

CITY OF HOLLYWOOD
COMMUNITY REDEVELOPMENT AGENCY

HOTEL IMPROVEMENT PROGRAM (HIP)
GRANT AGREEMENT

THIS AGREEMENT is made and entered into this _____ day of _____, 20__ by and between the Hollywood, Florida, Community Redevelopment Agency, a Florida body corporate and politic (“CRA”) and **REED INVESTMENT CORP.** the owner of the property located at **1711 S Surf Road, Hollywood, FL 33019** whose Federal I.D. No. is - (“Recipient”).

RECITALS

WHEREAS, the CRA is desirous of encouraging activities which contribute to the enhancement of redevelopment activities in Hollywood, Florida; and

WHEREAS, in 2016, the CRA Board approved and adopted the HOTEL IMPROVEMENT PROGRAM to leverage private investment for capital improvements to hotel structures and/or to eliminate slum and blighting influences within the Hollywood Downtown and Beach Districts of the Community Redevelopment Agency (CRA); and

WHEREAS, pursuant to the HOTEL IMPROVEMENT PROGRAM, **REED INVESTMENT CORP.**, as a duly authorized representative of Recipient has applied for a Grant to assist it in making capital improvements to the building located at **1711 S Surf Road, Hollywood, FL 33019**; and

WHEREAS, after reviewing the application submitted by Recipient, the CRA Board has found and determined that it would be beneficial to Redevelopment effort and a proper public purpose under Chapter 163, Florida Statutes, to support Recipient’s improvement project through a grant of funds upon the terms and conditions hereinafter described;

NOW, THEREFORE, for the mutual considerations described herein and other good and valuable consideration, the parties agree as follows:

I) CRA Obligations and Responsibilities:

- (A) Upon recipient completing certain capital improvements acceptable to the Executive Director of the CRA and after construction is completed and upon receipt of all documentation relating to the projects improvement costs, the CRA shall reimburse Recipient for 33 percent of the construction cost up to a maximum grant of **\$63,000.00**. In the event that Recipient fails to complete the capital improvements by the completion date, CRA shall not be liable for reimbursement for any construction costs unless the respective CRA agrees in writing.
- (B) The CRA shall not be liable for payments for services beyond the scope of the CRA authorized capital improvements, nor shall the CRA be liable for capital improvements which are made after the general capital improvements project is completed or after the CRA has authorized reimbursement to the Recipient.
- (C) The CRA shall not be a party to nor is it liable for any contractual payments to any contractors, architects or other third parties. Payments to any contractors, architects or other parties are the sole responsibility of the Recipient.

II) Recipient Obligations and Responsibilities:

- (A) Recipient agrees to accept grant funds in an amount not to exceed **\$63,000.00**. Such grant funds shall be done on a reimbursement basis and shall only be for one-half of the construction cost up to a maximum grant amount of **\$63,000.00**; and
- (B) Recipient acknowledges and agrees that the grant funds are to be used solely for the capital (exterior and interior property) improvements approved by the CRA Board on the hotel property located at: **1711 S Surf Road, Hollywood, FL 33019**.
- (C) Recipient acknowledges that he/she/it is the owner of the subject property, or if the Recipient is not the owner, he/she/it has received the owner's written consent to improve the subject property (shown in Exhibit "A" which are attached hereto and incorporated by reference) and as such he/she/it is authorized to contract for exterior and interior property improvements; and
- (D) Recipient shall submit a final design sketch of the property improvements along with a contractor's bid for the capital improvements (attached hereto as Exhibit "B" and incorporated herein by reference) to the City of Hollywood's Department of Planning and Development Services for review by applicable boards and/or City staff. All general exterior and interior property improvements shall be consistent with all applicable City of Hollywood codes and design regulations; and
- (E) Recipient agrees that all capital improvements as set forth in Exhibit "B" shall be completed by **July 31, 2024** (the completion date) and no grant fund reimbursement payments shall be made prior to completion; and
- (F) Recipient shall comply with all applicable federal, state, county and municipal laws, ordinances, codes and regulations; and
- (G) Recipient shall maintain books, records, and documents in accordance with generally accepted accounting procedures and practices to maintain adequate internal controls which, relating to façade improvements, sufficiently and properly reflect all expenditures of funds provided by the CRA under this Agreement; and

- (H) Recipient shall make all books pertaining to the business and capital (exterior or interior property) improvements available to the CRA for inspection, review or audit purposes at all reasonable times upon demand the term of this Agreement and for three (3) years thereafter; and
- (I) The Recipient shall submit to the CRA not more than sixty (60) days after the capital improvements project is completed, all supporting documentation, including but not limited to paid receipts, two (2) 8 x 10 photographs of the completed capital improvements and documentation relating to the construction costs expended for the capital improvements project on the subject property; and
- (J) The Recipient and or the Recipient's contractor(s) shall carry worker's compensation insurance to cover all workers involved in the project. Recipient shall maintain, at its own expense, General Liability Insurance covering the subject property and the resultant uses thereof in the amount of \$1,000,000.00 and will maintain property damage coverage for a minimum of \$100,000.00 the premium of which shall be paid prior to execution of this Agreement. Said insurance shall name the CRA as an additional insured; and shall provide that the CRA will receive notice of any cancellation or change in coverage. Recipient shall furnish CRA with certificates of Insurance. Any lapse of this coverage during this period of the Agreement shall be grounds for termination of the Agreement by the CRA.

(III) Representations

As a material consideration in granting the funds which are the subject of this agreement, the CRA has relied upon the following representatives of the Recipient:

1. Recipient, or any of its officers, directors, or employees has not been convicted of any felony or crime involving dishonesty, fraud, misrepresentation or moral turpitude.
2. To the best knowledge of the Recipient, there is no action, investigation or proceeding pending against the Recipient or any of its officers, directors or employees involving dishonesty, fraud, misrepresentation, morale turpitude or like matters, nor is there any factual basis which is likely to give rise to such an action, investigation or proceeding.
3. The Recipient is a duly authorized representative of the business and is authorized to execute this Agreement.
4. The Recipient shall comply with all applicable laws and procedures in connection with the expenditure of funds including but not limited to obtaining all necessary permits and licenses.

(IV) Term of Agreement

This Agreement shall commence upon execution and shall expire sixty (60) days after the Completion Date. In the event that the Recipient fails to commence the project within thirty (30) days from the date of execution of this Agreement, CRA reserves the right to terminate this Agreement upon twenty-four (24) hours notice to Recipient.

(V) Designated Representatives

The names and addresses of the Designated Representatives of the parties in connection with this Agreement are as follows:

AS TO AGENCY: **Executive Director**
Hollywood, Florida Community Redevelopment Agency
1948 Harrison Street
Hollywood, FL 33020

WITH A COPY TO: **General Counsel**
Hollywood, Florida Community Redevelopment Agency
2600 Hollywood Boulevard, Room 407
Hollywood, FL 33020

AS TO RECIPIENT: **REED INVESTMENT CORP.**
ATTN: Eduardo Rodriguez
7350 SW 89th Street, CU-200
Miami, FL 33156

- (A) Recipient acknowledges that the CRA is not affiliated with or responsible for Recipient's activities hereunder or otherwise. Further, Recipient hereby indemnifies and holds harmless the CRA for any actions, suits, or proceedings arising out of the subject matter of this Agreement. Such obligation to indemnify and hold harmless shall continue notwithstanding any negligence or comparative negligence on the part of the CRA relating to such loss or damage and shall include all costs, expenses and liabilities incurred by the CRA in connection with any such claim, suit, action proceeding brought thereon and any order, judgment or decree which may be entered in any such action or proceeding or as a result thereof.
- (B) Recipient agrees that nothing herein contained is intended or should be construed as in any way creating or establishing the relationship of partners or joint ventures between the CRA and the Recipient as an agent, representative or employee of the CRA for any purpose or in any manner whatsoever, and that it shall not represent to any third parties that such is the case.
- (C) Recipient may not assign any rights under this Agreement without the prior written consent of the CRA, which may be withheld in its sole discretion.
- (D) The name and address of the official payee to whom payments hereunder will be made is:
REED INVESTMENT CORP.
ATTN: Eduardo Rodriguez
7350 SW 89th Street, CU-200
Miami, FL 33156
- (E) This Agreement shall be governed by the laws of the State of Florida. Any and all legal action necessary to enforce this Agreement will be heard in Broward County, Florida. No remedy herein conferred upon any part is intended to be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute or otherwise. No single or partial exercise by any part of any right, power or remedy hereunder shall preclude any other of further exercise thereof.
- (F) This Agreement may only be amended or modified by an instrument in writing signed by both parties.
- (G) The Recipient acknowledges and agrees that the CRA may in its sole discretion discontinue this program at any time. At all other times, either party can cancel this agreement by thirty-(30) days written notice to the other. In the event that Recipient cancels this Agreement, the CRA shall not be liable to any contractor (s) or subcontractor (s) with relation to any work performed pursuant to the contract between Recipient and the Contractor(s) or subcontractor(s).

- (H) Recipient agrees that if the Recipient sells the property, changes the use of the business or goes out of business prior to receiving the grant funds or anytime within five years of receiving grant funds, all or a portion of the funds will be reimbursed to the CRA. If it is determined that reimbursement is based on a portion of the funds, Recipient shall reimburse the CRA in the following manner: 80% if the property is sold, the business use is changed or the business goes out of business within one year of the final disbursement; If said conditions occur within two years of the final disbursement, Recipient shall reimburse 60% of the funds; if said conditions occur within three years, then Recipient shall reimburse 40%, and if within four years, then Recipient shall reimburse 20% of the funds disbursed.
- (I) Recipient shall be required to provide sufficient security for grants awarded by the CRA Board. Such security shall be approved by the Executive Director and CRA General Counsel to sufficiently cover the repayment provision and may include a mortgage, personal guarantee, security agreement and/or any other acceptable form of security. Security requirements shall not be applicable to exterior-only improvement projects. Nothing in this paragraph shall be construed to prohibit the CRA Board from awarding a grant without security, if the Board determines that such grant is in the best interest of the CRA.

HOTEL IMPROVEMENT PROGRAM (HIP) GRANT AGREEMENT (REED INVESTMENT CORP.)

IN WITNESS WHEREOF, the HOLLYWOOD, FLORIDA COMMUNITY REDEVELOPMENT AGENCY and **REED INVESTMENT CORP.**, have caused this Agreement to be executed, the day and year first above written.

ATTEST:

HOLLYWOOD, FLORIDA COMMUNITY
REDEVELOPMENT AGENCY

PHYLLIS LEWIS
SECRETARY

JOSH LEVY, CHAIR

Approved as to Form:

DOUGLAS R. GONZALES, GENERAL COUNSEL

ATTEST:

AS TO RECIPIENT

CORPORATE SECRETARY

By: _____

Signature

Print Name: _____

Title: _____