



**CITY OF FORT LAUDERDALE
COMMUNITY REDEVELOPMENT AGENCY**

December __, 2020

The District
Board of Trustees
Broward College
6400 NW 6th Way
Fort Lauderdale, FL 33309

Re: Letter of Intent to provide a forgivable loan in an amount not to exceed Five Hundred Thousand and No/100 Dollars (\$500,000) to Broward College ("Borrower" or the "College") secured by a UCC-1 Filing with the Secretary of State and a Quality of Life Grant in an amount not to exceed \$500,000 (the "Program")

Dear _____:

This letter is intended to establish a framework for a Property and Business Improvement and Quality of Life Grant Agreement (the "Agreement") by and between the Fort Lauderdale Community Redevelopment Agency (the "Lender" or "CRA") and Borrower. Subject to the terms and conditions set forth herein and in the Agreement and other documents, Lender agrees to fund a forgivable loan to Borrower in an amount not to exceed Five Hundred Thousand and No/100 Dollars (\$500,000) (the "Loan") under the Property and Business Improvement Program and a Quality of Life Grant in an amount not to exceed Five Hundred Thousand and No/100 (\$500,000) (the "Grant").

COMPLETION DATE: If the CRA funds are not disbursed by the sunset date (November 7, 2025) of the CRA, then the CRA obligation to fund any undisbursed funds under the Loan and Grant may be terminated.

USES OF PROCEEDS: Broward College acknowledges that the proceeds of the Loan and the Grant shall be used to reimburse or fund tenant improvements such as furnishing, network wiring and equipment within the College facility located at 1409 Sistrunk Blvd., Fort Lauderdale, Florida and to fund scholarship for eligible residents of the Northwest-Progresso-Flagler Heights Community Redevelopment Area ("NWPFH

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Area”) to cover the cost of job readiness and job training programs in certain industry sectors such as Information Technology, Film and Music and Business and Hospitality (the “Program”) according to a budget approved by the CRA Executive Director, as may be amended by Borrower, so long as the CRA’s share of such expenses are allowed in accordance with Part III, Chapter 163, Florida Statutes. The Borrower anticipates that at least 150-250 CRA residents will matriculate and graduate from the Program. The CRA proceeds shall not be used for operating and administrative expenses of the Program.

CONDITIONS FOR CLOSING: The Lender shall have no obligation to close on the Loan or the Grant until completion of the following conditions to the satisfaction of the Lender in its sole discretion:

1. Satisfactory evidence that Borrower has adequate proceeds to fully fund the Program for four (4) years, including confirmation of funding under the Florida Department of Education Rapid Credentialing Grant (the “State Grant”);
2. Receipt and review of a draw schedule, detailed description of the tenant improvements, construction schedule and budget, sources and uses for the tenant improvements and specifications for the equipment and quotes;
3. Receipt and review of a construction contract between the Borrower and a qualified and experienced general contractor along with copy of the general contractor’s license for the tenant improvements, if necessary;
4. Certificate of Good Standing and corporate authorization of the Borrower;
5. Builder’s Risk Insurance for the tenant improvements and such other insurance as are customary and standard for this Program and as required for institutions of higher learning;
6. All development approvals by the appropriate governing authority have been issued for the tenant improvements;
7. Execution of the CRA documents for the Loan and Grant, including without limitation, the Promissory Note, Security Agreement, UCC-1 Financing Statement, Property and Business Improvement and Quality of Life Grant Agreement and such other agreements and instruments required by the CRA in the exercise of its reasonable discretion;
8. Such other documents, instruments, information, studies, analysis and evaluation as required by the CRA in the exercise of its reasonable discretion.

LOAN PAYMENTS AND TERM:

The Loan and Grant shall be discharged upon satisfaction of the following conditions:

1. Satisfactory evidence that each scholarship recipient is a resident of the Northwest-Progresso-Flagler Heights Community Redevelopment Area and enrolled in a workforce education program leading to an industry-recognized certification or Broward College recognized Certificate of Completion.

2. Proof that the College has provided scholarship for job training and education for a minimum of 200 residents of the NWPFH Area under the Program and provision of a report detailing the Broward College recognized certificate of completion or industry-recognized certification achieved by such residents over the four (4) years of the Grant.
3. Operation of the Program in the Northwest-Progresso-Flagler Heights Community Redevelopment Area for minimum of four (4) years starting June 2021, if not before. The Loan and Grant will be forgiven prorated for each year based on training and certification or certificate of completion of 50 students per year.

COVENANT TO FUND: The Lender shall budget and appropriate legally available funds sufficient to fully fund the Loan and Grant over four (4) years, beginning with fiscal year 2020/2021, subject to the approval of the CRA's General Counsel and City Auditor, as follows:

Fiscal Year- 2020/2021 - \$250,000
Fiscal Year- 2021/2022 - \$250,000
Fiscal Year- 2022/2023 - \$250,000
Fiscal Year- 2023/2024 - \$250,000

Such obligations to annually appropriate and disburse the Loan and Grant are subordinate to overhead and administrative costs related to operating and managing the CRA, CRA debt and previously approved CRA projects. The fiscal year of the CRA is October 1, 2020 to September 30, 2020.

LOAN DISBURSEMENTS: The Borrower and Lender shall develop a schedule for disbursement of the Loan and Grant proceeds as constrained by the CRA annual budget appropriation and the life of the Program. Such disbursement schedule shall be incorporated in the Agreement.

CLOSING COSTS: Borrower shall bear all closing and transactional fees, expenses and costs, including without limitation, documentary stamp taxes, intangible taxes, title insurance premium and search fees, recording fees, in connection with closing on the Loan and Grant.

LOCAL CONTRACTING: Borrower will use its best efforts to work with the CRA to notify local business firms, minority owned firms, women-owned firms or labor surplus area firms of the opportunity to submit bids for work on the tenant improvements, with the goal of achieving a minimum 30% participation for minorities.

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LOAN DEFAULT: The occurrence of any one or more of the following shall be deemed a default which shall be incorporated in the Agreement and the continuance thereof uncured or uncorrected for a period of 30 days, or longer period of time as may be necessary so long as Borrower is diligently pursuing cure, following proper notice, except for monetary defaults which shall have a grace period of 15 days and Lender shall not be required to give notice:

- 1) Borrower defaults in its obligation to operate the Program or provide scholarships to eligible residents of the NWPFH Area; or
- 2) A final order, judgment or decree is entered by any court of competent jurisdiction adjudicating the Borrower bankrupt or insolvent; or
- 3) Any misrepresentation made by Borrower in any material respect and which adversely affects the rights, duties and obligations of the CRA; or
- 4) A default under the Florida Department of Education Rapid Credentialing Grant; or
- 5) Such other reasonable defaults as incorporated in the Agreement and other CRA loan documents.

MAINTENANCE/REPAIRS: Upon completion of the tenant improvements, Borrower shall have a continuing obligation to maintain its premises in good repair and provide adequate insurance coverages at its expenses, all as set forth in the Agreement. All tenant improvements will be done in accordance with necessary approvals and the approved set of plans and specifications by the appropriate governing authority.

INSURANCE: The Borrower and/or the general contractor, as applicable, shall purchase and maintain at its own expense, insurance, as may be required by the Lender and shall include the Lender as an "Additional Insured".

RIGHT TO AUDIT: Lender shall have the right to audit, at its expense, the books and records relating to the Program as may be reasonably required, and Borrower shall provide CRA with necessary information to conduct such audit.

CROSS DEFAULT: The Agreement will be cross defaulted with the Florida Department of Education Rapid Credentialing Grant.

BROKER: Borrower certifies that there were no brokers engaged as a result of this Loan and Grant and indemnifies the Lender against any claims, losses, fees or expenses of third-party claims for broker fees in connection with the Loan and Grant.

TERMINATION: Prior to execution of the Agreement, Lender or Borrower may terminate this letter of intent if any of the following events shall occur:

If the Borrower:

- a. Applies for or consent to the appointment of a receiver, trustee, or liquidator for it or for any of its property;
- b. Admit in writing an inability to pay its debts as they mature;
- c. Make a general assignment for the benefit of creditors;
- d. Be adjudicated bankrupt or insolvent;
- e. Files a voluntary petition or an answer seeking reorganization or an arrangement with creditors or take advantage of any bankruptcy, reorganization, insolvency, readjustment of debt, dissolution, or liquidation law or statute, or file an answer admitting the material allegations of a petition filed against it or them in any proceeding under any such law; or
- f. If condemnation proceedings are commenced against the Borrower's leasehold interest or any part thereof;
- g. If the Lender and Borrower are unable to agree to the terms of the Agreement; or
- h. Borrower fails to secure the State Grant.

PUBLIC RECORDS. Unless a specific statutory exemption exists, all documents, instruments, surveys, reports, etc. received by the CRA are subject to review by the public.

The letter of intent shall be made and construed in accordance with the laws of the State of Florida.

The individuals executing this Letter of Intent are authorized to execute this letter on behalf of the respective entities.

The provisions of the Letter of Intent cannot be modified unless such modification is in writing and signed by Lender and Borrower.

This Letter of Intent has been issued for the sole and exclusive benefit of the Borrower and no third party shall have any rights hereunder without the express written consent of the Lender. Further, Borrower shall not assign its rights under this Letter of Intent without the written consent of the Lender which may be withheld in its sole discretion.

Lender and Borrower agree to act in good faith to formalize the Agreement within a timely manner. However, nothing in this Letter of Intent shall be deemed an obligation of Lender or Borrower to execute an Agreement.

This Letter of Intent may be executed in one or more counterparts, each of which shall constitute an original and together shall constitute one agreement.

SIGNATURES ON FOLLOWING PAGES

IN WITNESS OF THE FOREGOING, the parties have set their hands and seals the day and year first written above.

WITNESSES:

AGENCY

FORT LAUDERDALE COMMUNITY REDEVELOPMENT AGENCY, a Community Redevelopment Agency created pursuant to Chapter 163, Part III, Florida Statutes

By _____
Christopher J. Lagerbloom, Executive Director

ATTEST:

CRA General Counsel:
Alain E. Boileau, General Counsel

Jeffrey A. Modarelli, CRA Secretary

Lynn Solomon, Assistant General Counsel

AGREED TO AND ACCEPTED this _____ of December 2020.

The District Board of Trustees of Broward College, Florida

Print Name: _____

Print Title: _____