

**CITY OF HOLLYWOOD
INTEROFFICE MEMORANDUM**

TO: Mayor and Commissioners **DATE:** November 27, 2017

FROM: Douglas R. Gonzales, City Attorney

SUBJECT: Proposed Agreement with H3 Hollywood, LLC for Second Amendment to Development Agreement Regarding Hollywood Station

I have reviewed the above-captioned agreement for form and legal sufficiency, and the general business terms and other significant provisions are as follows:

- 1) Department/Office involved – CRA
- 2) Type of Agreement – Second Amendment to Development Agreement
- 3) Method of Procurement (RFP, bid, etc.) – N/A
- 4) Term of Contract
 - a) initial – 3 yrs. (deadline for completion of construction of Phase III)
 - b) renewals (if any) –
 - c) who exercises option to renew –
- 5) Contract Amount – The incentive for Phase II remains \$1,300,000, but the schedule of payment is more favorable to the CRA. Also, if construction is not completed by the deadline, the incentive will be reduced to \$1,000,000.
- 6) Termination rights – For cause only.
- 7) Indemnity/Insurance Requirements – Developer indemnifies City and provides insurance.
- 8) Scope of Services – Developer will complete construction of Phase III of Hollywood Station.
- 9) City's prior experience with Vendor – None.
- 10) Other significant provisions – The original agreement required the residential units to be condominiums. This amendment will also allow market rate rental units.

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