

## **MODIFICATION AND EXTENSION OF LINE OF CREDIT AGREEMENT**

This Modification and Extension of Line of Credit Agreement is effective as of September 1, 2020, by and between the City of Hollywood, a Florida municipal corporation (the “City”), and City National Bank, (the “Bank”), and their respective successors and assigns.

WHEREAS, the City and the Bank entered into a Line of Credit Agreement effective June 22, 2017 (the “Agreement”) for the purpose of establishing a line of credit in an amount not to exceed \$10,000,000.00 to meet cost recovery following a disaster and approving the form of such agreement; and

WHEREAS, Section 14 of the Agreement provides that by written request of the City delivered to the Bank at least sixty (60) days prior to May 31, the Bank and the City may agree to extend the Agreement for an additional successive period or periods, each period not to exceed one (1) year; and the Bank shall respond in writing within ten (10) days of receipt of a written request as to its willingness to agree to an extension; and

WHEREAS, Section 15 of the Agreement provides that the Agreement may be modified, amended or supplemented by an instrument in writing executed by the parties hereto; and

WHEREAS, the City has requested a three (3) year extension from the Bank, thereby modifying Section 14 of the Line of Credit Agreement, the Bank has agreed to such request, and the City has paid the Bank a \$75,000.00 upfront renewal fee; and

WHEREAS, on \_\_\_\_\_, 2020, the City adopted Resolution No. R-2020-\_\_\_\_\_, authorizing the extension of the Agreement for a three (3) year period.

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

### **SECTION 1. MODIFICATION AND EXTENSION OF LETTER OF CREDIT AGREEMENT.**

The Agreement is hereby modified pursuant to Section 15 thereto, by extending the Agreement for a three (3) year period, commencing September 1, 2020 and ending August 31, 2023. Accordingly, the Note may be issued not later than August 31, 2023, and, if issued, draws on the Note may be made until August 31, 2023.

**SECTION 2. COVENANT COMPLIANCE CERTIFICATE.** The City’s represents and warrants that the calculations set forth in the Covenant Compliance Certificate in the form attached hereto as Exhibit “A” accurately represent the matters set forth therein for the City’s fiscal year ended September 30, 2019.

**SECTION 3. EXTENSION OF AVAILABILITY OF LINE OF CREDIT.** In addition to the requirements of Section 14 of the Agreement, the City shall deliver to the Bank, in connection with any request to further extend the Agreement, (a) an executed Covenant Compliance Certificate in the form attached as Exhibit “A” to the Agreement, and (b) a bank renewal fee in an amount of \$75,000.00.

**SECTION 4. LIMITATION ON ISSUANCE OF NOTE(S) AND DRAWS THEREUNDER.** The City acknowledges that the Agreement, as extended hereby, sets forth the terms and conditions under which the Note and additional note(s) could be issued and under which the City could make draws on such note(s), but that it does not irrevocably obligate the Bank to fund such draws. The Bank shall only be obligated to fund draws requested to be made under the Note or any additional note to the extent and subject to the conditions and requirements contained in the Agreement.

**SECTION 5. AGREEMENT TO REMAIN IN FULL FORCE AND EFFECT.**  
The Agreement shall remain in full force and effect, as extended hereby.

**SECTION 6. EFFECTIVE DATE.** This Extension of Line of Credit Agreement shall take effect immediately upon its execution by the parties hereto.

Entered into this \_\_\_\_ day of \_\_\_\_\_, 2020.

**CITY OF HOLLYWOOD**

\_\_\_\_\_  
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

**CITY NATIONAL BANK OF FLORIDA**

\_\_\_\_\_  
RICHARD FOSTER, ASST VICE PRESIDENT

**EXHIBIT “A”**

COVENANT COMPLIANCE CERTIFICATE