

## LINE OF CREDIT AGREEMENT

THIS AGREEMENT dated this \_\_\_\_ day of \_\_\_\_\_, 2018, between:

The CITY OF FORT LAUDERDALE, a municipal corporation organized under the laws of the State of Florida, hereinafter referred to as "City"

and

FORT LAUDERDALE COMMUNITY REDEVELOPMENT AGENCY, a Community Redevelopment Agency created pursuant to Chapter 163, Part III, Florida Statutes, hereinafter referred to as "Agency".

WHEREAS, Section 163.400(3), Florida Statutes, provides "[f]or the purpose of aiding in the planning, undertaking, or carrying out of any community redevelopment and related activities of a community redevelopment agency or a housing authority hereunder, any county or municipality may, in addition to its other powers and upon such terms, with or without consideration, as it determines, do and perform any or all of the actions or things which, by the provisions of subsection (1), a public body is authorized to do or perform, including the furnishing of financial and other assistance."; and

WHEREAS, pursuant to Section 163.400(1)(d), Florida Statutes, a public body may, upon such terms, with or without consideration, as it may determine lend, grant, or contribute funds to a county or municipality; borrow money; and apply for and accept advances, loans, grants, contributions, or any other form of financial assistance from the Federal Government, the state, the county, another public body, or any other source; and

WHEREAS, the Florida Office of the Attorney General issued Advisory Legal Opinion AGO 2002-52, which states that Section 163.400, Florida Statutes, authorizes municipalities to make interest-free loans of properly appropriated municipal funds to a community redevelopment agency for projects declared by the city to represent a municipal purpose; and

WHEREAS, in Section 163.335(3), Florida Statutes, the Florida Legislature found and declared that the powers conferred by the Community Redevelopment Act are for public uses and purposes for which public money may be expended and police power exercised, and the necessity in the public interest; and

WHEREAS, the Agency authorized \$21,378,316 of CRA funds for the Aquatic Center Renovation Project (the "Project"); and

WHEREAS, the Agency finds it necessary to borrow funds in an amount not to exceed \$1,921,684.00, from the City to fulfill this funding commitment; and

WHEREAS, on August 21, 2018, the City Commission approved making available a line of credit to the Agency in an amount not to exceed \$1,921,684.00 and has authorized the Mayor and City Manager to execute this Agreement with the Agency; and

WHEREAS, on August 21, 2018, the Fort Lauderdale Community Redevelopment Board of Commissioners authorized the Executive Director to execute this Agreement with the City; and

NOW, THEREFORE, in consideration of the mutual terms and conditions, promises, covenants and payments hereinafter set forth, CITY and AGENCY agree as follows:

#### ARTICLE I. DEFINITIONS:

1.1 For purposes of this Agreement, unless the context clearly requires otherwise, in addition to the terms defined elsewhere herein, the following terms shall have the meanings set forth below:

- (1) "Agreement" or "Loan Agreement" means this line of credit loan agreement.
- (2) "Authorized Representative" means the official or officials of the City and of the Agency authorized by resolution to sign documents associated with the Loan.
- (3) "Default" or "Events of Default" shall have the meaning given such term in Section 3.7 of this Agreement.
- (4) "Guarantor" means the City.
- (5) "Legal Requirements" means all applicable present and future statutes, laws, ordinances, rules and regulations of any governmental authority, all orders, writs, injunctions, decrees and determinations and all covenants which bind or materially affect the Borrower or any part of its assets.
- (6) "Line of Credit" means the Agency's line of credit with the City referred to in Section 2.2 hereof.
- (7) "Loan Documents" means the following documents collectively:
  - (i) This Agreement;
  - (ii) Each Promissory Note of the Agency to the City, including the Line Note (collectively the "Notes") evidencing the indebtedness for the Loan;

(iii) All other documents and instruments heretofore or hereafter executed by the Agency, or any Guarantor in favor of the City relating to the Loans including any guaranty, pledge, security or subordination agreement and related Uniform Commercial Code financing statements; and

(iv) In each case, the term "Loan Documents" and any reference herein to any particular Loan Document shall mean and include all amendments, modifications, replacements, renewals or extensions of any and all such documents whenever executed.

(8) "Loans" means the Line of Credit

(9) "Obligations" means all liabilities and obligations now or hereafter owing from the Agency to the City of whatever kind or nature, whether or not currently contemplated at the time of this Agreement.

(10) "Termination Date" shall be October 1, 2018.

## ARTICLE II – GENERAL PROVISIONS

2.1 **Loan.** The City agrees to lend to the Agency, and the Agency agrees to repay the City the Loan.

2.2 **Line of Credit.** A Line of Credit is hereby established in the amount of One Million Nine hundred twenty-one Thousand Six hundred eighty-four Dollars (1,921,684.00) for the benefit of the Agency. This line of credit will be subject to the following terms and conditions:

(1) The City hereby establishes a line of credit in Agency's favor in the amount of One Million Nine hundred twenty-one Thousand Six hundred eighty-four Dollars (1,921,684.00).

(2) Interest shall accrue on the Principal Amount of the Loan at the Financing Rate (defined below.)

(3) The Financing Rate on the Principal Amount of the loan shall be 2.2% per annum.

(4) This Line of Credit Agreement and the covenants and agreements herein contained shall continue in full force and effect until all such obligations, liabilities and undertakings have been paid or otherwise satisfied in full. No delay or omission on the part of City in exercising any right hereunder shall operate as a waiver of such rights or any other right and waiver on any one or more occasions shall not be construed as a bar to or waiver of any right or remedy of City on any future occasion. This Line of Credit Agreement is intended to take effect as a sealed instrument, shall be governed by and construed in accordance with the

laws of the State of Florida, shall be binding upon Agency's legal representatives, successors and assignees and shall inure to the benefit of City's successors and assigns.

- (5) The City does hereby certify that any and all necessary resolutions that may be required to effectuate and validate the terms of the Line of Credit agreement have been duly made and adopted by the City.
- (6) The Agency does hereby certify that any and all necessary resolutions that may be required to effectuate and validate the terms of the Line of Credit agreement have been duly made and adopted by the Agency.
- (7) The obligations of the Agency hereunder shall be joint and several as to each person constituting the City.

**2.3 Line of Credit Advances.** In addition to all other conditions contained in this Agreement, every advance under the Line of Credit shall be subject to the following conditions:

- (1) The City shall disburse advances of Principal to the Agency upon a written request of an Authorized Representative.
- (2) Pursuant to this Agreement, during the period from the date hereof and the Termination Date, the City shall make advances under the Line of Credit and the Agency may borrow, repay and reborrow under the Line of Credit; provided, however, that the aggregate amount of all advances at any one time outstanding shall not exceed One Million Nine hundred twenty-one Thousand Six hundred eighty-four Dollars (1,921,684.00).
- (3) All advances under the Line of Credit shall bear interest thereunder as provide in Section 2.2(3) and shall be due and payable in full on the Termination Date.
- (4) The City's obligation to the advance Principal terminates on the Termination Date.

### ARTICLE III – MISCELLANEOUS

**3.1. No Event of Default.** No Event of Default has occurred and no event shall have occurred or be continuing which with the lapse of time and/or the giving of a notice as specified therein, would constitute an Event of Default.

**3.2. No Obligation to Third Parties.** Except to the extent set forth herein, neither the City nor the Agency shall be obligated or liable hereunder to any person or entity not a party to this Agreement.

**3.3. When Rights and Remedies Not Waived.** In no event shall the making by the City of any Disbursement to the Agency constitute or be construed as a waiver by the City of any breach of covenant or any default which may then exist, on the part of the Agency, and the making of such Disbursement by the City while any such breach or default shall exist shall in no way impair or prejudice any right or remedy available to the City with respect to such breach or default.

**3.4. Indemnity.** To the extent allowed by law, the Agency shall indemnify, defend, and hold harmless the City and all of its officers, agents, and employees from any claim, loss, damages, cost, charge, or expense arising out of any act, error, omission, or negligent act by the Agency, its agents, employees, contractors and/or subcontractors during the performance of the Agreement, except that neither the Agency, its agents, employees, contractors and/or subcontractors will be liable under this paragraph for any claim, loss, damages, cost, charge, or expense arising out of any act, error, omission, or negligent act by the City, or any of its officers, agents, or employees, during the performance of the Agreement.

If the City receives notice of claim for damages that may have been caused by the Agency in the performance of services required under this Agreement, the City will immediately forward the claim to the Agency. The City's failure to promptly notify the Agency of a claim will not act as a waiver or any right herein.

**3.5. Entire Agreement.** This Agreement sets forth the entire agreement between the parties and incorporate and supersede all prior negotiations, correspondence, conversations, agreements or understandings applicable to the matters contained herein and therein, and the parties hereto agree that there are no commitments, agreements or understandings concerning the subject matter of this Agreement that are not contained herein. Accordingly, it is agreed that no deviation from the terms of the Agreement Documents shall be predicated upon any prior representation or agreements whether oral or written. It is further agreed that no modification, amendment or alteration in the terms and conditions contained in the Agreement shall be effective unless contained in a written document executed by the parties hereto. It is further agreed that the City will have no obligation to honor any request for disbursement made by the Agency or otherwise make any disbursement under this agreement in the event that the City has notified the Agency that an event of default has occurred under this agreement, or if the City, in its sole discretion, determines that events have occurred which substantially diminish the likelihood that the Agency will timely and fully honor its obligations under this agreement. Any waiver of this provision by disbursement following an event of default by the Agency under the terms of this agreement, or any other agreement between the Agency and the City, will not constitute a continuing waiver of this provision and the City may refuse to make further disbursements without any liability to the Agency whatsoever.

**3.6 Termination.** This Agreement shall terminate upon the written agreement of the parties hereto to the termination of any privilege of the Borrower to take advances under

the Line of Credit and full and final payment of all amounts with respect to all Loans or otherwise due hereunder and under the other Loan Documents.

**3.7 Default.** Upon the occurrence of any one of the following events (each, an “Event of Default” or “default” or “event of default”), City’s obligations, if any, to make any advances will, at City’s option, immediately terminate and City, at its option, may declare all indebtedness of Agency to City under this Agreement to be immediately due and payable without further notice of any kind notwithstanding anything to the contrary in this Agreement or any other agreement. (a) Agency’s failure to make any payment on time or in the amount due; (b) any default by Agency under the terms of this Agreement; (c) the dissolution, or termination of existence of Agency; (d) Agency is generally not paying Borrower’s debts as such debts become due; (e) any default under the terms of any other indebtedness of Agency to any other creditor; (f) any writ of attachment, garnishment, execution, tax lien or similar instrument is issued against any collateral securing the loan, if any, or any of Agency’s property or any judgment is entered against Agency or any guarantor.

**3.8 Notices.** Any notice, demand, request or other instrument which is required to be given under this Agreement in writing shall be delivered to the following addresses:

If to the City: City Manager  
City of Fort Lauderdale  
100 North Andrews Avenue  
Fort Lauderdale, FL 33301

If to Agency: Executive Director  
Fort Lauderdale Community Redevelopment Agency  
100 North Andrews Avenue  
Fort Lauderdale, FL 33301

IN WITNESS WHEREOF, the undersigned executes this Agreement as an instrument under seal as of the date first set forth above