

## COMMERCIAL AND INDUSTRIAL PROPERTY IMPROVEMENT FORGIVABLE LOAN AND SECURITY AGREEMENT

THIS AGREEMENT is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2018, by and between the Margate Community Redevelopment Agency, a Florida body corporate and politic ("CRA") and \_\_\_\_\_, a Florida corporation authorized to do business in the State of Florida, located at \_\_\_\_\_, ("Recipient").

- (A) After construction is completed and upon receipt of all documentation relating to the projects costs, the CRA shall reimburse Recipient for eighty percent of the construction costs up to a maximum forgivable loan amount of Twenty Five Thousand and 00/100 Dollars (\$750,000.00), (the "Forgivable Loan Funds") not to exceed fifty percent of the Broward County Property Appraiser ("BCPA") appraised value of the subject property. In the event that Recipient fails to complete the improvements by the Completion Date, CRA shall not be liable for reimbursement for any construction costs unless the CRA Chair agrees in writing.
- (B) Applicable improvements authorized for reimbursement as part of this agreement are limited to industrial and commercial exterior and landscaping improvements located at \_\_\_\_\_, Margate, Florida, with a legal description as described in **Exhibit "A"**, which is attached hereto and incorporated herein by reference. The applicable improvements are more fully described in **Exhibit "B"**, which is attached hereto and incorporated herein by reference.
- (C) The CRA shall not be liable for payments for services beyond the scope of the CRA applicable improvements, for improvements which are made after the project is completed, or for improvements made after the CRA has authorized reimbursement to the Recipient.
- (D) 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.

### **Recipient obligation and responsibilities:**

- (A) The CRA agrees to provide, and, subject to the terms and conditions of this Agreement, Recipient agrees to accept forgivable loan funds in an amount not to exceed \_\_\_\_\_ and 00/100 Dollars (\$\_\_\_\_\_) Such Forgivable Loan Funds shall only be eighty percent of the cost of eligible improvements up to a maximum forgivable loan amount of Seven Hundred and Fifty Thousand and 00/100 Dollars (\$750,000.00) not to exceed fifty percent of the BCPA appraised value of the subject property; and
- (B) Recipient acknowledges and agrees that the forgivable loan funds are to be used

solely for reasonable costs associated with the undertaking of industrial and commercial exterior and landscaping improvements at the property located at \_\_\_\_\_, Margate, Florida (the "Property").

- (C) Recipient acknowledges that he/she is the owner of the Property, and as such he/she is authorized to contract for the building and landscaping improvements; and
- (D) Prior to commencing any work, the Recipient shall submit final plans or description of work (as applicable) and final construction costs as documented by signed agreements with a contractor(s) licensed to do work in the City of Margate, to the CRA. The final plans or description of work shall include (as applicable), but not necessarily limited to architectural drawings, shop drawings, and color samples. The final plans or description of work shall be consistent with the information provided in the application which was reviewed and approved by the CRA, or the Recipient shall not be eligible for any Forgivable Loan Fund reimbursement. All plans shall also be consistent with applicable City regulations, and shall only be for applicable improvements as provided in **Exhibit "B"**; and
- (E) Recipient agrees that all loan related improvements as set forth in the application shall be completed five hundred forty five (545) days from the date of execution of this Agreement; and
- (F) Recipient shall comply with all applicable federal, state, county and municipal laws, ordinances, codes and regulations; including the City's major thoroughfare guidelines; and recipient shall agree to the placement of a CRA sign upon their property for the duration of the forgivable loan and for an additional sixty (60) days after the completion date.
- (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 the loan improvements, sufficiently and properly reflect all expenditures of funds provided by the CRA under this Agreement; and
- (H) The Recipient shall submit to the CRA not more than thirty (30) days after the improvements project is completed, all supporting documentation, including but not limited to the following:
  - a. Paid receipts (and releases of lien if applicable) for all applicable improvements for which reimbursement is requested and authorized;
  - b. Two (2) 8x10 photographs of the completed improvements;
  - c. Documentation relating to the construction costs expended for the applicable improvements on the Property; and
  - d. Certificate of occupancy, certificate of completion, or proof of closeout of all applicable permits.

- (I) The Recipient and/or assigns, agree to maintain ownership of the Property for ten (10) years from the Completion Date, and to maintain the improvements paid for by this Forgivable Loan and in accordance with this Agreement for a period not less than ten (10) years from the project Completion Date. Should the Recipient fail to maintain said improvements or sell the property prior to the conclusion of the tenth anniversary following completion of the Project, the Recipient agrees to reimburse the CRA for the remaining lien amount owed of the Forgivable Loan Funds.
- (J) The Recipient agrees to operate and maintain the Project and Property in accordance with commonly-accepted industry standards for the life of the Project. The Recipient shall keep and maintain the Project interior and exterior in good and safe condition and shall make repairs in a timely fashion. The Recipient shall use all reasonable efforts to prevent damage or disrepair to the Project.
- (K) The Recipient acknowledges that this agreement creates an interest in favor of the CRA and the CRA shall have the right to file and record a lien against the property in the amount of the Forgivable Loan Funds, or portion thereof, as applicable.

### **Terms of Agreement**

This Agreement shall commence upon execution and shall be in full force and effect for ten (10) years following the project Completion Date. For purposes of this Agreement, the term "Completion Date" shall mean the date when all improvements on the Property have been completed and receipt of the Certificate of Occupancy, the necessary inspection approvals, including inspection by the CRA, and closed permits have occurred, unless otherwise terminated by the mutual consent of both parties.

In the event that the Recipient fails to commence construction on the improvements within one hundred and eighty (180) days from the date of execution of this Agreement, CRA reserves the right to terminate this Agreement upon seven (7) days' notice to Recipient.

The Project must be completed and all permits and liens satisfied within five hundred and forty five (545) days from the date of execution of this Agreement. Reimbursement will be provided within thirty (30) days of providing all required documentation to the CRA, subject to the CRA's sole and absolute discretion and satisfaction. The Recipient may request an extension from the CRA Board of Commissioners if the Project is expected to exceed five hundred and forty five (545) days.

Properties listed for sale may not apply. Properties sold within ten (10) years of the completion date must repay the amount still owed under the lien against the

property for the Forgivable Loan Funds.

### **Commercial and Industrial Forgivable Loan Lien**

The CRA will place a lien on the Property for a period of ten (10) years following the Completion Date for the total amount disbursed. The amount of the lien will decrease ten (10) percent each anniversary of the loan. The lien will be recorded on the Property for a period of ten (10) years.

In the event the CRA is disbanded, all rights and obligations will be transferred to its successor agency.

### **Designated Representatives**

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

AS TO AGENCY: Sam May, Executive Director  
Margate, Community Redevelopment Agency  
5790 Margate Boulevard  
Margate, FL 33063

COPY TO: Donald J. Doody, General Counsel  
3099 E. Commercial Blvd., #200  
Fort Lauderdale, FL 33308  
Telephone No. (954) 771-4500  
Facsimile No. (954) 771-4923

AS TO RECIPIENT: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

IN WITNESS WHEREOF, the parties hereto have set their hands and their respective seals affixed as of the date and year set forth above.

**Margate CRA**

**Recipient**

\_\_\_\_\_  
Tommy Ruzzano, Chair

\_\_\_\_\_  
Print Name & Date

{00238246.1 3311-0000000}

Date

Signature

Project Completed \_\_\_\_\_

Amount \_\_\_\_\_

Date of Check \_\_\_\_\_