretion, to any exceptions to title disclosed in the Title Commitment and/or matters shown on the Survey (as defined below) until the Expiration Date, by written notice to City or City's attorney of any objections to the Title Commitment and/or the Survey. In the event that Developer shall so object to the Title Commitment and/or the Survey, City shall have 15 Business Days after receipt of such notice to cure Developer's objections to Developer's satisfaction. In the event City is unwilling or unable to so cure such objections, Developer may (i) waive such objections and proceed to the closing of the transaction contemplated by this Agreement; or (ii) give City additional time in writing to cure such objections (in which event, the Closing shall be delayed for an equivalent period of time), or (iii) terminate this Agreement by written notice to City, in which event the balance of the Escrow Deposit (including the Additional Deposit, if applicable) shall be immediately returned to Developer and neither Developer nor City shall have any further obligations hereunder, except obligations that expressly survive the termination of this Agreement.

5.5 Exceptions Curable by the Payment of Money. Notwithstanding Section 5.4 above, if the Title Commitment reveals the existence of an exception that can be cured or removed by the payment of money on or before the Closing Date (a "Monetary Lien"), then City shall pay any amount due in satisfaction of each such Monetary Lien as to the Property which amount, at the option of City, may be paid from the proceeds of the Closing Payment at Closing. If one or more Monetary Liens have not been satisfied before the Closing Date, then City and Closing Agent are authorized to satisfy such Monetary Liens from the proceeds of the Closing Payment at Closing.

5.6 New Title Matters. If any title matter other than a matter disclosed in the Title Commitment or the Survey arises or becomes known to City subsequent to the receipt of the Title Commitment and/or Survey, as applicable (a "New Title Matter") and such New Title Matter (a) is a Monetary Lien or (b) was created or consented to by City, then City shall cure the New Title Matter, at City's expense, on or before Closing. If the New Title Matter is not a Monetary Lien or was not created or consented to by City, then City shall have until the earlier of (i) five Business Days after City's receipt of written notice thereof or (ii) the Closing Date within which to cure the same, and if such New Title Matter is not cured within such period, then Developer may, at its sole option, exercised by written notice to City within five Business Days following the expiration of the five Business Day cure period, either (i) terminate this Agreement and receive a refund of the balance of the Escrow Deposit (including the Additional Deposit, if applicable) or (ii) elect to close subject to such New Title Matter. In the event of termination, neither party shall have any further rights, obligations, or liabilities hereunder except to the extent that any right, obligation, or liability set forth herein expressly survives termination of this Agreement.

5.7 Postponement of Closing Date. If the Closing Date has been postponed to afford City additional time to cure the New Title Matters, the Closing shall take place 15 days after City sends Developer written notice that all New Title Matters have been eliminated.

5.8 UCC Report. Within 30 days following the Effective Date, Developer, at its cost, may obtain the UCC Report. As a condition to Closing, any filed instrument naming the City as debtor shown in the UCC Report shall be terminated prior to or at Closing.

6. Survey.

6.1 Delivery of Survey. Within 45 days after the Effective Date, Developer may cause to be prepared at its expense a current survey (the "Survey") of the Land and all Improvements thereon

prepared by a land surveyor or engineer registered and Licensed in the State of Florida. The Survey shall be prepared in accordance with the Minimum Technical Standards for survey in the State of Florida.

6.2 Survey Defects. Developer shall have until the Expiration Date to examine same. If the Survey shows any encroachment on the Development Parcel, or that any Improvement located on the Development Parcel encroaches on the land of others, or if the Survey shows any other defect that would affect the marketability of title to the Development Parcel, Developer shall notify City in writing of such defect prior to the Expiration Date and such encroachment or defect shall be treated in the same manner as title defects are treated under this Agreement.

7. Preliminary Plans; Development Approvals; Programming, Planning and Entitlements.

7.1 Preliminary Plans. Within 30 days following the Expiration Date, the Developer will submit preliminary plans for the Project for approval by the City which, when approved by the City, shall be initialed by the parties, and attached and incorporated into this Agreement as Exhibit "C" (the "Preliminary Plans"). The date the City approves the Preliminary Plans shall be the "Preliminary Plans Approval Date." In addition to identifying uses and densities, the Preliminary Plans will generally identify the Retained Area and the Development Parcel. The approval by the City of the Preliminary Plans shall in no way constitute or be construed as the approval or issuance of a development order, it being expressly acknowledged and agreed by the Developer that the Site Plan will require separate submission, review, and approval pursuant to the requirements of the City's Code.

7.2 Development Approvals. Within 30 days following the City's approval of the Preliminary Plans, the Developer will submit to the City for its review and approval (a) a schedule that shall serve as the Developer's time frame for performance with respect to obtaining the Development Approvals, and (b) all applications and other submittals required to obtain the Development Approvals, such approval for each not to be unreasonably withheld, delayed or conditioned provided the schedule, applications and other submittals are consistent with the Project and the Preliminary Plans. The foregoing shall also include the site plan application, which shall be in conformity with the City's site plan approval process, and in general conformity to the Project and the Preliminary Plans approved by the City. If any such application or documents in which the City's joinder is requested contain material financial obligations binding (or which may become binding) upon the City, the Developer agrees to be responsible for such obligations and shall provide any reasonable assurances requested by the City, the provision of which assurances shall be a condition precedent to the execution of the applicable application by the City. If this Agreement is terminated according to the terms of this Agreement, then upon City's request, Developer shall withdraw all of its pending applications and terminate all agreements that are terminable and/or withdrawable by Developer with respect to the Development Approvals, which foregoing obligations shall survive termination of this Agreement. The Developer will be responsible for initiating and diligently pursuing the Development Approvals applications pursuant to the approved schedule. The City shall cooperate with the Developer in processing all necessary Development Approvals to be issued by the City as well as all other Governmental Authorities. The City shall use commercially reasonable efforts to expedite the Development Approvals being issued by the City. In addition, at the request of the Developer, the City Representative (as defined below) will attend all meetings required by any regulatory agency or decision making body having oversight or jurisdiction over the Subject Site. The parties recognize that certain Development Approvals will require the City and/or its boards, departments or agencies, acting in their police power/quasi-judicial capacity, to consider certain governmental actions. The parties further recognize that all such considerations and actions shall be undertaken in accordance with established requirements of Applicable Laws in the exercise of the City's jurisdiction under the police power. Nothing in this Agreement is intended to limit or restrict the powers and responsibilities of the City in acting on such applications by virtue of the fact that the City may be required to consent to such applications as the owner of the Development Parcel. Nothing

in this Agreement shall entitle the Developer to compel the City to take any action in its police power/quasi-judicial capacity, except to timely process the applications. The Developer shall pay for all permit fees, impact fees and all other costs and expenses associated with the Development Approvals and as required by Applicable Laws. The City agrees to use its good faith efforts to assist the Developer in expediting the review and approval process with applicable Governmental Authorities; provided, however, that City's obligation in this Section 7.2 is conditioned on such good faith efforts not requiring the City to pay any costs or expenses therefore. If such good faith efforts require the City to expend funds, including but not limited to legal fees or project management costs (including City staff), the City shall not be obligated to perform such good faith efforts unless and until the Developer agrees in writing to pay the costs therefore. Nothing in this Agreement is intended to, nor shall be construed as, zoning by contract.

7.3 Programming, Planning, and Entitlements. Without limiting the terms of Section 7.2 above, during the Development Approvals Period, the Developer will file the following Development Approvals applications (subject to modification from time to time in the reasonable discretion of the Developer):

(a) Filing of City and Broward County applications to amend the applicable land use plan maps to permit the Project, which shall be filed within 60 days from the Expiration Date.

(b) Filing of an application with the City to rezone the Development Parcel to Planned Development District ("PD"), which shall be filed within 90 days from the Expiration Date.

(c) Filing of an application with the City to plat the Subject Site, which shall be filed within 90 days from the Expiration Date.

(d) Filing of application for site plan and design review for the Phase 1 development within 60 days of the date that the Broward County Commission approves the transmittal of the application to amend the Broward County land use plan map.

7.4 Site Plan. Following submission, review, and approval of the site plan pursuant to the requirements of the City's Code, such shall be referred to as the "Site Plan." No Material Change (hereinafter defined) shall be made to the Site Plan without the prior written approval of the City, provided, however, that such prior written approval may be withheld in the City's sole and absolute discretion. For purposes of this Agreement, a "Material Change" means and refers to a requested change, alteration or modification so that (i) in the aggregate with all other changes, alterations and modifications increases or decreases the square footage of the buildings and/or the common areas by 15% or more, (ii) changes the number of stories of a building, and/or (iii) materially deletes any Project amenities. In the event the approval process for the Governmental Authorities results in changes to the Site Plan that materially and adversely impact the Developer's development scheme, plan, marketability, profitability and/or financeability of the Project, then Developer shall have the right to terminate this Agreement by giving written notice to the City whereupon all obligations and liabilities of the parties shall terminate and the Developer shall pay the Inspection Costs and any balance of the Escrow Deposit remaining in the possession of the Escrow Agent or in the possession of Successor Escrow Agent (as applicable), together with the Additional Deposit shall be refunded to the Developer whereupon, except for those provisions of this Agreement which by their express terms survive the termination of this Agreement, and no party shall have any other or further rights or obligations under this Agreement.

8. Environmental Remediation of Development Parcel. Developer acknowledges and agrees that the Development Parcel is a designated Brownfield that will require remediation to permit or allow redevelopment to occur. The Developer will be fully responsible for all costs and expenses associated with

all environmental investigations, inspections and assessments of the Development Parcel and Retained Area during the Due Diligence Period and at any time thereafter. Developer further acknowledges and agrees that a material inducement and primary factor in the City's decision to sell the Development Parcel for the Base Purchase Price is the completion by the Developer of the Remediation Work (defined below) and the obtaining of a No Further Action Order or Site Rehabilitation Completion Order from the FDEP, all with respect to the Development Parcel and Retained Area. The remediation by the Developer of the Retained Area shall be within the scope of this Section 8 and subject to payment of the Excess (as defined in Section 10.6). Pursuant to and in accordance with the provisions of Section 4 above, the City will provide access to the Subject Site to allow for sampling/surveying/boring as needed. The insurance and indemnity provisions of Section 4 will apply to Developer and Developer's contractors with respect to any investigations, inspections and assessments of the Subject Site during the Due Diligence Period and at any time thereafter. The environmental remediation/site cleanup necessary to meet the conditions required under federal and state laws for the environmental remediation of the Development Parcel and Retained Area (the "Remediation Work") shall be separately identified, with the estimated cost of the Remediation allocated between the Development Parcel and Retained Area. The Developer shall be responsible to engage the contractor(s) necessary to perform the Remediation Work with separate contracts for each of the Development Parcel and Retained Area. Performance of all Remediation Work for the Development Parcel and Retained Area shall be performed simultaneously and otherwise in accordance with the sequence or phasing set forth in the RAP unless otherwise agreed to in writing by the parties. As of the Effective Date, Developer estimates that the costs associated with the Remediation Work is approximately \$5,350,000 (the "Remediation Costs"). Documentation of the Remediation Costs incurred by Developer will be provided by the Developer to the City, upon request, in the form of a detailed expenditure report certified as true and correct by the Developer with all invoices and proof of payment as well as any other information and documentation reasonably requested by the City and, to the extent practicable, allocated to the Development Parcel and Retained Area. Remediation Costs shall include the actual costs of (a) any environmental investigations, inspections and assessments, (b) administrative and permitting costs of Governmental Authorities, (c) contractors' fees and costs to perform the remediation, (d) processing, administrative and permitting fees/costs with Governmental Authorities; and (e) legal and professional fees associated with the preparation of the environmental engineering documents required by the Governmental Authorities, all without mark-up, and expressly exclude (x) Developer's administrative costs, overhead, salaries and the like and (y) legal, accounting and other professional fees, unless incurred in relation to the aforementioned environmental investigations, inspections, assessments and/or remediation. In the event the Remediation Costs are less than \$5,350,000, such cost savings will be shared equally between the Developer and the City with payment to the City by the Developer of 50% of such cost savings to be made within 30 days following the issuance of a No Further Action Order or Site Rehabilitation Completion Order from the FDEP. The parties acknowledge and agree that the amount of the Remediation Costs shall not be reduced by any grants or other financial assistance that does not have to be repaid that is obtained by, or provided to, the Developer which would thereby result in a reduction of any cost savings due to the City.

9. Public Improvements Costs. Developer agrees to fund a minimum \$750,000.00 in the construction of on-site public amenities, in addition to the landscaping and landscape buffers required by the City's Land Development and Zoning Code. The on-site public amenities could include entrance monumentation, green space, enhanced landscaping, water features (including, at the discretion of the Developer, retention ponds), walking paths, decorative paving and other features to be further defined in the entitlement process.

10. Public Works Facility Improvements.

10.1 Developer Funding of \$4,000,000.00. Developer will seek to obtain a loan in an amount of up to \$4,000,000.00 from a generally recognized institutional lender (the "Commercial Lender") to provide funds for the Public Works Facility Improvements. The rate of interest to be charged to the City for such funds shall be the actual rate charged by the Commercial Lender to the Developer plus one percent (1%). Upon the City's receipt of a copy of the term sheet negotiated between Developer and the Commercial Lender, the City shall have 10 business days (the "Response Period") from receipt by the City of a copy of the term sheet, to deliver written notice (the "Response") to the Developer, either: (a) accepting the terms of the financing set forth in the term sheet, in which event formal acceptance/approval of such term sheet by the City Commission shall be placed on the Agenda at the next scheduled meeting of the City Commission; or (b) electing to use the City's resources to pay for the Public Works Facility Improvements. If the City fails to provide a Response to the Developer prior to the expiration of the Response Period, then it shall be deemed that the City has elected option (b) above. The term sheet will include the appropriate mechanism and security required by the Developer and the Commercial Lender to ensure the repayment to the Developer by the City of the funds borrowed by the Developer, together with repayment of all additional expenses incurred by the Developer in conjunction with the financing of this expenditure (collectively, the "Expenditure Expenses"), including but not limited to interest, fees, application costs, recording fees, origination fees, pre-payment penalties, and administrative fees.

10.2 P3 Financing Opportunities. The City and Developer are exploring several options to pay for the Public Works Facility Improvements, including a range of innovative financing opportunities that are tailored to public private partnerships ("P3 Financing"). P3 Financing may provide cost savings and other benefits to the City and/or to the Developer, and these alternative structures will be further explored during the term of this Agreement.

10.3 Scope of Work. The scope of work associated with the Public Works Facility Improvements will include the design, engineering, permitting and construction of the Public Works Facility Improvements within the Subject Site boundaries, including but not limited to construction of new buildings, reconfiguration of fueling facilities, parking, lighting, site work and the related professional fees to prepare and process plans for such improvements. Except for the relocation of the City Service Station (as set forth in Section 10.4), the Developer will not be obligated to renovate any existing Public Works buildings, structures or facilities. The City is undertaking a Public Works Programming and Needs Analysis (the "Analysis") to determine the portion of the Subject Site necessary to be included within the Retained Area for efficient Public Works operations. A copy of the Analysis shall be provided to the Developer within 15 days from the Effective Date. In the event a copy of the Analysis is not provided to the Developer within 15 days from the Effective Date, then the commencement of the Due Diligence Period shall be deemed to be automatically extended on a day-to-day basis until a copy of the Analysis has been provided to the Developer. If the Analysis evidences that less than the approximately seven acres currently contemplated to be included within the Retained Area will be needed by the City for the Public Works Facility Improvements and that a portion of the approximately seven acres currently contemplated to be included within the Retained Area (the "Additional Land") can be made available for sale (by the City) and for private redevelopment, the Developer has the option to acquire the Additional Land at a per square foot purchase price equal to the per square foot basis for the Closing Payment. If, however, the Analysis evidences that the approximately seven acres currently contemplated to be included within the Retained Area is not sufficient for the construction/renovation of the Public Works Facility Improvements, then the City and the Developer will have 45 days, or as otherwise extended by the mutual agreement of the City and the Developer, from the date the Developer receives a copy of the Analysis to (a) agree upon the

locations of the Retained Area and Development Parcel (and the respective acreages thereof), and (b) prepare and schedule an amendment to this Agreement to be heard at the next regularly scheduled City Commission; notwithstanding the foregoing, if an agreement cannot be reached, then the Developer may elect to immediately terminate this Agreement. In the event of a termination under this paragraph, (i) the Escrow Deposit shall be returned to the Developer, (ii) this Agreement shall be null and void and of no further force or effect; and (iii) the parties to this Agreement shall be released from all further obligations under this Agreement except for any obligations that expressly survive termination. Any portion of the Retained Area fronting along a right of way shall be subject to a 20' (at a minimum) landscape buffer, to be built to the reasonable specifications of the Developer, with the cost of maintaining such landscape buffer to be proportionately allocated to the City.

10.4 Relocation & Demolition of Existing Public Works Facilities. The Developer shall have the right to demolish the existing public works facilities abutting Park Road (City Service Station, transfer area and former public utilities building) and relocate the City Service Station to an interior location within the Subject Site (which interior location shall then be a portion of the Retained Area) provided that the terms and conditions of the demolition and relocation can be mutually agreed upon and incorporated into an amendment to this Agreement.

10.5 Development Management Agreement. The City shall have the right, but not the obligation, to enter into and execute a Development Management Agreement (the form and substance of which shall be agreed upon prior to the Expiration Date) pursuant to which the Developer, as management agent on behalf of City, shall manage the design, engineering and construction of the Public Works Facilities within the Retained Area including, but not limited to, construction of new buildings, reconfiguration of fueling facilities, parking, lighting and site work. The Development Management Agreement shall be on a "costs" plus 5% basis, with the fee(s) to be charged on all contractors, subcontractors, materialmen and providers of services necessary and required to deliver the City Public Works facilities to be components of the "costs". Without limiting the foregoing, the Development Management Agreement will contain terms and conditions acceptable to the City relating to detailed scheduling, cost estimating, verification and payment, provision of lien waivers and other documentation required by Chapter 713, Florida Statutes, audit rights as well as the right to engage an owner's representative. The City, prior to the date which will be sixty (60) days prior to the Expiration Date, shall provide the Developer with written notice specifying that either: (i) the City has elected to enter into the Development Management Agreement with the Developer; or (ii) the City has elected not to enter into the Development Management Agreement with the Developer. If the City fails to timely provide this written notice to Developer, then it shall be deemed that the City has elected not to enter into the Development Management Agreement with the Developer. If the City elects (or is deemed to have elected) not to execute a Development Management Agreement with the Developer, then the City shall be deemed to have agreed to develop and complete construction of the Public Works Facilities in accordance with a coordinated plan of development with the Developer (as to the Development Parcel), agreed to prior to the Expiration Date, so as to allow the Developer to comply with its obligations under this Agreement (as to the Development Parcel).

10.6 Environmental Condition of Public Works Facility. Developer acknowledges that the RAP boundaries will encompass the entire Subject Site, and as each component of the Subject Site is evaluated for needed remediation, the Retained Parcel will be evaluated as an industrial / commercial facility consistent with its current use (i.e., surface parking lot, outdoor storage, light industrial applications, etc.). If the cost of remediating the Subject Site exceeds (the "Excess") the Remediation Costs due to the inclusion of the Retained Area in the RAP, the City shall be responsible for payment of the Excess; provided, however, if the cost of remediating the Development Parcel alone exceeds (the "Development Parcel Excess") the

Remediation Costs, the Developer shall be responsible and pay for the Development Parcel Excess and then the Excess shall refer to and mean the costs in excess of the Development Parcel Excess. By way of example, (a) if the costs of remediating the Subject Site are \$5,750,000.00 and \$5,350,000.00 is attributable to the Development Parcel, the Excess payable by the City is \$400,000.00 but (b) if the costs of remediating the Subject Site are \$5,750,000.00 and \$5,500,000.00 is attributable to the Development Parcel, the Excess payable by the City is \$250,000.00. In this regard, the City agrees to join into any environmental covenant and/or environmental restrictions which may be imposed upon the Subject Site by the governmental agencies having jurisdiction; provided, however, neither party shall have responsibility or liability, financial or otherwise for the property owned by the other party and, to the extent the governmental agency does not permit such agreement in the required environmental covenant and/or environmental restrictions, the parties agree to enter into a separate agreement evidencing the foregoing.

11. Community Development District. The City and Developer agree to explore the formation of a Community Development District ("CDD") to fund site remediation and infrastructure construction, including the Public Works Facility Improvements. If a CDD is deemed to be of mutual benefit by both the Developer and the City, the terms of the CDD will be reflected in an amendment to this Agreement.

12. Redevelopment, Operational Costs and Real Estate Taxes. The Developer shall be solely responsible for and pay the costs of redevelopment, including predevelopment costs and future operation of the Development Parcel, including without limitation the costs, fees and expenses of the design, engineering, permitting and construction for the Project. The Developer shall be solely responsible for the payment of all utilities, permit fees, assessments and taxes relating to the Development Parcel, including, if applicable, possessory interest tax assessed under the Broward County Property Appraiser's Office. The Retained Area will not be part of any Homeowner's Association or Master Association and shall remain separate and apart from the Development Parcel. The parties acknowledge and agree that there shall be a Reciprocal Easement Agreement ("REA") executed at Closing (the form of which shall be agreed upon prior to the Expiration Date) due to the contemplated interdependence of utilities, roadways, driveways, drainage and other infrastructure that will be interconnected throughout the Subject Site.

13. Developer Financing.

13.1 General. Developer shall be responsible for obtaining financing from a Lender and provide equity to pay for the purchase, remediation and redevelopment of the Development Parcel and remediation of the Retained Area, including all costs associated with predevelopment. Except as set forth in Section 10.6 of this Agreement, the City is not obligated to extend any funds to the Developer, whether in the form of a loan or otherwise, and the City shall not be obligated to provide a grant to Developer in connection with the financing of the purchase, remediation and redevelopment of the Development Parcel, and the City shall incur no liability whatsoever should Developer fail to obtain or close upon financing for the Project. The City, without any responsibility or liability, financial or otherwise, will work with the Developer to pursue any and all federal, state, county and regional funding opportunities that are available for Brownfield remediation efforts. The Developer will prepare a financial plan for review and approval by the City's economic consultant prior to the Expiration Date, to demonstrate the Developer's ability to execute the Preliminary Plans and comply with the Developer's obligations pursuant to this Agreement. To the extent any Lender requires the Developer to provide a Completion Guaranty, the Developer shall cause a Completion Guaranty to be provided to such Lender.

13.2 Financial Plan; Development Schedule. Developer shall provide to the City a financial plan ("Financial Plan") for the completion of all components contemplated to be included within

the Development Parcel at least 60 days in advance of Closing. The Financial Plan will provide an estimate of the required equity, debt, and other capital required to develop the Minimum Entitlements, in addition to a projected delivery schedule that includes a date for the Completion of Construction with respect to the Project and all Project phases ("Development Schedule"). The Development Schedule will include a substantial completion date for the Project consistent with the time frame durations outlined in the Developer's response to RFP #4585-18-PB. The Development Schedule will commence upon Closing and extend for a number of calendar days until all phases of the Project are sufficiently complete so that the Developer can obtain a temporary certificate of occupancy (TCO) to occupy or utilize the Project (the "Substantial Completion Date"). The Development Schedule will be subject to the City's review and approval, with such approval not to be unreasonably withheld, and will be incorporated into this agreement as Exhibit "D." Modifications to the Development Schedule must be approved by the City.

13.3 Construction Loan. If the Financial Plan provides that the Developer intends to obtain a construction loan, for a phase or phases of the Project (each, a "Construction Loan") the Developer shall use its good faith and diligent efforts to obtain from the Lender a Construction Loan in an amount consistent with the Financial Plan and close the Construction Loan. If the Developer fails to close the Construction Loan or cannot otherwise provide evidence to the reasonable satisfaction of the City that the Developer has adequate funding to complete the Project, such shall be considered a material default of this Agreement entitling the City to its rights and remedies hereunder. The Developer shall utilize its best efforts to cause the loan documents to include, at a minimum, requirements that (i) the Lender shall, in the manner provided in the loan documents, give notice to the City of each notice of default given to Developer under the loan documents and (ii) the City shall have the right, for a reasonable period beyond the cure period that is given to Developer, to remedy or cause to be remedied any default which is the basis of a notice and the Lender shall accept performance by the City or its designee as performance by the Developer. The City has no obligation to allow any of its property (real or personal) to be mortgaged, assigned, pledged or hypothecated as security for any obligation of Developer in connection with the Project. To the extent required by the Lender making the Construction Loan, the City shall join in and execute the loan documents, provided such documents are non-recourse to the City. Similarly, the City agrees to process for approval by the City Commission any amendments to this Agreement required by the Lender making the Construction Loan; provided, however, such amendments shall not result in any financial obligations or recourse to the City or require a material change to the terms of this Agreement; provided, further, that nothing in this Agreement is intended to limit or restrict the powers and responsibilities of the City Commission in approving such amendments. The Developer acknowledges and agrees that such amendments are subject to the approval of the City Commission.

14. Workforce Housing. The Developer is encouraged to explore providing additional residential units to accommodate workforce housing. City will not receive any per unit payment for rent-restricted or income restricted units that are ultimately secured in the site plan approval process. Notwithstanding the foregoing, the Developer shall be required to comply with any Applicable Laws relative to affordable, workforce housing and/or non-market rate housing.

15. Green Building Requirements. The Developer shall construct the Project improvements in accordance with Chapter 151 of City of Hollywood Code of Ordinances, Mandatory Green Building Practices.

16. Financial Guarantee. Subject to the terms of this Agreement, if the Developer does not actively pursue the development of the Development Parcel after Closing as required by this Agreement, which such active pursuit being evidenced by the submission of building permit applications for phases of development and/or advancement of professional work in preparation of such submittals in accordance with

the Development Schedule, then the City shall assess (the "Assessment") the Developer a financial payment to be made to the City based upon the following schedule:

Year 1 of Assessment - \$115,000.00 (20% of \$575,000)
Year 2 of Assessment - \$230,000.00 (40% of \$575,000)
Year 3 of Assessment - \$345,000.00 (60% of \$575,000)
Year 4 of Assessment - \$460,000.00 (80% of \$575,000)
Year 5 of Assessment and thereafter - \$575,000.00 (100% of \$575,000)

collectively, the "Financial Guarantee." The amount of the Financial Guarantee shall be reduced by the amount of the Ad Valorem taxes included within the tax bill(s) for the Development Parcel (and/or portions thereof) in such amount taking into account the maximum discount for early payment in November, and Developer shall only be entitled to such reduction to the extent the Ad Valorem taxes are actually paid during each year of the Assessment. The Assessment, and any lien rights appurtenant to the Assessment, shall be subordinate in lien priority to the lien of any mortgage now or hereafter held by a Lender encumbering all or a portion of the Development Property, without the necessity for the execution by City of any documents confirming the subordinate status of the Assessment and any lien rights appurtenant to the Assessment. City, upon receipt of written request from Developer, shall execute such documentation, in recordable form, as may be reasonably requested by a Lender to confirm the subordinate status of the Assessment and any lien rights appurtenant thereto. The parties acknowledge and agree that the Financial Guarantee is not intended to, nor shall it, constitute liquidated damages and that, pursuant to Section 37.17, the rights and remedies of the City are cumulative, and that the Assessment and the payment of the Financial Guarantee shall in no way operate to preclude or otherwise bar the City from the exercise of any other rights or remedies.

The obligation for the Financial Guarantee shall terminate (and be of no further force or effect) upon issuance of a Certificate or Certificates of Occupancy (or equivalent) for:

16.1 The convenience store/service station contemplated to be constructed within the Project and not less than 30% of the commercial/retail square footage contemplated to be constructed within the Project (as approved within the Minimum Entitlements); or

16.2 Not less than 50% of the residential units contemplated to be constructed within the Project (as approved within the Minimum Entitlements); or

16.3 100% of the commercial/retail square footage contemplated to be constructed within the Project (as approved within the Minimum Entitlements); or

16.4 The convenience store/service station contemplated to be constructed within the Project and not less than 33 1/3% of the residential units contemplated to be constructed within the Project (as approved within the Minimum Entitlements).

This Section 16 shall survive the Closing and delivery of the Deed.

17. Buyback Option. In the event the Financial Guarantee is not terminated as set forth above by the end of Year Five of the Assessment or thereafter and the Developer fails to pay the Assessment, in whole or in part, and the Developer has not cured such payment default in accordance with the terms of this Agreement, then the City may exercise a buyback option (the "Buyback Option") that provides the City

with the right, at its sole discretion, to repurchase any incomplete phase or phases of the Property within the Subject Site, with such phases as defined by the Developer in the Preliminary Plans. The "Repurchase Price" will be in an amount equal to the Developer's actual financial investment in the phase or phases being repurchased by the City, with such financial investment being defined as all actual out of pocket expenses paid by the Developer to third parties, including costs and expenses for the remediation, design, engineering, permitting and financing in relation to the development of the Development Parcel, allocated proportionately to the phase or phases being repurchased by the City, but specifically excluding any so-called Developer fees that would be considered "Profit" to Developer above Developer's actual out of pocket expenses paid by the Developer to third parties. The Repurchase Price will be reduced by any unpaid Assessment(s). Upon repurchase, the Developer, shall cause any Lender holding a mortgage encumbering the property being repurchased by the City to release the property being repurchased from the lien and operation of such mortgage, with all costs associated therewith to be paid by the City. City, upon receipt of written request from Developer, shall execute such documentation, in recordable form, as may be reasonably required by a Lender holding a mortgage encumbering all or a portion of the Development Property, subordinating this Buyback Option to the lien of the mortgage held by such Lender. The provisions of this Section 17 shall survive the Closing and delivery of the Deed.

18. City's Operations.

18.1 Prior to Closing. Between the Effective Date and the Closing Date or earlier termination of this Agreement, City covenants and agrees as follows:

(a) City shall maintain the Development Parcel in a manner substantially consistent with City's maintenance thereof during the 12 month period preceding the Effective Date.

(b) City shall not enter into any leases with respect to the Development Parcel. City shall deliver the Development Parcel to Developer, free and clear of all lessees and occupants.

(c) Subject to express provisions of this Agreement to the contrary, City shall maintain the physical condition of the Development Parcel in substantially the same condition existing at the Effective Date, reasonable wear and tear excepted, but City shall have no obligation to make capital improvements.

(d) Except for (i) renewals or modifications of existing Service Agreements (or new Service Agreements in lieu thereof) on terms consistent with their existing terms but which shall be canceled by the City as of the Closing Date, and/or (ii) agreements necessary to preserve or protect the Property from imminent damage or persons thereon from imminent injury or loss of life, City shall not modify or enter into any new Service Agreements without Developer's prior written consent. The City shall terminate all Service Agreements prior to the Closing Date.

19. City's Representations and Warranties. City represents and warrants to the Developer and covenants and agrees with the Developer, on and as of the date of execution of this Agreement and on the Closing Date, as follows:

19.1 Title. City is the fee simple owner of the Development Parcel and Improvements free and clear of all encumbrances except for the Permitted Exceptions, other than the requirements under Schedule B-1 of the Title Commitment that are to be satisfied by City at or before Closing.

19.2 City's Existence. City is a municipal corporation under the laws of the State of Florida. City has full power and authority to sell the Property and to comply with the terms of this Agreement.

19.3 Authority. The execution and delivery of this Agreement by the City and the consummation by the City of the transaction contemplated by this Agreement are within City's capacity, and all requisite action has been taken to make this Agreement valid and binding on the City in accordance with its terms.

19.4 Litigation. There are no actions, suits, proceedings or investigations (including condemnation proceedings) pending, or, to the knowledge of City, threatened against City with respect to the Development Parcel and City is not aware of any facts which might result in any such action, suit or proceeding. If City is served with process or receives notice that litigation may be commenced against it with respect to the Development Parcel, City shall promptly notify Developer.

20. Developer's Representations. Developer represents and warrants to City and covenants and agrees with the City, on and as of the date of execution of this Agreement and on the Closing Date, as follows:

20.1 Organization, Power and Authority of Developer. Developer is a limited liability company duly formed, validly existing and in good standing under the laws of the State of Florida. Developer has all necessary power to execute and deliver this Agreement and perform all its obligations hereunder. The execution, delivery and performance of this Agreement by Developer has been duly and validly authorized by all necessary action on the part of the Developer, does not conflict with or result in a violation of its organizational documents, or any judgment, order of decree of any court or arbiter in any proceeding to which Developer is or was a party.

20.2 No Legal Bar. The execution by Developer of this Agreement and the consummation by Developer of the transaction hereby contemplated does not, and on the Closing Date will not (a) result in a breach of, or default under, any indenture agreement, instrument or obligation to which Developer is a party, or (b) to Developer's knowledge constitute a violation of any Governmental Requirement.

20.3 No Bankruptcy. Developer is not a party to any voluntary or involuntary proceeding under any Governmental Requirement relating to insolvency, bankruptcy, moratorium or other laws affecting creditor's rights to the extent such laws may be applicable to the Developer.

20.4 Litigation. There are no actions, suits, proceedings or investigations (including condemnation proceedings) pending, or, to the knowledge of Developer, threatened against Developer and Developer is not aware of any facts that might result in any such action, suit or proceeding. If Developer is served with process or receives notice that litigation may be commenced against it, Developer shall promptly notify City.

21. Survival of Representations. All of the representations of Developer and City set forth in this Agreement must be materially true upon the execution of this Agreement, and must be materially true as of the Closing Date. The representations, warranties and agreements of Developer or City set forth in this Agreement shall survive the Closing and delivery of the Deed.

22. Closing.

22.1 Time and Place of Closing. Subject to all of the provisions of this Agreement, Developer and City will close this transaction on the Closing Date as an escrow closing with the Closing Agent.

22.2 Conditions Precedent to Closing. Each of the following shall constitute a "Condition Precedent" to the obligation of the parties to close the contemplated transaction, each of which must be fulfilled or waived at or prior to Closing:

- (a) City and Developer shall have delivered all documents as required by this Agreement to be delivered by the respective parties;
- (b) The Closing Payment shall have been delivered to the Closing Agent by Developer;
- (c) All of the representations and warranties of the City and Developer contained in this Agreement shall be true and correct on the Closing Date in all material respects;
- (d) Development Approvals for the Minimum Entitlements shall have been obtained by Developer;
- (e) Developer shall have obtained all approvals necessary to cause the Development Parcel to be eligible for building permits and such approvals shall be final and not subject to appeal;
- (f) The approved RAP shall have been received by the Developer and recorded among the Public Records of Broward County; and
- (g) Developer shall have completed all of its detailed geotechnical analysis.

The Developer shall have the right to terminate this Agreement upon written notice to the City if any of the Conditions Precedent are determined by the Developer, in its sole discretion, to be unachievable or insurmountable. If Developer so elects to terminate this Agreement pursuant to this Section 22.2, the Developer shall pay the Inspection Costs and any balance of the Escrow Deposit in the possession of the Escrow Agent or in the possession of the Successor Escrow Agent (as applicable) together with the Additional Escrow Deposit shall be refunded to the Developer whereupon, except for those provisions of this Agreement which by their express terms survive the termination of this Agreement, no party shall have any other or further rights or obligations under this Agreement. In the event of such termination, all of the Developer's work product obtained (e.g., third party reports, environmental testing results,) will be assigned, without recourse, by the Developer to the City.

23. City's Closing Documents. At Closing, City must deliver the following documents ("City's Closing Documents") to the Closing Agent:

23.1 Deed. The Deed, which must be duly executed and acknowledged by City so as to convey to Developer good and marketable fee simple title to the Development Parcel free and clear of all liens, encumbrances and other conditions of title other than the Permitted Exceptions.

23.2 General Assignment. A General Assignment conveying the Intangible Personal Property to Developer free and clear of all liens, encumbrances and security interests.

23.3 City's No Lien and Gap Affidavit. An Affidavit from City attesting that, to the best of City's knowledge, as follows: (a) no individual or entity has any claim against the Development Parcel under applicable lien law; (b) except for City, no individual or entity is either in possession of the Development Parcel or has a possessory interest or claim in the Development Parcel, and (c) no improvements to the Development Parcel have been made for which payment has not been made within the immediately preceding 90 days. The Affidavit will include language sufficient to enable the Title Company to insure the "gap", i.e., delete as an exception to the Title Commitment any matters appearing between the effective date of the Title Commitment and the effective date of the Title Policy.

23.4 Closing Statement. A closing statement setting forth the Closing Payment and all credits, adjustments and prorations between Developer and City.

23.5 Evidence of Authority. City's Evidence of Authority authorizing the entering into and execution of this Agreement and the consummation of the transaction contemplated by this Agreement.

24. Developer's Closing Documents. At Closing, Developer shall deliver the following documents ("Developer's Closing Documents") to the Closing Agent:

24.1 Evidence of Authority. Developer's Evidence of Authority authorizing the entering into and execution of this Agreement and the consummation of the transaction contemplated by this Agreement.

24.2 Other Documentation. All documentation as may be required by the Closing Agent to close the transaction contemplated by this Agreement.

25. Closing Procedure. The Closing shall proceed in the following manner:

25.1 Delivery of Documents. Developer will deliver Developer's Closing Documents to the Closing Agent, and City will deliver City's Closing Documents, to the Closing Agent. Developer will deliver the Closing Payment to the Closing Agent.

25.2 Disbursement of Funds and Documents. Once the Title Company has "insured the gap," i.e., endorsed the Title Commitment to delete the exception for matters appearing between the effective date of the Title Commitment and the effective date of the Title Policy, and provided all other obligations to close have been fulfilled, Closing Agent will record the Deed, the Declaration, this Agreement as well as any other documents to be recorded at Closing pursuant to this Agreement, and deliver Developer's Closing Documents and the Closing Payment to City and City's Closing Documents to Developer.

26. Prorations and Closing Costs.

26.1 Prorations. The following items will be prorated and adjusted between City and Developer as of the Closing Date, except as may be otherwise specified:

(a) The Development Parcel is owned by an exempt governmental entity and the Development Parcel is exempt from ad valorem real estate and personal property taxes. The Developer

shall be responsible for the payment of all ad valorem real estate and personal property taxes subsequent to the Closing.

(b) Utility Deposits. City shall receive a credit for any deposits with utility companies to the extent such deposits are assignable and are assigned to Developer.

(c) Utilities. Water, sewer, electricity, gas and other utility charges, if any, shall be prorated on the basis of the fiscal period for which assessed, except that if there are utility meters for the Development Parcel, apportionment at the Closing shall be based on the last available reading. The Closing Agent is authorized to escrow such amounts from City's proceeds for any unpaid utility charges, which escrowed amounts shall be disbursed to City upon provision of proof of payments following the Closing. If any such utility charges are not paid within 30 days following Closing, Escrow Agent is authorized to utilize the escrowed funds to the extent necessary to pay such utility charges.

(d) Pending, and Certified Liens. Certified liens levied by any Governmental Authority for which the work has been substantially completed and that are currently due and payable in full will be paid by the City. Pending liens and certified liens that are payable on an installment basis such as monthly, semi-annually, annually or bi-annually, or for which the work has not been substantially completed will be assumed by the Developer from and after the Closing Date.

(e) Other Items. All other items required by any other provisions of this Agreement to be prorated or adjusted or, absent express reference in this Agreement, items normally prorated in the county where the Development Parcel is located, will be prorated in accordance with the standards prevailing in the county in which the Development Parcel is located.

26.2 City's Closing Costs. City shall pay for the following items: (a) cost of recording any corrective title instruments, and (b) certified and pending governmental special assessment liens for which the work has been substantially completed.

26.3 Developer's Closing Costs. Developer shall pay for the following items: (a) documentary stamps on the Deed; (b) cost of recording the Deed; (c) Title Commitment; (d) Title Policy; (e) Survey; (f) pending special assessment liens for which the work has not been substantially completed, and (g) any costs and fees in connection with any financing obtained by Developer.

26.4 Reprorations. At Closing, the above referenced items shall be prorated and adjusted as indicated, subject to reproration for items (if any) prorated at Closing based upon estimates. The provisions of this Section shall expressly survive the Closing and delivery of the Deed.

27. Possession. Developer shall be granted full possession of the Development Parcel at Closing. City shall have not any right to enter upon the Property at any time after Closing for any reason whatsoever.

28. Condemnation. In the event of the institution of any proceedings by any Governmental Authority which shall relate to the proposed taking of any portion of the Development Parcel by eminent domain prior to Closing, or in the event of the taking of any portion of the Development Parcel by eminent domain prior to Closing, City shall promptly notify Developer and Developer shall have the right and option to terminate this Agreement by giving City written notice of Developer's election to terminate within 30 days after receipt by Developer of the notice from City. City agrees to furnish Developer with written notice of a proposed

condemnation within two Business Days after City's receipt of such notification. If Developer elects to terminate this Agreement, then: (a) this Agreement shall be terminated and of no further force and effect except for those provisions which expressly survive termination; (b) the Escrow Agent or Successor Escrow Agent, as applicable, shall deliver the Escrow Deposit or the Additional Escrow Deposit, as applicable, to Developer; and (c) the parties shall have no further liability to one another under this Agreement, except for any liability accruing prior to the termination date and any liability associated with or arising from those provisions which expressly survive termination. Should Developer elect not to terminate, the parties shall proceed to Closing and City shall assign all of its right, title and interest in all awards in connection with such taking to Developer.

29. Default; Remedies.

29.1 Developer's Default for Failure to Close. In the event that this transaction fails to close due to a refusal or default on the part of Developer, the sole remedy available to the City shall be to receive the Escrow Deposit, as agreed upon liquidated damages, and thereafter, except as otherwise specifically set forth in this Agreement, neither Developer nor City shall have any further obligation under this Agreement. Developer and City acknowledge that if Developer defaults, City will suffer damages in an amount that cannot be ascertained with reasonable certainty on the Effective Date, and the amount of the liquidated damages to be paid to City most closely approximates the amount necessary to compensate City in the event of such default. Developer and City agree that this is a bona fide liquidated damages provision and not a penalty or forfeiture provision. The City shall not be entitled to any other remedy against Developer.

29.2 City's Default for Failure to Close. In the event that this transaction fails to close due to a refusal or default on the part of City, Developer shall have the option to terminate the Agreement, in which event: (i) the Escrow Agent and the Successor Escrow Agent (as applicable) shall deliver the Escrow Deposit Remainder (if any), together with the Additional Escrow Deposit to Developer; and thereafter, neither Developer nor City shall have any further obligation hereunder except for any obligations that expressly survive termination, or, in the alternative, Developer shall have the right to seek specific performance of City's obligations under this Agreement or damages against City.

29.3 Other Developer Defaults. An "Event of Default" or "default" (not cured prior to the lapse of all applicable grace, notice and cure periods) entitling City to its remedies below shall occur by the Developer on the happening of any of the following events:

(a) Failure to Observe Agreement. The Developer shall fail to observe, satisfy or perform any material term, covenant or agreement contained in this Agreement and such failure shall continue unremedied for 30 days after receipt by Developer of written notice from the City to the Developer; provided, however, that if such failure is capable of cure but cannot reasonably be cured within such 30 day period, such failure shall not constitute an Event of Default so long as the Developer provides City with written notice within 15 days of Developer's receipt of the City's default notice advising the City that the Event of Default cannot be reasonably cured within 30 days and specifying the reasons therefore and, within the 30 day period, Developer commences and thereafter is in good faith proceeding diligently and continuously to remedy such Event of Default, but in no event shall any additional time to cure granted hereunder exceed 90 days in the aggregate after Developer's receipt of the original written default notice; or

(b) Inaccuracy of Representation and Warranties. Any representation or warranty made by the Developer herein shall prove to have been incorrect in any material respect as of the date made; or

(c) Failure to Complete by Completion Dates. The failure of the Developer to either (i) achieve Completion of Construction of the Project by the date provided in the Development Schedule or (ii) achieve completion of the Project by the Substantial Completion Date; or

(d) Bankruptcy. The Developer shall generally fail to pay debts as such debts become due or shall admit in writing its inability to pay its debts as such debts become due or shall make a general assignment for the benefit of creditors; the Developer shall commence any case, proceeding, or other action seeking reorganization, arrangement, adjustment, liquidation, dissolution or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors, or seeking appointment of a receiver, trustee, custodian, or other similar official for it or for all or any substantial part of its property; or any case, proceeding or other action against the Developer shall be commenced seeking to have an order for relief entered against the Developer, as debtor, or seeking reorganization, arrangement, adjustment, liquidation, dissolution or composition of the Developer or its debts under any law relating to insolvency, reorganization or relief of debtors, or seeking appointment of a receiver, liquidator, assignee, trustee, custodian, sequestrator or other similar official for the Developer or for all or any substantial part of its respective properties, and (i) the Developer shall by any act or omission, indicate its consent or approval, of, or acquiescence in such case, proceeding or action, (ii) such case, proceeding or action results in the entry of an order for relief that is not fully stayed within 60 days after the entry thereof, or (iii) such case, proceeding or action remains undismissed for a period of 90 days or more or is dismissed or suspended only pursuant to Section 305 of the United States Bankruptcy Code or any corresponding provision of any future United States bankruptcy law; or

(e) Attachment; Garnishment. The issuance of any attachment or garnishment against the Developer and the failure to discharge the same (by bond or otherwise) within 30 days from the issuance and the impact of which shall materially and adversely affect the Developer's ability to perform its obligations hereunder; or

(f) Unpermitted Transfer. If the Developer effectuates a Transfer not permitted by this Agreement.

The parties acknowledge and agree that with respect to the Events of Default set forth in subsections (b) through (f) above, Developer is not entitled to any cure period except as may be expressly set forth herein. Upon the occurrence of an uncured Event of Default by the Developer, the City shall be entitled to any and all rights available to the City at law and in equity including, but not limited to, monetary damages and specific performance, as well as the right to terminate this Agreement upon 30 days written notice to the Developer.

29.4 Other City Default. An "Event of Default" or "default" entitling the Developer to its remedies below shall occur if the City shall fail to observe, satisfy or perform any material term, covenant or agreement contained in this Agreement and such failure shall continue unremedied for 30 days after written notice from the Developer to the City; provided, however, that if such failure is capable of cure but cannot reasonably be cured within 30 days, such failure shall not constitute an Event of Default so long as the City provides the Developer with written notice within 15 days of receipt of the Developer's default

notice advising the Developer that the default cannot be reasonably cured within 30 days and specifying the reasons therefore, and, within the 30 day period, commences and thereafter is in good faith proceeding diligently and continuously to remedy such failure, but in no event shall any additional time to cure granted hereunder exceed 90 days in the aggregate after City's receipt of the original written default notice. Upon the occurrence of an Event of Default by the City, the Developer may terminate this Agreement upon 30 days written notice to the City and shall thereafter be entitled to all rights and remedies available at law or in equity on account of such Event of Default

29.5 Effect of Termination. In the event of a termination of this Agreement, the parties shall be entitled to such rights and remedies as are set forth in this Agreement. Additionally, the City may require that the Developer, which shall also be accomplished as soon as practicable but in no event later than the 15th day after such notice is given to furnish all such information and otherwise cooperate in good faith in order to effectuate an orderly and systematic ending of the Developer's duties and activities hereunder, including the delivery to the City of any written reports required hereunder for any period not covered by reports previously provided by the Developer to City and the assignments of any and all agreements relative Remediation Work and the development of the Retained Area. In the event of such assignment, the Developer shall remain responsible of all obligations and liabilities accruing prior to the date of such assignment. With regard to the originals of all papers and records pertaining to the Project, the possession of which are retained by the Developer after termination, the Developer shall: (a) reproduce and retain copies of such records as it desires; (b) deliver the originals to the City, and (c) not destroy originals without first offering to deliver the same to the City. Notwithstanding anything herein to the contrary, all representations and warranties of Developer shall survive the termination of this Agreement for a period of one year, along with any other obligations of Developer that expressly survive termination or by their nature need to survive termination in order to provide the City with ability to enforce its rights and remedies hereunder.

30. Indemnification.

30.1 Indemnification by the City. Subject to the provisions and monetary limitations of Section 768.28, Florida Statutes, as such may be amended, the City agrees to indemnify and hold the Developer, its managers, members and employees harmless to the fullest extent permitted by law from and against any and all liabilities, losses, interest, damages, costs or expenses (including, without limitation, reasonable attorneys' fees, whether suit is instituted or not, and if instituted, whether incurred at any trial or appellate level or post judgment) threatened or assessed against, levied upon, or collected from, the Developer, its managers, members or employees arising out of, from, or in any way arising from the negligence, gross negligence, fraud, and/or breach of trust of the City or from a failure of the City to perform its obligations under this Agreement. Notwithstanding the foregoing, the City shall not be required to indemnify the Developer with respect to any liability, loss, damages, cost or expense to the extent suffered as a result of the negligence, gross negligence and/or willful misconduct of Developer.

30.2 Indemnification by the Developer. The Developer agrees to indemnify and hold the City, its commissioners and employees harmless to the fullest extent permitted by law from all liabilities, losses, interest, damages, costs or expenses (including, without limitation, reasonable attorneys' fees, whether suit is instituted or not and if instituted, whether incurred at any trial, appellate or post judgment level), threatened or assessed against, levied upon, or collected from, the City, its commissioners and/or employees arising out of, from, or in any way connected with or arising from the negligence, gross negligence, fraud, and/or breach of trust of the Developer or from a failure of the Developer to perform its

obligations under this Agreement. Notwithstanding the foregoing, the Developer shall not be required to indemnify the City with respect to any liability, loss, damages, cost or expense to the extent suffered as a result of the negligence, gross negligence and/or willful misconduct of the City. To the extent this indemnification clause or any other indemnification clause in this Agreement is subject to the provisions of Chapter 725, Florida Statutes, and such does not comply with Chapter 725, Florida Statutes, as such may be amended, such provision shall be interpreted as the parties' intention for the indemnification clauses and to comply with Chapter 725, Florida Statutes, as such may be amended.

30.3 Notice of Indemnification. A party's duty to indemnify pursuant to the provision of this Section 30 shall be conditioned upon the giving of notice by such party of any suit or proceeding and upon the indemnifying party being permitted to assume in conjunction with the indemnitor the defense of any such action, suit or proceeding in accordance with Section 30.4 hereof.

30.4 Third Party Claim Procedure. If a third party (including, without limitation, a governmental organization) asserts a claim against a party to this Agreement and indemnification in respect of such claim is sought under the provisions of this Section 30 by such party against another party to this Agreement, the party seeking indemnification hereunder (the "Indemnified Party") shall promptly (but in no event later than 10 Business Days prior to the time in which an answer or other responsive pleading or notice with respect to the claim is required) give written notice to the party against whom indemnification is sought (the "Indemnifying Party") of such claim. The Indemnifying Party shall have the right at its election to take over the defense or settlement of such claim by giving prompt written notice to the Indemnified Party at least five Business Days prior to the time when an answer or other responsive pleading or notice is required. If the Indemnifying Party makes such election, it may conduct the defense of such claim through counsel or representative of its choosing (subject to the Indemnified Party's approval of such counsel or representative, which approval shall not be unreasonably withheld), shall be responsible for the expenses of such defense, and shall be bound by the results of its defense or settlement of claim to the extent it produces damage or loss to the Indemnified Party. The Indemnifying Party shall not settle any such claim without prior notice to and consultation with the Indemnified Party, and no such settlement involving any equitable relief or which might have a material and adverse effect on the Indemnified Party may be agreed to without its written consent. So long as the Indemnifying Party is diligently contesting any such claim in good faith, the Indemnified Party may pay or settle such claim only at its own expense. If the Indemnifying Party does not make such election, or having made such election does not proceed diligently to defend such claim, or does not make the financial arrangements described in the immediately preceding sentence, then the Indemnified Party may, upon three Business Days' written notice (or shorter notice if a pleading must be filed prior thereto) and at the expense of the Indemnifying Party, take over the defense of and proceed to handle such claim in its exclusive discretion and the Indemnifying Party shall be bound by any defense or settlement that the Indemnified Party may make in good faith with respect to such claim. The parties agree to cooperate in defending such third party claims and the defending party shall have access to records, information and personnel in control of the other party or parties which are pertinent to the defense thereof.

30.5 Survival. The provisions of this Article 30 shall survive the expiration or earlier termination of this Agreement and delivery of the Deed for the applicable Statute of Limitations with respect to the applicable claim.

31. Insurance.

31.1 Developer's Insurance. Developer shall provide the following insurance coverages, along with required endorsements during any period of time that the Developer is accessing the Retained Area and/or constructing the City Public Works facilities, and furnish certificates of insurance and endorsement(s):

(a) Commercial general liability insurance coverage with limits of no less than \$1,000,000 per occurrence and \$2,000,000 in the aggregate, which policy shall include coverage of the contractual liabilities contained in this Agreement.

(b) If the Developer owns or leases any vehicles, Business Auto Liability including hired and non-owned auto coverage with minimum limits of \$1,000,000 combined single limit.

The certificate shall provide that City is an additional insured and will be given at least 30 days prior written notice of cancellation of the policy. The cost of the Developer's insurance shall be paid by the Developer.

31.2 General Contractor's and Subcontractor's Insurance. The Developer shall cause (a) its general contractor to maintain and (b) any subcontractors brought onto the Retained Area and/or constructing the City Public Works facilities to have insurance coverage in the following minimum amounts:

(a) Worker's Compensation insurance coverage in accordance with Florida statutory requirements.

(b) Commercial general liability insurance coverage with limits of no less than \$1,000,000.00 per occurrence and \$2,000,000.00 in the aggregate.

(c) Business Auto Liability including hired and non-owned auto coverage with minimum limits of \$1,000,000.00 combined single limit.

This insurance will be primary and noncontributory with respect to insurance outlined in Section 31.1. Developer shall ensure that Developer and City are named as additional insureds on the general contractor's and subcontractors' Commercial General Liability and Umbrella/excess insurance (general contractor only) policies. Developer shall require the general contractor's and subcontractors' insurers to waive all rights of subrogation with respect to the City and the Developer.

31.3 Certificates of Insurance. Developer shall obtain and keep on file Certificates of Insurance for the general contractor and any subcontractors performing services on the Retained Area. Developer must obtain the City's permission to waive any of the above requirements. Higher amounts may be required if the work to be performed is sufficiently hazardous.

31.4 Waiver of Subrogation Rights. City and Developer, for themselves and anyone claiming through them, waive all rights of their insurers to subrogation against the other to the extent permitted by law. To the extent commercially available at reasonable rates, the City and Developer agree that their policies will include such a waiver or an endorsement to that effect. This mutual waiver of

subrogation shall apply regardless of the cause or origin of the loss or damage, including negligence of the parties hereto, their respective agents and employees except that it shall not apply to willful conduct.

32. Restrictions on Transfer; Transfer Fee.

32.1 Restrictions on Transfer. Developer represents and agrees for itself and its successors and assigns (except as so authorized by the provisions of this Agreement) that it shall not (a) sell, transfer or convey Developer's interest in the Development Parcel or in any portion thereof (for which a Certificate of Occupancy, temporary or otherwise, has not been issued) and/or in this Agreement or (b) suffer, allow or permit to be made or created, any total or partial assignment, sale or transfer of this Agreement (excluding a collateral assignment of this Agreement in connection with any financing for the Project) and/or (c) effectuate, permit or facilitate a "Change in Control" of the Developer (either through a single transaction or as the aggregate of multiple transactions (collectively referred to herein as a "Transfer") without first obtaining the prior written approval of the City (the "Approval"), which Approval shall not be unreasonably withheld, conditioned or delayed, provided, however, notwithstanding the foregoing, the parties acknowledge and agree that a Transfer shall not be permitted prior to the Closing. Developer may, however, Transfer the Property without the City's Approval after the issuance of a Certificate or Certificates of Occupancy (or equivalent) for the following: (i) the convenience store/service station contemplated to be constructed within the Project and not less than 30% of the commercial/retail square footage contemplated to be constructed within the Project (as approved within the Minimum Entitlements); or (ii) not less than 50% of the residential units contemplated to be constructed within the Project (as approved within the Minimum Entitlements); or (iii) 100% of the commercial/retail square footage contemplated to be constructed within the Project (as approved within the Minimum Entitlements); or (iv) the convenience store/service station contemplated to be constructed within the Project and not less than 33 1/3% of the residential units contemplated to be constructed within the Project (as approved within the Minimum Entitlements). A "Change in Control" means that neither Louis Birdman nor Eric Metz, as a Manager of the Developer, nor the two of them combined, are in "Control" of the Developer. "Control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of the Developer, whether through ownership of voting interests, by contract or otherwise, and, without limiting the foregoing, shall include the oversight of all day to day activities of the Developer, without the necessity of obtaining the consent or approval of a third party(ies). Developer shall provide written notice to the City of a proposed Transfer as far in advance as practicable, including the proposed sales price or consideration, as applicable, in order to determine if a Transfer Fee (as defined in Section 32.2) will be due and payable to the City as a result of such Transfer, with the understanding that the final sales price or consideration, as applicable, will be provided by the Developer to the City by written notice at the time of payment. The City, in its determination of whether to approve a Transfer, shall be entitled to require as conditions to granting the Approval that:

(a) Any proposed successor to the Developer and any proposed party assuming Control of the Developer shall have the business experience and reputation, development track record and sufficient financial capacity to carry out the obligations under this Agreement, as determined, in the commercially reasonable discretion of the City. If the proposed successor developer is an entity, proof of existence and good standing from the state of origination as well as Florida shall be required.

(b) Any proposed successor to the Developer and any proposed party assuming Control of the Developer, by instrument in writing satisfactory to the City, in its sole discretion, and in recordable form, shall, for itself and its successors and assigns expressly assume all of the obligations

of the Developer under this Agreement with respect to the Transfer and shall agree to abide by and be subject to all of the terms, conditions, obligations, reservations and restrictions to which the Developer is subject. As part of the Transfer, the Developer shall deliver an assignment and assumption agreement ("Assignment Agreement") in a form and substance satisfactory to the City and its legal counsel, which shall contain an indemnification and hold harmless provision by the Developer in favor of the City for any liabilities and obligations of the Developer under this Agreement prior to the date of the Transfer which Assignment Agreement shall be recorded in the Public Records of Broward County.

(c) There shall be submitted to the City for review all instruments and other legal documents reasonably necessary to review compliance with the provisions of this Section 32. Copies of all instruments and other legal documents, including the proposed assignment/transfer document, shall be provided to the City for review and approval at least 45 days prior to the closing of the proposed Transfer. The City agrees to diligently proceed with and complete its review and approval of the proposed Transfer as soon as possible, but in no event later than 30 days after receipt by the City of such instruments and documents.

(d) In connection with any proposed Transfer, the Developer shall pay the City the actual costs of time and materials incurred by the City in conjunction with the City review of the proposed Transfer, including the review of such instruments and other legal documents, which costs shall not exceed \$25,000.00, which amount shall be paid in advance with a reconciliation to be made after review and approval of the proposed Transfer (the "Transfer Review Fee"). The payment of the Transfer Review Fee by the Developer shall be a prerequisite to the City obligation to review any instruments and documents in relation to a proposed Transfer.

(e) As to any partial Transfer under Section 32.1(i) and/or (ii) and/or a Change in Control approved by the City, Developer shall not be released from any liabilities and obligations as the Developer under this Agreement with respect to matters not subject to the Transfer.

32.2 Transfer Fee. In the event of a Transfer as provided in Section 32.1 of this Agreement, the City shall be paid a transfer fee ("Transfer Fee") equal to 3% of the gross sales price for the Transfer, which shall be paid at the closing of the Transfer transaction which for avoidance of doubt is when the sales price or consideration is received. In addition, no Approval shall be required to be obtained from the City, no Transfer shall be deemed to have occurred and no Transfer Fee shall be due and payable if the Developer: (i) enters into joint venture agreements, development management agreements, or other financial or management agreements to develop all of or a portion of the Development Parcel and either Louis Birdman or Eric Metz, as a Manager of the Developer, remains in Control of the Developer or the successor entity (if applicable); or (ii) enters into lease arrangements with tenants and/or other users of all or any portion of the Development Parcel; or (iii) receives an equity investment from existing members of the Developer and/or from future members of the Developer; or (iv) conveys all or a portion of the Development Parcel to a Lender as a deed in lieu of foreclosure. In addition, no Approval shall be required to be obtained from the City and no Transfer Fee shall be due and payable if title to all or a portion of the Development Parcel is transferred as a result of foreclosure proceedings instituted by a Lender.

33. Ownership and Control of Developer.

Developer represents and warrants that:

- (a) As of the Effective Date, these are the owner entities with their respective ownership percentage interests:

BRD Park, LLC (one-third; 33.33%)
Collarme Park Rd, LLC (one-third; 33.33%)
EMM Park Road, LLC (one-third; 33.33%)

- (b) As of the Effective Date, Louis Birdman and Eric Metz are the managers of the Developer.

34. Real Estate Commission. City represents and warrants to Developer and Developer represents and warrants to City that there are no brokers, salespersons or finders involved in this transaction. City and Developer agree to indemnify and hold each other harmless from any and all claims for any brokerage fees or similar commissions asserted by brokers, salespersons or finders other than Broker claiming by, through or under the indemnifying party. The provisions of this Section 34 shall expressly survive the Closing or termination of this Agreement.

35. Notices. Any notice, request, demand, instruction or other communication to be given to either party, except where required to be delivered at the Closing, shall be in writing and shall be hand-delivered or sent by Federal Express or a comparable overnight mail service, or mailed by U.S. registered or certified mail, return receipt requested, postage prepaid, to Developer, City, Developer's Attorney, and City's Attorney, at their respective addresses set forth in this Agreement. Notice shall be deemed to have been given upon receipt or refusal of delivery of said notice. Notices may be given by telecopy or electronic mail provided a hard copy of such notice is then delivered in accordance with this Section on the next business day following such telecopy or electronic mail delivery. The addressees and addresses for the purpose of this paragraph may be changed by giving notice. Unless and until such written notice is received, the last addressee and address stated herein shall be deemed to continue in effect for all purposes hereunder.

36. INTENTIONALLY DELETED.

37. Miscellaneous.

37.1 Counterparts. This Agreement may be executed in any number of counterparts, any one and all of which shall constitute the Agreement of the parties and each of which shall be deemed an original.

37.2 Section and Paragraph Headings. The section and paragraph headings herein contained are for the purposes of identification only and shall not be considered in construing this Agreement.

37.3 Project Representatives. The City appoints the Assistant City Manager for Sustainable Development, Gus Zambrano, to serve as its representative ("City Representative"). The City Representative shall have the right and authority to provide all consents and approvals and take other actions required hereunder on behalf of the City; provided, however, (i) the City Representative shall obtain the consent of the City Commission to the extent required by Applicable Laws, and (ii) the City Representative may, in the City Representative's discretion, submit any matter to the City Commission for their review and approval. The Developer appoints Eric Metz or Louis Birdman, each with full power

and authority to act alone, as its representative ("Developer Representative). The Developer Representative shall have the right and authority to provide all consents and approvals and take other actions required hereunder on behalf of the Developer. The parties may change their respective designated representative at any time by providing written notice thereof to the other party; provided, however, that with respect to the Developer, any change of the designated representative must be accompanied by a duly certified company resolution from the Developer authorizing the change in representative signed by the members or manager in accordance with the operating agreement, and such change in Developer Representative shall not be effective unless and until such certified company resolution is received by the City.

37.4 No Permit. This Agreement is not and shall not be construed as a development agreement under Chapter 163, Florida Statutes, nor a development permit, development approval, development order, or authorization to commence development.

37.5 Governing Law. The nature, validity and effect of this Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Florida.

37.6 Captions. Captions are for descriptive purposes only and shall not control or alter the meaning of this Agreement as set forth in the text.

37.7 Entire Agreement and Amendment. This Agreement constitutes the entire agreement between the parties related to the development and construction of the Project, and no modification shall be effective unless made by a supplemental agreement in writing executed by all of the parties.

37.8 No Joint Venture. The Developer shall not be deemed to be a partner or a joint venturer with the City, and the Developer shall not have any obligation or liability, in tort or in contract, with respect to the Property, either by virtue of this Agreement or otherwise, except as may be set forth to the contrary herein.

37.9 Severability. If any provision of this Agreement, or the application of such provision to any person or circumstances shall be held invalid, the remainder of the Agreement, or the application of such provision to persons or circumstances other than those to which it is held invalid, shall not be affected thereby.

37.10 Successors. Except as otherwise specifically provided, this Agreement shall be binding upon and inure to the benefit of the parties and their successors and permitted assigns.

37.11 Pronouns. Whenever from the context it appears appropriate, each term stated in either the singular or the plural shall include the singular and the plural, and pronouns stated in either the masculine, the feminine or the neuter gender shall include the masculine, feminine and neuter.

37.12 Attorneys' Fees. If any party commences an action against the other party to interpret or enforce any of the terms of this Agreement or as the result of a breach by the other party of any terms hereof, the non-prevailing party shall pay to the prevailing party all reasonable Attorneys' Fees, costs and expenses incurred in connection with the prosecution or defense of such action, including those

incurred in any appellate proceedings and the collection of Attorneys' Fees, costs and expenses, whether or not the action is prosecuted to a final judgment.

37.13 Further Assurances. The parties to this Agreement have negotiated in good faith. It is the intent and agreement of the parties that they shall cooperate with each other in good faith to effectuate the purposes and intent of, and to satisfy their obligations under, this Agreement in order to secure to themselves the mutual benefits created under this Agreement; and in that regard, the parties shall execute such further documents as may be reasonably necessary to effectuate the provisions of this Agreement, provided that the foregoing shall in no way be deemed to inhibit, restrict or require the exercise of the City's police power or actions of the City when acting in a quasi-judicial capacity.

37.14 Equitable Remedies. In the event of a breach or threatened breach of this Agreement by any party, the remedy at law in favor of the other party will be inadequate and such other party, in addition to any and all other rights which may be available, shall accordingly have the right of specific performance in the event of any breach, or injunction in the event of any threatened breach of this Agreement by any party.

37.15 Third Party Rights. The provisions of this Agreement are for the exclusive benefit of the parties to this Agreement and no other party (including without limitation any creditor of the City or the Developer) shall have any right or claim against the City or the Developer by reason of those provisions or be entitled to enforce any of those provisions against the City or the Developer.

37.16 Survival. All covenants, agreements, representations and warranties made herein or otherwise made in writing by any party shall survive the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby.

37.17 Remedies Cumulative; No Waiver. The rights and remedies given in this Agreement and by law to a non-defaulting party shall be deemed cumulative, and the exercise of one of such remedies shall not operate to bar the exercise of any other rights and remedies reserved to a non-defaulting party under the provisions of this Agreement or given to a non-defaulting party by law.

37.18 No Waiver. One or more waivers of the breach of any provision of this Agreement by any party shall not be construed as a waiver of a subsequent breach of the same or any other provision, nor shall any delay or omission by a non-defaulting party to seek a remedy for any breach of this Agreement or to exercise the rights accruing to a non-defaulting party of its remedies and rights with respect to such breach.

37.19 Construction. This Agreement shall be interpreted without regard to any presumption or rule requiring construction against the party causing this Agreement to be drafted.

37.20 Time is of the Essence. Time is of the essence in the performance of all obligations by Developer and City under this Agreement.

37.21 Computation of Time. Any reference herein to time periods of less than five days shall exclude Saturdays, Sundays, and legal holidays in the computation thereof. Any time period provided for in this Agreement which ends on a Saturday, Sunday or legal holiday shall extend to 5:00 p.m. on the next full Business Day.

38. JURISDICTION; VENUE; AND WAIVER OF JURY TRIAL. EACH OF THE PARTIES IRREVOCABLY AND UNCONDITIONALLY: (A) AGREES THAT ANY SUIT, ACTION OR OTHER LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT SHALL BE BROUGHT IN THE FEDERAL OR STATE COURT SITUATED IN BROWARD COUNTY, FLORIDA; (B) CONSENTS TO THE JURISDICTION OF EACH SUCH COURT IN ANY SUCH SUIT, ACTION OR PROCEEDING; (C) WAIVES ANY OBJECTION WHICH IT MAY HAVE TO THE LAYING OF VENUE OF ANY SUCH SUIT, ACTION OR PROCEEDING IN ANY OF SUCH COURTS, AND (D) AGREES THAT SERVICE OF ANY COURT PAPER MUST BE EFFECTED AS PROVIDED UNDER APPLICABLE LAWS OR COURT RULES. EACH PARTY WAIVES ALL RIGHTS TO ANY TRIAL BY JURY IN ALL LITIGATION RELATING TO OR ARISING OUT OF THIS AGREEMENT.

39. Safety and Protection.

39.1 Developer shall be responsible for initiating, maintaining and supervising commercially reasonable safety precautions and programs in connection with the development of the Subject Site. Developer shall take commercially reasonable precautions, taking into consideration the effect on the Development Budget, to prevent damage, injury or loss to:

- (a) all persons on the Subject Site who may be affected by the construction;
- (b) all work and materials and equipment to be incorporated in the Project, whether in storage on or off the Subject Site; and
- (c) other property at the Subject Site or adjacent thereto, including trees, shrubs, lawns, walks, pavements, roadway, structures, utilities and underground facilities not designated for removal, relocation or replacement in the course of construction.

39.2 Developer shall comply with Applicable Laws of Governmental Authorities having jurisdiction for safety or persons or property to protect them from damage, injury or loss, and shall erect and maintain commercially reasonable safeguards for such safety and protection. Developer shall notify owners of adjacent property regarding the commencement of the work (and other matters as reasonably determined by Developer). All damage, injury or loss to any property caused, directly or indirectly, in whole or in part, by the negligent acts of Developer, any contractor, subcontractor, materialman, supplier, vendor, or any other individual or entity directly or indirectly employed by any of them to perform or furnish any of the work or anyone for whose acts any of them may be liable, shall be remedied by Developer. Developer's duties and responsibilities for safety and for protection of the construction shall continue until completion of the Project.

39.3 The Developer shall protect and prevent damage to all phases of the work, and any existing facilities or improvements, including but not limited to the protection from damage by the elements, theft, or vandalism. During the course of the work, the Developer shall remain responsible for the risk of loss of the work and shall promptly remedy, repair and replace all damage and loss (other than damage or loss insured under required insurance) to the work caused in whole or in part by the Developer, the general contractor, a contractor, subcontractor, or anyone directly or indirectly employed or controlled by any of them, or by anyone for whose acts they may be liable and for which the Developer is responsible.

39.4 The Developer shall cause its general contractor to designate a qualified and experienced safety representative at the Property whose duties and responsibilities shall be the prevention of accidents and the maintaining and supervising of safety precautions and programs.

39.5 Developer shall cause its general contractor to be responsible for coordinating any exchange of material safety data sheets or other hazard communication information required to be made available to or exchanged between or among employers at the site in accordance with Applicable Laws and the Developer's Safety Manual.

39.6 In emergencies affecting the safety or protection of persons or the construction or property at the Subject Site or adjacent thereto, Developer, without special instruction or authorization from the City, is obligated to act to prevent threatened damage, injury or loss.

40. Use of Property and Other Areas.

40.1 Developer shall confine construction equipment, the storage of materials and equipment and the operations of construction workers to the Subject Site and other land and area permitted by Applicable Laws and regulations, rights-of-way, permits and easements, and shall not unreasonably encumber any such land or areas with construction equipment or other materials or equipment.

40.2 During the performance of the work, Developer shall keep the Subject Site free from accumulations of waste materials, rubbish, dust and other debris resulting from the construction. Upon final completion of the work, Developer shall remove all waste materials, rubbish and debris from and about the premises as well as all tools, appliances, construction equipment, temporary construction and machinery and surplus materials.

40.3 Regardless of whether such is permitted by Applicable Laws, the Developer shall not allow, or seek to allow, work to occur outside of the City's designated hours for construction without the prior written consent of the City in each instance.

40.4 Developer shall require its general contractor to: (a) submit a mobilization plan prior to commencement of any work; (b) identify any offsite storage or holding areas for materials, supplies and/or equipment; (c) provide a parking plan for general contractor's employees as well as all subcontractors and their employees, and (d) provide a traffic management plan for all work including site deliveries.

41. City's Consultants. The parties acknowledge and agree that the City may engage one or more consultants to assist the City in the administration of this Agreement and the Project and development of the Retained Area. Any such consultants shall act as an "owner's representative" but shall not have authority to bind the City. Developer agrees to reasonably cooperate with any such consultants engaged by the City.

42. Notice Regarding Radon Gas. Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your county public health unit.

43. Escrow Agent; Successor Escrow Agent. Escrow Agent and Successor Escrow Agent agree to perform their duties as required in this Agreement. In the event Escrow Agent or Successor Escrow

Agent is in doubt as to its duties or liabilities under the provisions of this Agreement, Escrow Agent or Successor Escrow Agent, as applicable, may, in its sole discretion, continue to hold the Escrow Deposit or the Additional Escrow Deposit that has been delivered to it until the parties mutually agree as to the disbursement or distribution thereof or until a judgment of a court of competent jurisdiction determines the rights of the parties; alternatively, Escrow Agent or Successor Escrow Agent, as applicable, may deposit the Escrow Deposit or the Additional Escrow Deposit then being held pursuant to the terms of this Agreement with the Clerk of the Circuit Court of Broward County, Florida, and upon notifying all parties concerned of such action, Escrow Agent or Successor Escrow Agent, as applicable, shall have no liability by reason of its acting as escrow agent, except to the extent of accounting for any of the Escrow Deposit or Additional Escrow Deposit previously delivered out of escrow. In the event of any suit between City and Developer in which Escrow Agent or Successor Escrow Agent is made a party by virtue of its acting as an escrow agent, or in the event of any suit in which Escrow Agent or Successor Escrow Agent deposits the Escrow Deposit, Additional Escrow Deposit or any other funds being held pursuant to the terms of this Agreement in any interpleader action, Escrow Agent or Successor Escrow Agent, as applicable, shall be entitled to recover its costs in connection with such suit, including reasonable attorneys' fees in all trial, appellate and bankruptcy court proceedings, which shall be payable by the non-prevailing party. All parties agree that Escrow Agent and Successor Escrow Agent shall not be liable to any party or person whomsoever for the failure of any financial institution in which the Escrow Agent places all or a portion of the Deposit, or for misdelivery to City or Developer of the Escrow Deposit, Additional Escrow Deposit or other funds held pursuant to the terms of this Agreement, unless such misdelivery shall be due to willful breach of this Agreement or gross negligence on the part of the Escrow Agent or Successor Escrow Agent, as applicable. Nothing herein contained shall preclude Escrow Agent from representing Developer in connection with this transaction or any dispute or litigation arising out of this Agreement. Nothing herein contained shall preclude Successor Escrow Agent from representing the City in connection with this transaction or any dispute or litigation arising out of this Agreement.

44. Covenant Running with the Land. This Agreement and the rights and interests created herein, are intended to and shall run with the land, and shall be binding upon, inuring to the benefit of, and enforceable by and against the parties hereto and their respective successors and assigns for an initial term of 30 years from the date this Agreement is recorded in the Public Records. The parties acknowledge and agree that this Agreement will be recorded at the Closing. Every person who owns, occupies or acquires any right, title, estate or interest in or to the Property, shall be conclusively deemed to have consented and agreed to every limitation, restriction and covenant contained herein, whether or not any reference hereto is contained in the instrument by which such person acquired an interest in the Property, and all such persons are jointly and severally liable with respect to the obligations contained herein, financial or otherwise.

[THE REST OF THIS PAGE WAS INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the dates indicated below.

CITY:

CITY OF HOLLYWOOD
a Florida municipal corporation

By: _____
Josh Levy
Mayor

ATTEST:

By: _____
Patricia Cerny
City Clerk

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

By: _____
Douglas R. Gonzales
City Attorney

DEVELOPER:

PARK ROAD DEVELOPMENT, LLC
a Florida limited liability company

By: _____
Name: _____
Title: _____

STATE OF FLORIDA)
):SS
COUNTY OF BROWARD)

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization, this _____ day of August, 2020, by Josh Levy, as Mayor of the City of Hollywood, a Florida municipal corporation, who (check one) ☐ is personally known to me or ☐ produced a valid _____ driver's license as identification.

Print or Stamp Name: _____
Notary Public, State of Florida at Large
Commission No.: _____
My Commission Expires: _____

STATE OF FLORIDA)
):SS
COUNTY OF BROWARD)

The foregoing instrument was acknowledged before me this ____ day of August, 2020, by _____, as _____ of Park Road Development, LLC, a Florida limited liability company, of behalf of the company, who (check one) ☒ is personally known to me or ☐ produced a valid _____ driver's license as identification.

Print or Stamp Name: _____
Notary Public, State of Florida at Large
Commission No.: _____
My Commission Expires: _____

Exhibit "A"

Subject Site

Parcel #1

Folio Number: 514220000040

Situs Address:

HILLCREST DR HOLLYWOOD FL 33021

Legal:

20-51-42 SW1/4 OF NE1/4 OF NW1/4 LYING W OF RD R/W & E1/2 OF SE1/4 OF NW1/4 OF NW1/4

Parcel #2

Folio Number:

514220000140

Situs Address:

1600 S PARK RD HOLLYWOOD FL 33021

Legal:

20-51-42 NW1/4 OF SE1/4 OF NW1/4 LESS LOT 2 BLK 1 HOLLYWOOD GOLF HTS & LESS PT LOT 11 BLK 3 HOLLYWOOD GOLF HTS LYING THEREIN & LESS RD R/W & PT OF NE1/4 OF SE1/4

Parcel #3

Folio Number:

514220040010

Situs Address:

1600 S PARK RD HOLLYWOOD FL 33021

Legal:

HOLLYWOOD GOLF HEIGHTS 11-13 B LOT 2 BLK 1

Parcel #4

Folio Number:

514220000170

Situs Address:

1600 S PARK RD HOLLYWOOD FL 33021

Legal:

20-51-42 W1/2 OF W1/2 OF SW1/4 OF SE1/4 OF NW1/4 LESS S 50 FOR RD

Parcel #5

Folio Number:

514220000150

Situs Address:

1600 S PARK RD HOLLYWOOD FL 33021

Legal:

20-51-42 E1/2 OF SW1/4 OF SE1/4 OF NW1/4 LESS S 50 FOR RD & W1/2 OF SE1/4 OF SE1/4 OF NW1/4 LESS PT LYING E OF E/L S 34 AVE & LESS S 50 FOR RD R/W

Exhibit “B”

Term Sheet

Redevelopment Opportunity South Park Road

(RFP 4585-18-PB)

Seller	The City of Hollywood (the “City”), a Florida municipal corporation, with an address of 2600 Hollywood Boulevard, Hollywood, Florida 33020.																		
Developer	Park Road Development, LLC, a Florida limited liability company (the “Developer”), with an address of 218 Hendricks Isle, Fort Lauderdale, Florida 33301.																		
Description of Real Property	<p>Approximately 30 acres of land located in the City of Hollywood and owned by the City with a street address of 1600 South Park Road, Hollywood, Broward County, Florida, and for tax and assessment purposes having Broward County Folio numbers as noted below:</p> <table><tr><td><i>Parcel</i></td><td><i>Folio</i></td><td><i>Acreage</i></td></tr><tr><td>North</td><td>5142-20-00-0040</td><td>13.91</td></tr><tr><td>Middle</td><td>5142-20-00-0140</td><td>9.38</td></tr><tr><td>West</td><td>5142-20-04-0010</td><td>0.13</td></tr><tr><td>Southeast</td><td>5142-20-00-0150</td><td>4.91</td></tr><tr><td>Southwest</td><td>5142-20-00-0170</td><td>2.40</td></tr></table> <p>Collectively, the “Subject Site.”</p> <p>The City will retain control of the portion of the Subject Site needed to accommodate its Public Works operations and administration which is estimated to be 7.00 +/- acres (the “Retained Area”). The portion of the Subject Site to be included in the Retained Area will be determined during the approvals and platting process. The acreage to be sold to the Developer will be referred to as the “Development Parcel.”</p>	<i>Parcel</i>	<i>Folio</i>	<i>Acreage</i>	North	5142-20-00-0040	13.91	Middle	5142-20-00-0140	9.38	West	5142-20-04-0010	0.13	Southeast	5142-20-00-0150	4.91	Southwest	5142-20-00-0170	2.40
<i>Parcel</i>	<i>Folio</i>	<i>Acreage</i>																	
North	5142-20-00-0040	13.91																	
Middle	5142-20-00-0140	9.38																	
West	5142-20-04-0010	0.13																	
Southeast	5142-20-00-0150	4.91																	
Southwest	5142-20-00-0170	2.40																	
Term Sheet and Land Disposition and Development Agreement	This Term Sheet outlines the proposed business terms for the purchase, remediation and redevelopment of the Subject Site. The City and the Developer intend to negotiate and enter into a more detailed Land Development and Disposition Agreement (the “LDDA”) that once executed will supersede this Term Sheet. Nonetheless, the City and the Developer wish to delineate certain terms and conditions to be incorporated into the LDDA. Parties agree the LDDA will run with the land and be recorded in the public records of Broward County.																		
Base Purchase Price	The Developer agrees to pay to the City a Base Purchase Price that will be comprised of (i) a Closing Payment, and (ii) a Per Unit Payment for the fee simple conveyance of the Development Parcel (the “Base Purchase Price”). The conceptual development plan outlined in the Developer’s response to the Request for Proposals (RFP) and presented with the Developer’s Best																		

	<p>and Final Offer (BAFO) yields an estimated \$3.24M Base Purchase Price with the currently proposed densities.</p> <p>Closing Payment \$2,200,000 will be paid upon Closing subject to the Developer receiving the Minimum Entitlements, with all Conditions Precedent to Closing having been satisfied.</p> <p>Per Unit Payment</p> <ul style="list-style-type: none"> ▪ \$1,500 per residential unit shall be due and payable upon the issuance of a final Certificate of Occupancy for each multi-family residential building with an estimated 315 market rate residential units to be constructed, totaling \$472,500; provided, however, the Developer shall not be obligated to pay the City a per unit payment for any residential units that are required to be rent-restricted and/or income restricted. The issuance of a Certificate of Occupancy for each building is contingent upon the receipt of the Per Unit Payment for such building. ▪ \$8.00 per commercial/neighborhood retail space square footage, with related amenities shall be due and payable upon the issuance of a Certificate of Occupancy for each building with an estimated 71,000 SF to be constructed upon the Development Parcel, totaling \$568,000. The issuance of a Certificate of Occupancy for each building is contingent upon the receipt of the Per Unit Payment for such building. <p>Collectively, the "Per Unit Payment." The calculation of the Per Unit Payment will be determined based on the approved site plan, as may be amended, for each phase and subsequently incorporated into the LDDA.</p> <p>During the preliminary planning for the Subject Site, the Developer will evaluate the viability of developing up to 450 residential units and up to 100,000 SF of commercial space.</p>
Disposition Structure	The Development Parcel will be conveyed in fee simple by the City to the Developer (via Special Warranty Deed, or as may otherwise be required by the Developer's title company) in one closing.
Disposition Timeline	<p>Phase I – Due Diligence Period; Environmental and Geotechnical</p> <p>The "Due Diligence Period" will commence upon the execution of the LDDA and will be for a period of six months, with the Developer having the right to extend the Due Diligence Period for up to three additional 30 day periods by submitting a request for an extension in writing to the City providing the reason(s) for the extension. During the Due Diligence Period, the Developer will be working to secure approval of a Remedial Action Plan ("RAP") by Broward County and the Florida Department of Environmental Protection (FDEP).</p>

	<p>The Developer will secure a RAP during the Due Diligence Period to provide both the City and Developer certainty as to the environmental process required to remediate the Subject Site.</p> <p>During the Due Diligence Period, the Developer will commence the following work or submit the applications as follows:</p> <ul style="list-style-type: none"> ▪ <i>Environmental & Geotechnical</i> <ul style="list-style-type: none"> ○ Coordination Meeting with Broward County / FDEP – within 15 days of LDDA Execution ○ Commence Contamination and Geotechnical Assessment (Environmental & Geotechnical Borings) – within 45 Days of LDDA Execution <p>Commencement of Contamination and Geotechnical Assessment will be subject to the City providing as-built drawings of all utilities abutting, crossing, and adjacent to the Subject Site within 15 days of LDDA Execution to ensure adequate coordination time with Developer’s boring subcontractor.</p> ▪ <i>City Submissions & Applications</i> <ul style="list-style-type: none"> ○ Submit Draft RAP “Bubble Plan” Development Exhibit to City – within 45 days after receipt of Contamination and Geotechnical Assessment laboratory results. ○ Filing for “Preliminary Application Conceptual Overview” (“PACO”) consideration with the City of Hollywood – within 120 days from commencement of Contamination and Geotechnical Assessment. ○ City Commission Review & Comment – before the expiration of the Due Diligence Period, the Developer will have an opportunity to present the draft Preliminary Plans to the City Commission for public review and comment. ▪ <i>Advance Submission of Plat, Land-Use, and Related Applications</i> <p>If mutually agreeable, the City and Developer will jointly prepare and submit applications for the Project during the Due Diligence Period that address land-use, zoning, and platting approvals (collectively, the “Advance Applications”). The Advance Applications will be further identified within the LDDA and finalized within 15 days of Developer’s receipt of the Contamination and Geotechnical Assessment.</p> <p>Upon the full execution of this Term Sheet, the City shall commence to deliver to the Developer the following documents to the extent such exist and are in the City’s possession (collectively, the “Property Documents”):</p>
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	<ul style="list-style-type: none"> • As-Built of Improvements (utilities, infrastructure, etc.) • Building Permits & Plans of Prior and Existing Structures and Facilities • Prior Boundary Survey • Prior Title & Encumbrance Report • Prior Environmental Reports & Documentation (UST Closure Letters; Prior Contracts & Scopes of Work for Environmental Testing, Remediation, etc.; Environmental Data Logs; etc.) • Programming of City Facilities & Acreage of Retained Property • City Access Requirements to Retained Property <p>Prior to the execution of the LDDA, the Developer may supplement the list of Property Documents. If the City does not deliver any of the Property Documents (as such may be supplemented by the Developer), then prior to the execution of the LDDA, the Developer shall provide the City with written notice as to any such Property Documents that have not been delivered and, unless the City provides responsive written notice to the Developer that such Property Documents do not exist or are not in the City's possession, the City shall have until five days after the Due Diligence Period commences to deliver such Property Documents, and if the City fails to deliver such Property Documents within such time frame, the Due Diligence Period shall be extended on a day-for-day basis until the delivery of such Property Documents.</p> <p>Phase II – Programming, Planning, and Entitlements</p> <p>18 months from the later of the conclusion of the Due Diligence Period and the date the City, in its capacity as a seller of real property, approves the Preliminary Plans submitted by the Developer for the development of the Development Parcel, with the Developer having the right to extend for up to three additional months, and until the expiration of any applicable appeal periods (the "Approvals Period").</p> <p>During the Approvals Period, the Developer will file the below applications:</p> <ul style="list-style-type: none"> ▪ Filing of City and County Applications to amend the applicable land use plan maps to permit the Project – to be filed within 60 days from the end of the Due Diligence Period. ▪ Filing of an application to rezone the Property to Planned Development District ("PD") – to be filed within 90 days from the end of the Due Diligence Period. ▪ Filing of City Application to plat the Property – to be filed within 90 days from the end of the Due Diligence Period. ▪ Filing of application for site plan and design review for the Phase 1 development within 60 days of the date that the Broward County Commission approves the transmittal of the application to amend the County land use plan map.
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	<p>In addition, Developer will also submit other applications (ex., stormwater) that must be obtained before the Project can be eligible to submit for, and obtain, building permits.</p> <p>The development program will include, at a minimum, the following:</p> <ul style="list-style-type: none"> • 315 Unrestricted Market Rate Residential Units • 71,000 SF Commercial/Retail Space • Convenience Store/Food Market/Coffee Shop/Service Station (which may include separate public and private fueling facilities, including but not limited to, providing fuel and other services to the City), in addition to an Integrated Fuel Station to serve the City's Public Works/Fleet Operations <p>The above items are collectively the "Minimum Entitlements."</p> <p>During the preliminary planning for the Subject Site, the Developer will evaluate the viability of developing up to 450 residential units and up to 100,000 SF of commercial space.</p> <p>Phase III – Closing & Development Closing will occur within 60 days of the date of issuance of all approvals necessary to make the Subject Site eligible for building permits for the Developer's intended improvements, and such approvals becoming final and not subject to appeal.</p>
Escrow Deposit	<p>The Developer will deposit, into escrow with the Law Firm of Leopold Korn P.A. (the "Escrow Agent"), the sum of \$250,000 within five business days subsequent to the date of the complete execution of the LDDA (the "Escrow Deposit"). The Escrow Deposit will be available to be utilized by the Developer to fund third party professional services (environmental engineer, geotechnical engineer, etc.) associated with the environmental and geotechnical analysis throughout the term of the LDDA. The Developer will submit to the City monthly statements showing all expenditures of the Escrow Deposit. The Escrow Deposit (reduced by any portions of the Escrow Deposit utilized by the Developer to fund third party professional services) shall be fully refundable to the Developer throughout the Due Diligence Period and until the Developer obtains an approved RAP. Upon the earlier to occur of (i) the expiration of the Due Diligence Period or (ii) the Developer's receipt of an approved RAP, any remaining Escrow Deposit funds shall be transferred to Fox Rothschild LLP and deemed to be non-refundable, except in the event that the City fails to approve the Minimum Entitlements and subject to the terms of the LDDA.</p>
Additional Escrow Deposit	<p>Upon the conclusion of the Due Diligence Period, the Developer will submit to Fox Rothschild LLP a non-refundable "Additional Escrow Deposit" of</p>

	<p>\$250,000 that will be credited against the Purchase Price at Closing subject to the terms and conditions of the LDDA.</p> <p>In the event, the Developer does not provide the Additional Escrow Deposit, within 10 days of the conclusion of the Due Diligence Period, the City will have the right and option to terminate the LDDA upon written notice to the Developer. In such event (i) the Escrow Agent shall release the balance of the Escrow Deposit to the City, if any, (ii) the parties will be released from any further liabilities and obligations to each other concerning and/or relating to the redevelopment of the Subject Site, except as expressly provided in the LDDA, and (iii) the Developer will promptly assign to the City, without recourse and at Developer's sole cost and expense, all of the Developer's work product obtained (i.e. third party reports, environmental testing results, etc.).</p>
Environmental Remediation	<p>Developer understands that the Subject Site is a designated Brownfield that will require remediation to allow development to occur. Developer will be fully responsible for all costs associated with all environmental investigations of the Subject Site during the Due Diligence Period to be outlined in the LDDA and understands that a primary factor in the City's decision to sell the property is for the completion of environmental remediation and the issuance of a No Further Action Order or Site Rehabilitation Completion Order from the FDEP.</p> <p>City will provide reasonable access to the Subject Site to allow for sampling/surveying/boring as needed. Developer and developer's contractors will be required to indemnify the City and provide required insurance and endorsements.</p> <p>Developer estimates that the costs associated with the Environmental Remediation / Site Cleanup necessary to meet the conditions required under federal and state laws for the environmental remediation of the Subject Site, inclusive of the Development Parcel and the Retained Area, shall be approximately \$5,350,000. Documentation of all costs associated with Environmental Remediation / Site Cleanup will be provided to the City per terms to be incorporated into the LDDA. Any cost savings below the sum of \$5,350,000 will be shared equally between the Developer and the City.</p>
Public Improvement Costs	<p>Developer agrees to fund a minimum \$750,000 worth of on-site public amenities, in addition to the landscaping and landscape buffers required by the City's Land Development and Zoning Code. The on-site public amenities could include entrance monumentation, green space, enhanced landscaping, water features (including, at the discretion of the Developer, retention ponds), walking paths, decorative paving and other features to be further defined in the entitlement process.</p>

<p>Public Works Facility Improvements</p>	<p>P3 Financing Opportunities The City and Developer are exploring several options to fund the City Public Works Facility Improvements, including a range of innovative financing opportunities that are tailored to public private partnerships ("P3 Financing"). P3 Financing may provide cost savings and other benefits to the City and/or Developer, and these alternative structures will be further explored during the term of the LDDA.</p> <p>Developer Funding of \$4,000,000 In the event the P3 Financing opportunities are not available or viable, the Developer will fund up to \$4,000,000 consistent with the terms identified in the Developer's RFP response and BAFO. However, if the Developer funds any of the \$4,000,000 with funds from a debt lender, the interest rate charged to the City will be the actual rate charged to the Developer plus one percent. The terms of this debt will be negotiated, but ultimately determined by the lender.</p> <p>The City and the Developer will identify the appropriate mechanism and security to ensure the repayment to the Developer by the City of this expenditure of up to \$4,000,000 and all additional actual and reasonable expenses incurred by the Developer in conjunction with the financing of this expenditure (collectively "Expenditure Expenses") including but not limited to, interest fees, application costs, origination fees, pre-payment penalties, administrative fees, etc., with such terms to be incorporated into the LDDA.</p> <p>Use of \$4,000,000 towards City Public Works Facilities The \$4,000,000 will be used by the Developer to construct the City Public Works facilities within the Subject Site boundaries including but not limited to, construction of new buildings, reconfiguration of fueling facilities, parking, lighting, site work and the related professional fees to prepare and process plans for such improvements. The Developer will not, however, be obligated to renovate any existing City Public Works buildings, structures or facilities.</p>
<p>Community Development District (CDD)</p>	<p>The City and Developer agree to explore the formation of a Community Development District (CDD) to fund site remediation and public infrastructure including the City's Public Works Facility Improvements. If a CDD is deemed to be of mutual benefit by both the Developer and the City, the terms of the CDD will be reflected in the LDDA.</p>
<p>Redevelopment, Operational Costs and Real Estate Taxes</p>	<p>The Developer shall be solely responsible for the costs of redevelopment, including predevelopment costs, and future operation of the Development Parcel. The Developer shall be solely responsible for the payment of all utilities, permit fees, assessments and taxes relating to the Development Parcel, including, if applicable, possessory interest tax assessed under the Broward County Property Appraiser's Office.</p>

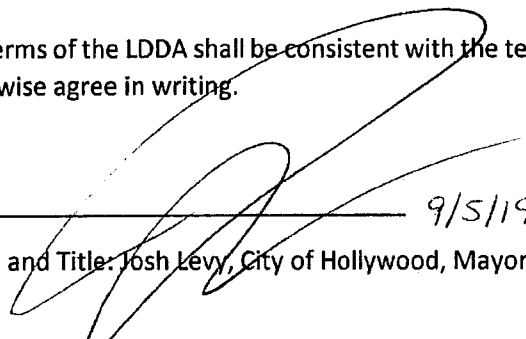
	<p>The City portion of the site will not be part of an HOA or Master Association. It will remain separate from the remainder of the site. However, there shall be a Reciprocal Easement Agreement ("REA") executed at Closing due to the contemplated interdependence of utilities, roadways, driveways, drainage and other infrastructure that will be interconnected throughout the Subject Site.</p>
Conditions Precedent to Closing	<p>Due to the Project's complexity, coordination with the City and its existing operations, and the Project's specific environmental and geotechnical conditions, a number of Conditions Precedent to Closing exist. At this time, the following Conditions Precedent to Closing have been identified:</p> <ul style="list-style-type: none"> ▪ Receipt of Minimum Entitlements. ▪ Developer having obtained all the approvals necessary to make the Subject Site eligible for building permits and such approvals having become final and not subject to appeal. ▪ Developer completing all environmental remediation analysis required by the environmental regulatory authorities, including the receipt and recordation of an approved RAP. ▪ Developer completing all of its detailed geotechnical analysis. ▪ Any and all other terms and conditions that may be negotiated in the LDDA. <p>The Developer shall have the right to withdraw from and terminate the LDDA if any of the Conditions Precedent are determined by the Developer, in its sole discretion, to be unachievable or insurmountable. The City will have the right to terminate the LDDA in the event of an uncured event of default by the Developer under the LDDA. In the event the Developer withdraws from and terminates the LDDA, all of the Developer's work product obtained (i.e. third party reports, environmental testing results, etc.) will be assigned, without recourse, to the City by the Developer.</p>
Developer Financing	<p>Developer shall be responsible for obtaining financing and equity to fund the redevelopment of the Development Parcel, including all costs associated with predevelopment. The City is not obligated to extend any funds to the Developer, whether in the form of a loan or otherwise, and the City shall not be obligated to provide a grant to Developer in connection with the financing of the redevelopment of the Development Parcel, and the City shall incur no liability whatsoever should Developer fail to obtain or close upon financing for the Project. The City will, however, work with the Developer to pursue any and all federal, state, county and regional funding opportunities that are available for Brownfield remediation efforts.</p> <p>The Developer will prepare a financial plan for review by the City's economic consultant prior to Closing, to demonstrate the Developer's ability to execute the Preliminary Plans and comply with the Developer's obligations per the LDDA.</p>

Workforce Housing	The Developer is encouraged to explore providing additional residential units to accommodate workforce housing. City will not receive any per unit payment for rent-restricted or income restricted units that are ultimately secured in the site plan approval process.
Green Building Requirements	The Developer shall construct the project improvements in accordance with Chapter 151 of City of Hollywood Code of Ordinances, Mandatory Green Building Practices.
Approval of Preliminary Plans	At the conclusion of the Due Diligence Period, the Developer will submit preliminary plans for approval by the City which, when approved by the City, shall be incorporated into the LDDA ("Preliminary Plans"). In addition to identifying uses and densities, the Preliminary Plans will generally identify the Retained Area and the Development Parcel. Once the City has approved the Preliminary Plans submitted by the Developer, the Developer will submit its formal development applications, in conformity with the site plan approval process, and in general conformity to the Preliminary Plans approved by the City. The City will expedite any and all City reviews of submittals by the Developer required to achieve zoning and other land use approvals, as well as demolition, building and other related permits. In addition, at the request of the Developer, the City designated Project representative will attend any and all meetings required by any regulatory agency or decision making body having oversight or jurisdiction over the Property.
Definitive Agreement	All of the terms and conditions for the sale and purchase of the Subject Site will be pursuant to the City of Hollywood Code of Ordinances, Article XIII, Limitation On Sale, Lease or Purchase of City-Owned Real Property, and shall be governed by the terms of the LDDA negotiated and to be entered into by the City and the Developer subject to the approval of the Hollywood City Commission.
Public Works Needs Analysis & Any Additional Surplus Land	The City is undertaking a Public Works Programming and Needs Analysis to determine the land and facilities necessary for the City to retain for efficient Public Works operations. If the analysis shows additional land within the Retained Area can be made available for sale and private redevelopment, the Developer will be provided the opportunity to negotiate to purchase this additional land under terms to be further negotiated in the LDDA.
Right of Demolition & Relocation	The Developer shall have the right to demolish the existing public works facilities abutting Park Road (City Service Station, transfer area and former public utilities building) and relocate the City Service Station to an interior location within the Subject Site (which interior location shall then be a portion of the Retained Area) provided that the terms and conditions of the demolition and relocation can be mutually agreed upon and incorporated into the LDDA.

Financial Guaranty	The LDDA will include a financial guaranty ("Financial Guaranty") tied to the phased completion of the development that will include a financial penalty to the Developer should the agreed upon development milestones not be met. Developer's failure to pay this penalty would result in a lien on the property. The Subject Site shall be bound by the requirements of a Construction and Use Covenant to be attached to the LDDA, which may be amended with the approval of the City.
Buyback Option	In the event the Developer fails to pay the financial penalty included in the "Financial Guaranty," the LDDA will include a buyback option ("Buyback Option") that provides the City with the right, at its sole discretion, to repurchase any incomplete phase or phases of the Property within the Subject Site, with such phases to be defined by the Developer in the Preliminary Plans, if the Developer fails to substantially complete the construction of that phase or phases on or before the milestone schedule to be established in the LDDA and beyond the expiration of the applicable cure periods for that phase or phases. The cure periods applicable to the Buyback Provision shall be further defined in the LDDA, but such cure periods will provide Developer adequate time to exercise commercially reasonable efforts to complete construction of the respective phases. The repurchase price will be calculated to reasonably compensate the Developer for the Developer's actual financial investment in that phase or phases and will be further defined in the LDDA.

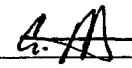
The terms of the LDDA shall be consistent with the terms of this Term Sheet unless the City and Developer otherwise agree in writing.

CITY:

BY:  9/5/19

Name and Title: Josh Levy, City of Hollywood, Mayor

PARK ROAD DEVELOPMENT, LLC, a Florida limited liability company:

BY:  8/20/2019

Name and Title: Eric Metz, Manager

Exhibit “C”

Preliminary Plans

(to be inserted pursuant to Section 7.1)

Exhibit “D”

Development Schedule
(to be inserted pursuant to Section 13.2)