

**FIRST AMENDMENT TO GAP FUNDING COMMITMENT FOR DEVELOPMENT OF
"THE TROPIC" MIXED-INCOME WORKFORCE HOUSING PROJECT**

THIS FIRST AMENDMENT ("Amendment") to that certain April 4, 2021 Gap Funding Commitment ("Commitment") is dated effective as of the _____ day of _____, 2021 ("Effective Date") and is agreed to between the CITY OF HOLLYWOOD, a municipal corporation of the State of Florida ("City"), the HOLLYWOOD COMMUNITY REDEVELOPMENT AGENCY ("CRA"), and VAN JACKSON LLC, a Florida limited liability company and/or TROPIC HOLLYWOOD, INC., a Florida corporation, both affiliates of AFFILIATED DEVELOPMENT, LLC (collectively referred to as the "Developer"). The Developer, City and CRA (collectively referred to as the "Parties", or individually as a "Party") mutually covenant and agree that the Commitment is amended upon the terms, covenants and conditions set forth herein.

WITNESSETH:

WHEREAS, in connection with the Commitment, the Parties determine that this Amendment shall modify and replace: (a) the PROJECT COSTS paragraph and (b) the FORGIVABLE ILA LOAN paragraph as follows in order to properly carry out the obligations of the Project, and further, that the remainder of the Commitment not revised in this Amendment shall remain in full force and effect.

NOW, THEREFORE, in consideration of the foregoing premises and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the Parties agree as follows:

1. RECITALS. The foregoing recitals are true and correct and are incorporated in this Amendment. All capitalized terms used and not expressly defined herein shall have their meaning as set forth in the Agreement. In the event of any inconsistency between the provisions of this Amendment and the provisions of the Commitment, this Amendment shall control to the extent of the inconsistency.
2. PROJECT COSTS. All capital costs necessary to acquire and develop the Project, broken down into two categories: (1) Property Acquisitions Costs, and (2) Project Construction Costs. Project Acquisition Cost shall be all costs associated with Developer acquiring the fee simple interest to the Property. Project Construction Costs include but are not limited to hard costs, soft costs, public infrastructure, fees, and reserves necessary to construct the Project on the Property. The total Property Acquisition Costs are estimated to be \$4,200,000. The total Project Construction Costs for the Project are estimated to be approximately \$54,800,000. The Property Acquisition Costs and the Project Construction Costs shall together be referred to as "Project Costs", which shall be evidenced in a Sources and Uses budget attached as an exhibit to the Agreement and made final by Lender approval upon Financial Closing.

3. **FORGIVABLE ILA LOAN.** City shall provide a \$3,500,000 forgivable loan (the “ILA Loan Funds”) to be used to fund or reimburse Property Acquisition Costs exclusively from funding received by the County and City through the U.S. Department of Treasury Coronavirus Local Fiscal Recovery Fund as authorized by American Rescue Plan Act (ARPA). Within five business days from the date the Developer provides City with written notice of its intent to close on the Property acquisition (the “Property Closing”), or anytime thereafter, the City shall wire the ILA Loan Funds to the Developer, and such ILA Loan Funds shall be used exclusively for Property Acquisitions Costs. At Property Closing, the Developer shall execute (a) a Promissory Note in the amount of \$3,500,000, and execute and record (b) a Second Mortgage in a form acceptable to the Parties. The Second Mortgage and Promissory Note shall be subordinate to the Lender, and City shall agree to reasonably amend the Second Mortgage and Promissory Note in order to meet the reasonable requirements of the Lender. Upon the Completion Date, the principal amount of the Forgivable ILA Loan shall be forgiven, provided no uncured event of default exists. Should the Developer not achieve the Commencement Date for the Project, the City shall be the beneficiary of any sale proceeds of the Property in a priority position to the Developer, up to an amount not to exceed the amount of the ILA Loan Funds. It is acknowledged and understood by Developer that such Forgivable ILA Loan funding sources originate from federal ARPA funding received by the City and County.

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FIRST AMENDMENT TO GAP FUNDING COMMITMENT BETWEEN CITY OF HOLLYWOOD, HOLLYWOOD COMMUNITY REDEVELOPMENT AGENCY AND VAN JACKSON, LLC AND/OR TROPIC HOLLYWOOD, INC FOR DEVELOPMENT OF THE TROPIC PROJECT

EXECUTION

IN WITNESS WHEREOF, Parties, intending to be legally bound, have executed this First Amendment to the Funding Commitment of the day and year first above written.

ATTEST:

CITY OF HOLLYWOOD

By: _____
Patricia Cerny, City Clerk

By: _____
Josh Levy, Mayor

Date: _____

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

ATTEST:

HOLLYWOOD CRA

By: _____
Phyllis Lewis, Board Secretary

By: _____
Josh Levy, Board Chair

Date: _____

Approved as to form and legal
sufficiency for the use and reliance of the
Hollywood CRA only.

By: _____
Douglas R. Gonzales
CRA General Counsel

DEVELOPER:

TROPIC HOLLYWOOD, INC.

A Florida corporation

By: _____
Jeffrey Burns, President

Date: _____

VAN JACKSON, LLC

A Florida limited liability company

By: _____
Jeffrey Burns, President

Date: _____