

## HBCRA COMMERCIAL GRANT PROGRAM

### GRANT AGREEMENT

**THIS GRANT AGREEMENT** (the "Agreement") is made and entered into as of June 14, 2019, by and between the **HALLANDALE BEACH COMMUNITY REDEVELOPMENT AGENCY**, a public body corporate and politic (the "HBCRA") having an address at 400 South Federal Highway, Hallandale Beach, Florida 33009, and **URBALO LLC**, a Florida limited liability company (the "Grantee"), having an address at 144 N.E. 1<sup>st</sup> Avenue, Hallandale Beach, Florida 33009.

### RECITALS

1. The mission of the HBCRA is to promote economic development and enhance the quality of life by eliminating and preventing blighted conditions through the facilitation of community partnerships, business growth, job creation, and neighborhood rehabilitation.

2. On February 20, 2018, the HBCRA Board of Directors approved new Commercial Incentive Programs that include the following programs: Commercial Façade Improvement Grant Program ("CFIG"); Commercial Interior Renovation Grant Program ("CIRG"); Commercial Kitchen Grant Program ("CKG"); Property Tax Reimbursement ("PTR"); and Tenant Lease Surety / Tenant Rent Subsidy ("TLS").

3. The goal of the CFIG Program is to eliminate functional obsolescence, remove deterioration, and update the exteriors of existing buildings with an emphasis on improving the viability of desirable and financially stable retail uses and generally increasing the "curb appeal" of the business areas in the HBCRA's Community Redevelopment Area (the "CRA") by providing financial assistance for façade improvements.

4. The goal of the CIRG program is to eliminate function obsolescence, remove deterioration, and improve the "energy efficient" of existing buildings in the CRA, with an emphasis on bringing these buildings up to current building codes and making them more viable for occupancy.

5. The goal of the CKG program is to improve the operating efficiency of existing restaurants in the CRA and to attract new restaurants to the CRA, with an emphasis on creating a dining destination within the City.

6. The Grantee is the owner of the real property as more particularly described on Exhibit "A" attached hereto and by this reference made a part hereof (the "Property") with an address of 144 N.E. 1<sup>st</sup> Avenue, Hallandale Beach, Florida 33009, and has applied to the HBCRA for a CFIG Grant, a CIRG Grant and a CKG Grant.

7. The Board of Directors of the HBCRA has approved an award to the Grantee of a CFIG Grant in the amount of One Hundred Thousand Dollars (\$100,000), a CIRG Grant in the amount of Ninety Thousand Dollars (\$90,000) and a CKG Grant in the amount of Two Hundred Eighty Two Thousand Six Hundred Ninety (\$282,690) (the CFIG Grant, the CIRG Grant, and the CKG Grant are collectively referred to as the "Grant") for improvements to the Property in accordance with the terms and conditions of this Agreement including, but not limited to, (a) a match by the Grantee as required by the CFIG Program in the amount of Ten Thousand Dollars (\$10,000), the CIRG Program in the amount of Nine Thousand Dollars (\$9,000) and the CKG Program in the amount of Twenty Eight Thousand Two Hundred Sixty Nine Dollars (\$28,269) (collectively, the "Match"), (b) the completed Program Applications previously submitted to the HBCRA by the Grantee (the "Program Application") and (c) the scope of work and budget for the project attached hereto as Exhibit "B" and by this reference made a part hereof (the "Project" or "Scope of Work").

5. The Grantee desires to accept the Grant subject to the terms, conditions, and restrictions set forth in this Agreement.

**NOW, THEREFORE**, in consideration of the Grant and the mutual covenants and conditions set forth herein, and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, the parties hereto do hereby agree as follows:

**Section 1. Recitals; Program Application.** The Recitals set forth above are true and correct and are incorporated in this Agreement by reference. The terms and provisions of the Program Application are incorporated into this Agreement by reference and the Grantee agrees to abide by such terms and provisions. In the event of any conflict between the Program Application and this Agreement, the terms and provisions of this Agreement will control with the understanding that any terms in the Program Application that are not addressed in this Agreement shall nevertheless be applicable. Grantee acknowledges and agrees that the terms and provisions of this Agreement that apply to the Grant shall apply to each of the CFG Grant, CIRG Grant and CKG Grant individually as well as to all of them collectively. For all purposes hereunder, the full amount of the Grant is Four Hundred Seventy Two Thousand Six Hundred Ninety Dollars (\$472,690).

**Section 2. Effective Term.** The term of this Agreement shall commence on the date when it has been executed by both parties (the "Effective Date") and the obligation of the HBCRA to fund the Grant shall terminate one (1) year and ninety (90) days thereafter, unless sooner terminated by either party as set forth herein (the "Funding Termination Date"). In addition to any other rights and remedies of the HBCRA set forth in this Agreement, any portion of the Grant for which a funding request has not been submitted by Grantee to the HBCRA by the Funding Termination Date shall be forfeited and Grantee hereby waives any rights to such forfeited portion of the Grant. Notwithstanding the foregoing, this Agreement shall remain in full force and effect following the Funding Termination Date for such time periods as necessary to give the terms and provisions of this Agreement their full force and effect.

**Section 3. Scope of Work.** The Grantee agrees to use the Grant solely for the funding of costs and expenses for the performance of the Scope of Work subject to and in accordance with this Agreement and the Program Application. The Grantee further agrees that the Grant shall only be disbursed in accordance with the attached budget in the amounts for each line item as set forth therein. The Grantee shall be responsible for the design, engineering, permitting, and construction of the Project. Grantee shall cause the Project to be commenced within ninety (90) days after the Effective Date and thereafter prosecuted with due diligence and continuity and will achieve final completion on or before the Funding Termination Date. Final completion shall be evidenced by a final certificate of occupancy, use or completion, as applicable, issued by the City of Hallandale Beach (the "City"), free and clear of liens or claims for liens for materials supplied and for labor or services performed in connection therewith. The Grantee agrees that the Scope of Work performed under this Agreement shall be performed in accordance with all applicable laws including the City's land use and zoning requirements and the Florida Building Code. The Grantee agrees and represents that the contracts entered into by it for the Project shall require that its contractors, subcontractors, design professionals, engineers, and consultants possess the licenses required by applicable laws to cause to be performed the Scope of Work. Grantee shall provide the HBCRA with copies of the fully executed architect and contractor agreements and, at the request of the HBCRA, copies of the plans and specifications for the Project. Grantee represents and warrants that it will only engage Florida licensed architects and contractors for the Project.

**Section 4. Amount Payable.** The maximum amount payable under this Agreement shall not exceed the Grant amount awarded. The Grantee acknowledges and agrees that should Program funding be reduced or unavailable due to circumstances beyond the control of the HBCRA, the amount payable under this

Agreement may be reduced by the HBCRA. The Grantee waives any and all claims against the HBCRA for any reduction or unavailability of funding. The Grantee will not look to, nor seek to hold liable, the HBCRA, its board members, employees, consultants, attorneys, and/or agents (collectively the "Related Parties") for the performance or non-performance of this Agreement and agrees to hold the HBCRA and the Related Parties harmless and release the HBCRA and the Related Parties from any and all claims and liability under this Agreement, whether as a direct or indirect consequence of any funding reduction or unavailability.

**Section 5. Funding Procedures.** The HBCRA agrees to disburse the Grant to the Grantee as set forth in this Section 5 for expenses necessarily and properly incurred under this Agreement based on the Scope of Work and in accordance with the budget set forth therein all as approved by the HBCRA. Generally, the Grant shall be funded by the HBCRA to the Grantee following the expenditure by the Grantee of the Match plus all other amounts over and above the aggregate of the Match and the Grant that are necessary to complete the Project as set forth in the budget (collectively, the "Grantee's Portion"); it being acknowledged and agreed by the Grantee that the Grant shall be the last money paid in with respect to the Project. Prior to the disbursement of any portion of the Grant, the Grantee shall provide the HBCRA with documentation in a form and substance reasonably acceptable to the HBCRA certifying that the Grantee has expended the Grantee's Portion. Payment shall be made in accordance with the following procedures:

5.1 **Funding Request.** Reimbursement requests are to be in writing and presented to the HBCRA by the Grantee only after the payment has been made by Grantee for the full amount of the Grantee's Portion. In this case, payment will be made on each of the the CFG Grant, CIRG Grant and CKG Grant following payment by the Grantee of the Grantee's Portion for that particular Grant. Without limiting the foregoing, funding requests shall be made not more often than monthly and only after approximately twenty-five percent (25%), fifty percent (50%), seventy-five percent (75%), and one hundred percent (100%) of the Scope of Work has been completed with such percentages based upon expenditure of overall Project costs. The HBCRA shall have the right to make payments to the Grantee or to, or jointly with, the appropriate architect, contractors, consultants, subconsultants, subcontractors, materialmen, vendors, and miscellaneous suppliers. By submitting a reimbursement request to the HBCRA, the Grantee shall be deemed to acknowledge and agree, and represent to the HBCRA, that (a) the work has progressed to the point indicated, (ii) the quality of the work is in accordance with the plans and specifications, and (iii) all monies previously paid by the HBCRA to the Grantee have been disbursed to the appropriate architect, contractors, consultants, subconsultants, subcontractors, materialmen, vendors, and miscellaneous suppliers based upon the prior funding requests.

5.2 **Expenditure Report Required.** As part of each funding request, Grantee shall submit to the HBCRA, for its review and approval, a detailed progress report with all invoices as well as any other information and documentation reasonably requested by the HBCRA including, but not limited to partial waivers of lien. Upon HBCRA's approval of such documentation, HBCRA shall not unreasonably withhold any portion of the Grant relative to such funding request. No request for funding shall be processed without a progress report and the HBCRA reserves the right to withhold all or any portion of the Grant if required and/or requested documentation is not submitted or is in a form and substance not acceptable to the HBCRA. The payment of any funding request by the HBCRA shall not be construed that the work or any portion hereof complies with (a) the Scope of Work, the contract documents, and plans and specifications and/or (b) applicable law including the Florida Building Code, it being acknowledged and agreed by the Grantee that it is the Grantee's sole responsibility to ensure the work complies with (a) and (b) above.

**Section 6. Maintenance; Alterations.**

6.1 **Maintenance.** Following completion of the Project and for a period of five (5) years thereafter, the Grantee, at its sole cost and expense shall be responsible for and perform all repairs and maintenance, and replacements relative to the Scope of Work. The foregoing shall expressly include the repair and replacement of any personal property. Maintenance, repairs, and replacements shall be in quality

and class comparable to the original construction, to preserve the Project in good working order and condition, reasonable wear and tear excepted.

6.2 Alterations. Following completion of the Project and for a period of five (5) years thereafter, the Grantee shall not perform or cause to be performed any major alterations to the Project including, without limitation, major exterior alterations or structural alterations without the prior written consent of the HBCRA in each instance.

**Section 7. Leasing Requirements**. If the Property is a rental property, upon completion of the Project, at least fifty percent (50%) of the “leaseable” commercial space in the building must have leasing commitments for at least one (1) year. If leasing requirements are not met at the time of final inspection, the Grantee will be given one hundred eighty (180) days to submit a one (1) year lease agreement to the HBCRA for at least fifty percent (50%) of the “leaseable” commercial space in the building. If leasing requirements are not met after the extension, notwithstanding anything in this Agreement to the contrary, all funding or grant disbursements shall immediately terminate and the Grantee agrees to immediately pay to the HBCRA one hundred percent (100%) of the Grant received through the Program.

**Section 8. Occupation Requirements**. Grantee is required to open for business within sixty (60) days from completion of the Project. Proof of an operational business shall be in the form of City licenses (i.e., certificate of use and business tax receipt). If occupation requirements are not met, notwithstanding anything in this Agreement to the contrary, all funding or grant disbursements shall immediately terminate and the Grantee agrees to immediately pay to the HBCRA one hundred percent (100%) of the Grant received through the Program.

**Section 9. Relationship of the Parties**. The parties agree that this Agreement recognizes the autonomy of and does not imply any affiliation between the contracting parties. It is expressly understood and intended that the Grantee, its agents and employees, are not agents or employees of the HBCRA, but are only recipients of funding support, and is not an agent or instrumentality of the HBCRA or entitled to any employment benefits by the HBCRA.

**Section 10. No Assignment**. This Agreement and participation in the Program are not transferable to new property owners or lessees. New property owners or lessees must re-apply to participate in the Program and are subject to the any past program participation restrictions set forth in the Program Application or other policies of the HBCRA from time to time. Grantee represents and warrants to the HBCRA that Marc Shoshan owns one hundred percent (100%) of the membership interests of the Grantee. If the Grantee is the owner of the Property and either (a) the Grantee, sells, transfers, conveys, or otherwise alienates the Property, in whole or in part or (b) there is a change of forty-nine percent (49%) or more of the ownership or a change in control of the Grantee (either through a single transaction or the aggregate of multiple transactions) during the term of this Agreement or during the five (5) year period following completion of the Project, all funding or Grant disbursements shall immediately terminate and the Grantee agrees to immediately pay to the HBCRA one hundred percent (100%) of the Grant received through the Program.

**Section 11. Job Creation and Retention; Job Verification**.

11.1 Job Creation and Retention. The Tenant (as defined in Section 19 below) agrees to use its best efforts to hire at least twenty percent (20%) of its employees at the Leased Premises (as defined in Section 19 below) from the HBCRA Community Redevelopment Area (“CRA”). These employees shall be full time equivalent jobs (defined below). The foregoing requirement shall be effective upon commencement of Tenant’s business operations. Tenant further agrees that in addition to the requirement to hire at least twenty percent (20%) of its employees from the CRA, preference will be given to City residents for all remaining jobs (including construction positions) at the Leased Premises. Tenant agrees

to comply with the requirements of this Section 11 for a period of five (5) years following Final Completion. Grantee and Tenant hereby acknowledges and agrees that the funding by the HBCRA is predicated upon this covenant by the Tenant, that failure of the Tenant to use best efforts to achieve this objective will constitute a material default under the terms of this Agreement. Accordingly, if the Tenant fails to hire at least twenty percent (20%) of its employees from the CRA and cannot demonstrate in writing to the reasonable satisfaction of the HBCRA that the Tenant used its best efforts, then the Grantee shall repay to the HBCRA an amount equal to fifty percent (50%) of the Grant provided by the HBCRA (the "Repayment Amount"), which Repayment Amount shall be reduced by twenty percent (20%) each successive year after the first year of such five year period. For example, if the default occurs in the second year of the five year period, the Grantee shall pay back eighty percent (80%) of the Repayment Amount. For purposes of this Agreement, a "job" shall mean a full-time job or the equivalent thereof (consisting of at least 30 hours per week of employment and eligibility for all benefits generally available for full-time employees of the Grantee) with the Grantee. Notwithstanding anything in this Agreement to the contrary, in the event of a breach by Tenant of this Section 11 that remains uncured for thirty (30) days following written notice from the HBCRA to the Grantee, the HBCRA may seek reimbursement of the Grant as a remedy pursuant to Section 13.2 below in the amount as set forth above.

11.2 Verification of Jobs. Upon commencement of business operations and every twelve (12) months following Final Completion, the Tenant shall submit a written certification to the HBCRA stating that the Tenant's baseline job numbers are either in compliance or not in compliance with the requirements of Section 11.1. Such certification shall be signed by an officer of Tenant as being true and correct. If at any time the HBCRA reasonably believes that that Tenant is in default of the requirements of Section 11.1, upon notice, the HBCRA, or its designee, shall be provided full and complete access to all records of the Tenant that would be reasonably necessary to verify the number and types of jobs created, and the wages paid to employees. Subject to the notice and grace provisions of Section 13, failure to provide such access upon reasonable request shall constitute a material default under the terms of this Agreement. With respect to all information to be obtained pursuant to this Section, the HBCRA shall, to the extent permitted by law comply with all privacy, employment and other laws applicable thereto.

## **Section 12. Records, Reports, Audits, Monitoring and Review.**

12.1 The Grantee shall maintain complete and accurate books, records, and accounts of all costs and expenses incurred in connection with the Project. Upon the request of the HBCRA, all such books and records of the Grantee which relate to the Project shall be available for inspection and audit by the HBCRA or any of its authorized representatives at all reasonable times during normal business hours. The HBCRA shall be entitled to make such copies of the books and records as the HBCRA deems appropriate.

12.2 The Grantee's books and records shall be maintained or caused to be maintained in accordance with generally accepted accounting principles in a consistent manner, together with the pertinent documentation and data to provide reasonable audit trails for a period of six (6) years following the Funding Termination Date. The foregoing obligation shall expressly survive the expiration or earlier termination of this Agreement.

## **Section 13. Breach of Agreement; Remedies.**

13.1 Breach. A breach by the Grantee under this Agreement shall have occurred if: (a) the Grantee fails to complete the Project as set forth in this Agreement; (b) the Grantee ineffectively or improperly uses the Grant allocated under this Agreement; (c) the Grantee through the default of Grantee or any party under the direction of Grantee does not receive all permits and/or governmental approvals for the Project as required by applicable law; (d) the Grantee fails to submit a detailed progress report as required by this Agreement or submits incorrect or incomplete documentation to support funding requests; (e) the Grantee refuses to allow

the HBCRA access to records or refuses to allow the HBCRA to monitor, evaluate, and review the Grantee's Project; (f) a transfer or assignment occurs within five (5) years following completion of the Project as set forth in Section 10 above, (g) the Grantee makes or allows to be made any changes, alterations, or modifications to the completed Project without the prior written consent of the HBCRA which consent shall not be unreasonably withheld, delayed or conditioned, (h) the Grantee discriminates in violation of any Federal, State, or local law; (i) the Grantee attempts to meet its obligations under this Agreement through fraud, misrepresentation, or material misstatement; (j) the Grantee fails to obtain final certificates of occupancy, use or completion, as applicable, for the Project; (k) the Grantee fails to perform or improperly performs any of its obligations set forth in this Agreement; (l) Grantee defaults in its obligations under any other agreements entered into between the HBCRA and Grantee and/or the City and Grantee; (m) an event of default occurs with respect to any loan secured by the Property; (n) the Lease (as defined in Section 19 below) is terminated, assigned, in whole or in part, or there is a sublease of the Leased Premises (as defined in the Lease) in whole or in part; (o) the Tenant (as defined in Section 19 below) fails to operate its business from the Leased Premises; (p) the Tenant fails to comply with any of the provisions of Section 11 and/or 19; and/or (p) Grantee fails to operate its business from the Property. Notwithstanding anything herein to the contrary, in the event of breach under subsections (n) and/or (o) above, the Grantee shall have one hundred eighty (180) days to find a replacement tenant to use and occupy the Property as restaurant prior to the HBCRA being entitled to its remedies set forth in Section 13.2 below. With respect to subsections (m) (n) and (o), the Grantee agrees to provide the HBCRA with copies of any notices of default given by any lender and/or the Tenant. Notwithstanding anything herein to the contrary, the CFG Grant, CIRG Grant and the CKG Grant shall be cross defaulted; and a default under any of the CFG Grant, CIRG Grant and/or CKG Grant shall be a default under the others entitling the HBCRA to its remedies hereunder including repayment of the Grant in the full amount.

13.2 Remedies. Immediately upon the breach of this Agreement by Grantee as set forth in Section 13.1 above, in addition to all rights and remedies available at law or in equity, the HBCRA may terminate this Agreement by giving written notice to the Grantee of such termination and by specifying the termination date at least five (5) days before the effective date of termination. In the event of termination, the City may also (a) seek reimbursement of the Grant or any portion thereof paid to the Grantee under this Agreement; or (b) terminate or cancel any other agreements entered into between the HBCRA and the Grantee. The Grantee shall be responsible for all direct and indirect costs associated with such termination including, but not limited to, attorneys' fees and costs at both the trial and appellate levels and also incurred in enforcing this attorneys' fees provision.

13.3 No Waiver. No express or implied consent or waiver by the HBCRA to or of any breach or default by the Grantee in the performance or non-performance by the Grantee of its obligations under this Agreement will be deemed or construed to be a consent or waiver to or of any other breach or default in the performance by the Grantee of the same or any other obligations of such other Party hereunder. Failure by the HBCRA to complain of any act or failure to act of the Grantee or to declare the Grantee in default, irrespective of how long such failure continues will not constitute a waiver by the HBCRA of its rights hereunder. The giving of consent by the HBCRA in any one instance will not limit or waive the necessity to obtain the HBCRA's consent in any future instance.

13.4 Security Interest. In order to secure Grantee's obligations to reimburse and/or repay the Grant as required by this Agreement, Grantee hereby pledges, grants, conveys, and assigns to the HBCRA a continuing lien and security interest upon the Collateral (as defined below). Grantee represents and warrants to the HBCRA that, upon the filing and recording of UCC financing statements with the Florida Secured Transactions Registry and Broward County, respectively, the lien granted pursuant to this Agreement will constitute a valid, perfected lien on the Collateral, enforceable as such against all creditors of Grantor and second in priority only to any institutional lenders identified in writing by Grantee to HBCRA at the time of execution of this Agreement. Upon satisfaction in full of Grantee's obligations

hereunder including, but not limited to the maintenance requirements in Section 6 above, HBCRA's security interest under this Agreement shall terminate and HBCRA shall execute and deliver to the Grantee a UCC-3 termination statement or similar documents and agreements to terminate all of HBCRA's security interest rights under this Agreement. For purposes of this Agreement, "Collateral" shall mean: All furnishings, fixtures, equipment, and other personal property of Grantee, or in which Grantee has any interest, whether now owned or hereafter acquired or created, wherever located, including (but not limited to), all Goods, Equipment, Inventory, Accounts, Deposit Accounts, Fixtures, General Intangibles, Goods, Documents, Documents of Title, Instruments, Contract Rights, Chattel Papers, and all books and records relating to any of the foregoing together with all additions, accessions, substitutions, changes, renewals, and replacements of all or any of the foregoing in part or in whole, and all Proceeds and Products of the foregoing, and all other personal property of Grantee now owned or hereinafter acquired and wherever located. All capitalized terms used and not otherwise defined herein shall have the meanings ascribed to them in the Florida Revised Uniform Commercial Code - Secured Transaction, Chapter 679, Florida Statutes (2018) or as incorporated therein by reference therein.

**Section 14. Indemnification by Grantee.** The Grantee hereby covenants and agrees to indemnify and hold harmless the HBCRA and the Related Parties from and against all liability, losses, or damages, including attorneys' fees and costs, at both the trial and appellate levels, which the HBCRA and the Related Parties may suffer as a result of claims, demands, suits, causes of actions, or proceedings of any kind or nature arising out of, relating to, or resulting from the performance or non-performance of this Agreement by the Grantee or its employees, agents, servants, partners, principals, or subcontractors. The Grantee shall pay all claims and losses and shall investigate and defend (with legal counsel acceptable to HBCRA) all claims, suits, or actions of any kind or nature in the name of the HBCRA, where applicable, including appellate proceedings, and shall pay all costs, judgments, and attorney's fees and costs which may issue. The Grantee expressly understands and agrees that any insurance required by this Agreement or otherwise provided by the Grantee shall in no way limit the responsibility to indemnify, keep, and save harmless and defend the HBCRA and the Related Parties. Nothing contained in this Agreement shall be construed to affect the HBCRA's right of sovereign immunity as provided in Chapter 768, Florida Statutes. Additionally, the HBCRA does not waive sovereign immunity, and no claim or award against the HBCRA shall include attorney's fees, investigative costs, or pre-judgment interest.

**Section 15. Notices.** Whenever any party desires to give notice unto any other party, it must be given by written notice, sent by certified United States mail, with return receipt requested, or by nationally recognized overnight delivery service, addressed to the party for whom it is intended and the remaining party, at the places last specified, and the places for giving of notice shall remain such until they shall have been changed by written notice in compliance with the provisions of this section. Notice may also be sent by electronic means (facsimile or email) provided such is followed by a hard copy of such notice provided in the manner set forth above. Notice is deemed given when received. For the present, Grantee and the HBCRA designate the following as the respective places for giving such notice:

HBCRA:	Jeremy Earle, Executive Director Hallandale Beach Community Redevelopment Agency 400 S. Federal Highway Hallandale, Beach, Florida 33009 Telephone No. (954) 457-1300 Facsimile No. (954) 457-1454
Copy to:	Steven W. Zelkowitz, Esq., HBCRA Attorney Fox Rothschild, LLP One Biscayen Tower 2 Biscayne Boulevard, Suite 2750

Miami, Florida 33131  
Telephone No. (305) 442-6540  
Facsimile No. (305) 442-6541

Grantee: Urbalo LLC  
144 N.E. 1<sup>st</sup> Avenue  
Hallandale Beach, Florida 33009  
Attn: Marc Shoshan  
Telephone No. (\_\_\_\_\_) \_\_\_\_\_  
Facsimile No. (\_\_\_\_\_) \_\_\_\_\_

**Section 16. Inspections.** At any time during normal business hours, the HBCRA or any of its agents, shall have the right to enter the Property, to examine the same for purpose of ensuring Grantor's compliance with the terms and provisions of this Agreement.

**Section 17. Limitation of Liability.** The HBCRA desires to enter into this Agreement only if in so doing the HBCRA can place a limit on its liability for any cause of action for money damages arising out of this Agreement, so that its liability never exceeds the sum of \$100.00. Grantee expresses its willingness to enter into this Agreement with recovery from the HBCRA for any action or claim arising from this Agreement to be limited to the sum of \$100.00. Accordingly, and notwithstanding any other term or condition of this Agreement, Grantee agrees that HBCRA shall not be liable to Grantee for damages or for any action or claim arising out of this Agreement in an amount in excess of the sum of \$100.00. Nothing contained in this paragraph or elsewhere in this Agreement is in any way intended to be a waiver of the limitation placed upon the HBCRA's liability as set forth in Chapter 768, Florida Statutes. Additionally, the HBCRA does not waive sovereign immunity, and no claim or award against the HBCRA shall include attorney's fees, investigative costs or pre-judgment interest.

**Section 18. Miscellaneous.**

18.1 **Publicity.** It is understood and agreed between the Parties that this Grantee is receiving funds by the HBCRA. Further, by the acceptance of these funds, the Grantee agrees that activities funded by this Agreement shall recognize the HBCRA as a funding source. The Grantee shall ensure that any publicity, public relations, advertisements, and signs recognize the HBCRA for the support of all contracted activities. Grantee shall permit, or cause the landlord to permit, as applicable, a sign to be placed upon the Property by the HBCRA relative to this Agreement.

18.2 **Compliance with Laws.** The Grantee agrees to comply with all applicable federal, state, county, and city laws, rules, and regulations. Without limiting the foregoing, Grantee agrees to comply with all legal requirements relative to any agreements between the City and the Grantee relative to the Project.

18.3 **Modifications.** Any amendments, variations, modifications, extensions, or waivers of provisions of this Agreement including, but not limited to, amount payable and effective term shall only be valid if in writing, duly approved by the HBCRA Board and signed by both parties.

18.4 **Binding Authority.** Each person signing this Agreement on behalf of either party individually warrants that he or she has full legal power to execute this Agreement on behalf of the party for whom he or she is signing, and to bind and obligate such party with respect to all provisions contained in this Agreement.

18.5 **Headings.** Headings herein are for convenience of reference only and shall not be considered on any interpretation of this Agreement.



18.6 Exhibits. Each Exhibit referred to in this Agreement should be treated as part of this Agreement, and are incorporated herein by reference.

18.7 Extent of Agreement. This Agreement represents the entire and integrated agreement between the HBCRA and the Grantee and supersedes all prior negotiations, representations, or agreements, either written or oral.

18.8 Third Party Beneficiaries. Neither of the parties intend to directly or substantially benefit any third party by this Agreement. Therefore, the Parties agree that there are no third party beneficiaries to this Agreement and that no third party shall be entitled to assert a claim against either of them based upon this Agreement.

18.9 Construction. Both parties have substantially contributed to the drafting and negotiation of this Agreement and this Agreement shall not, solely as a matter of judicial construction, be construed more severely against one of the Parties than the other.

18.10 Governing Law. This Agreement shall be interpreted and construed in accordance with and governed by the laws of the State of Florida.

18.11 Invalidity. If any term or provision of this Agreement, or the application thereof to any person or circumstance is determined to be invalid or unenforceable, then to the extent that the invalidity or unenforceability thereof does not deprive a party of a material benefit afforded by this Agreement, the remainder of this Agreement or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, will not be affected thereby, and each term and provision of this Agreement will be valid and will be enforced to the full extent permitted by law.

18.12 Survival. All terms and provisions of this Agreement shall survive the Funding Termination Date and the termination of this Agreement, as applicable, as necessary in order for the parties to enforce their rights hereunder.

18.13 Recording. Grantee agrees that the HBCRA may record a Memorandum of this Agreement in the Public Records of Broward County at Grantee's expense. The form of Memorandum shall be prescribed by the HBCRA and the Grantee shall execute such Memorandum simultaneously with this Agreement. The rights and interests created herein, are intended to and shall run with the land, and shall be binding upon, inuring to the benefit of, and enforceable against the parties hereto and their respective successors and assigns.

18.14 Joint and Several Obligations. If the Grantee consists of more than one party, the obligations and liabilities of Grantee as set forth in and arising from this Agreement including the indemnity set forth in Section 14 above shall be joint and several obligations and liabilities of the parties comprising Grantee for all intents and purposes.

**18.15 JURISDICTION; VENUE AND WAIVER OF JURY TRIAL. EACH OF THE PARTIES IRREVOCABLY AND UNCONDITIONALLY (A) AGREES THAT ANY SUIT, ACTION OR OTHER LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT SHALL BE BROUGHT IN THE FEDERAL OR STATE COURT SITUATED IN BROWARD COUNTY, FLORIDA; (B) CONSENTS TO THE JURISDICTION OF EACH SUCH COURT IN ANY SUCH SUIT, ACTION OR PROCEEDING; AND (C) WAIVES ANY OBJECTION WHICH IT MAY HAVE TO THE LAYING OF VENUE OF ANY SUCH SUIT, ACTION OR PROCEEDING IN ANY OF SUCH COURTS. EACH PARTY WAIVES ALL**

**RIGHTS TO ANY TRIAL BY JURY IN ALL LITIGATION RELATING TO OR ARISING OUT OF THIS AGREEMENT.**

18.16 Prevailing Party's Attorney's Fees. If any party commences an action against the other party to interpret or enforce any of the terms of this Agreement or as the result of a breach by the other party of any terms hereof, the non-prevailing party shall pay to the prevailing party all reasonable attorneys' fees, costs and expenses incurred in connection with the prosecution or defense of such action, including those incurred in any appellate proceedings and collection proceedings, and whether or not the action is prosecuted to a final judgment.

18.17 Grantee's Required Insurance Coverages. Grantee, at Grantee's expense, agrees to keep in force during the term of this Agreement:

(a) Commercial general liability insurance which insures against claims for bodily injury, personal injury, and property damage based upon, involving, or arising out of the use, occupancy, or maintenance of the Property in amounts as required by the HBCRA from time to time.

(b) All-risk property insurance, including theft, sprinkler leakage, and boiler and machinery coverage on all of Grantee's trade fixtures, furniture, inventory, and other personal property in the Property, and on any alterations, additions, or improvements made by Grantee upon the Property all for the full replacement cost thereof. In the event of any casualty, theft, or any other damage to the Property and/or the foregoing items, Grantee shall use the proceeds from such insurance for the replacement of trade fixtures, furniture, inventory, and other personal property and for the restoration of Grantee's improvements, alterations, and additions to the Property but in no event shall such coverage be less than the amount of the Grant. Failure to promptly perform such replacement and/or restoration shall be a material default of this Agreement by the Grantee entitling the HBCRA to its rights and remedies hereunder.

All policies required to be carried by Grantee hereunder shall be issued by and binding upon an insurance company licensed to do business in the State of Florida with a rating of at least "A - VIII" or better as set forth in the most current issue of Best's Insurance Reports, unless otherwise approved by the HBCRA. Grantee shall not do or permit anything to be done that would invalidate the insurance policies required herein. Certificates of insurance, acceptable to HBCRA, evidencing the existence and amount of each insurance policy required hereunder shall be delivered to HBCRA prior to disbursement of any Grant proceeds and thereafter no more than twenty (20) days following each renewal date. Certificates of insurance for insurance required to be maintained as set forth above shall include an endorsement for each policy showing that the HBCRA is included as an additional insured. Further, the certificates must include an endorsement for each policy whereby the insurer agrees not to cancel, non-renew, or materially alter the policy without at least thirty (30) days' prior written notice to the HBCRA. The limits of insurance shall not limit the liability of Grantee or relieve Grantee of any obligation hereunder, except as otherwise expressly provided for herein.

**Section 19. Lease Requirements.** Reference is made to that certain Restaurant Lease dated \_\_\_\_\_, 2019 (the "Lease"), between Grantee, as Landlord, and Gobistro 1/2, LLC d/b/a Go Bistro Cove (the "Tenant"). Grantee and Tenant represent and warrant to the HBCRA that: (a) the Lease is a bona fide arm's length Lease; (b) the Lease is in full force and effect; (c) the copy of the Lease provided to the HBCRA by the Grantee is a true, complete, and correct copy thereof; (d) neither Grantee nor Tenant is in default of its respective obligations thereunder; (e) there has been no sublease, license, concession, or other agreement, written or oral, with respect to the Leased Premises (as defined in the Lease) and (f) neither Grantee or Tenant has assigned, transferred, conveyed, mortgaged, hypothecated, deeded in trust, or

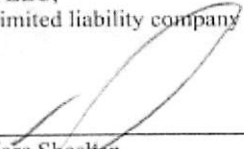
encumbered the Lease, and shall not mortgage or otherwise hypothecate the Lease without the prior written consent of the HBCRA. In the event the Lease is terminated, assigned (in whole or in part) or there is a sublease of the Leased Premises (in whole or in part) during the term of this Agreement or during the five (5) year period following completion of the Project, such shall be considered a material default of this Agreement and all funding or Grant disbursements shall immediately terminate and the Grantee agrees to immediately pay to the HBCRA one hundred percent (100%) of the Grant received through the Program. Notwithstanding anything herein to the contrary, in the event of default as set forth in the preceding sentence, the Grantee shall have one hundred eighty (180) days to find a replacement tenant to use and occupy the Property as restaurant prior to the HBCRA being entitled to its remedies set forth in the preceding sentence and Section 13.2 above. Each of Grantee and Tenant agree to simultaneously provide the HBCRA with copies of any correspondence alleging a default by either party or both under the Lease, as well as any correspondence terminating the Lease.

[THE REST OF THIS PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their respective and duly authorized officers and managers as of the day and year first above written.

GRANTEE:

URBALO LLC,  
a Florida limited liability company

By:   
\_\_\_\_\_  
Marc Shostan  
Authorized Member


Dated: June 20, 2019

HBCRA:


HALLANDALE BEACH  
COMMUNITY REDEVELOPMENT AGENCY

By:   
\_\_\_\_\_  
Jeremy Earle  
Executive Director

ATTEST:

  
By: \_\_\_\_\_  
Jenorgen Guillen  
HBCRA Secretary

Approved as to form and legal sufficiency:

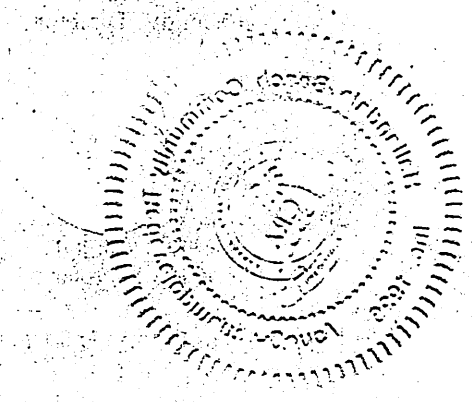
By:   
\_\_\_\_\_  
Fox Rothschild, LLP  
HBCRA Attorney

July  
Dated: June 1, 2019

THE UNIVERSITY OF CHICAGO  
DIVISION OF THE PHYSICAL SCIENCES

PHYSICS DEPARTMENT  
5712 S. DICKINSON DRIVE  
CHICAGO, ILLINOIS 60637

*[Handwritten signature]*



JOINDER AND CONSENT

The undersigned hereby joins in, consents to and agrees to be bound by the terms and conditions of this Agreement that apply to the Tenant.

GOBISTRO 1/2, LLC,  
a Florida limited liability company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Dated: June \_\_, 2019

**EXHIBIT "A"**

**Legal Description of Property**

The South 37.50 feet of the North 444.0 feet of the West 150.0 feet of Outlot Sixteen (16) of TOWN OF HALLANDALE, a subdivision, according to the Plat thereof, recorded in Plat Book "B", Page 13 of the Public Records of Dade County, Florida; said lands situate, lying and being in Broward County, Florida.

**EXHIBIT "B"**

**Scope of Work**



Scope of work

Project Name; 144 Restaurant/Bar/ Lounge

The proposed project is divided into three segments:

- a. Interior commercial kitchen
- b. Interior repairs and furnishing
- c. Exterior accommodations

The following description of scope of work is based on experience, and existing field conditions, final plans and scope may vary pending final selection and approvals, attached cost breakdown.

We shall provide the proper supervision, and standard general conditions re; daily clean up, dumpsters, insurance, punch list, protection of work areas, final cleaning.

a. Interior commercial kitchen:

Provide labor, material, and equipment necessary to construct a working kitchen in the proposed space as per preliminary plans, the following is a summary of the proposed items included in this proposal: (see attached)

Plumbing work: install grease trap, floor drains, mop sink, water heater, connect water and sewer lines, backflow preventer, install 3 compartment sinks, hook up ice maker, and other equipment.

Electrical work: adjust and modify panel as necessary to accommodate power needed for new kitchen, provide outlets and switches to all equipment, install lighting

Mechanical: provide air and venting system, provide and install walk in cooler and walk in freezer

Demolition: cut existing concrete for all underground piping such as sewer lines, water lines, etc.

Construction: patch concrete floor, provide and install washable acoustical ceiling, provide and install quarry tile in kitchen floor, provide framing and drywall to exterior walls, paint paintable surfaces, provide window for wait staff.

Fire suppressions system: provide and install automated fire suppression system to hood and grill areas.

Total proposed: \$342,074.00  
Deduct Profit, Overhead and Supervision  
Revised Total \$282,690.00

b. Interior renovations:

Provide all labor, materials, and equipment necessary to construct and renovate the space as intended for the restaurant use and as per the following scope of work:

Demolition:

remove existing flooring and demising walls except for existing bathroom and bring front office space to a clear and clean state.

Construction:

Apply self-leveling concrete to front office, and provide floor polishing for both front and back floors

Finish walls and ceilings as per design, install knee wall partition for bar, install bar top and foot rest in front office, relocate and add lighting as per design, apply paint to all paintable surfaces, create new bar window facing front outdoor seating, open masonry wall and install double French door or sliding door facing front seating area, add air conditioning capacity to accommodate new use,

Realign front and back doors in mid-section outdoor passage from front office to back.

Plumbing:

Install bar sinks, ice maker, and above ground grease trap, connect all necessary water and waste lines

Electrical:

Install all receptacles for bar equipment, install lighting throughout, increase panel capacity to accommodate needs.

Mechanical:

Rebuild duct work for new layout, change existing unit to 5-ton unit, install new grills, provide test and balance report.

Furnishing:

Provide bar stools, seating chairs and tables as per proposed layout

Total proposed: \$ 254,858.00

Deduct Profit, Overhead and Supervision

Revised Total \$210,615.00

**c. Exterior work:**

Provide all labor materials and equipment necessary to perform the work for the exterior modifications as follows:

Remove existing damaged pavers from front parking lot, level grounds and install new leveled paving surface for seating area, apply mural paint to multiple sides of building with coordination of artist, install landscape wall around exterior seating area, with proper irrigation and greenery, provide side and front wood trellis to better define the space, provide exterior ambient lighting, provide openings from interior to exterior with impact glass doors, and windows, metal roof, ext. lighting, new storefront, and window for bar access, stucco repairs.

Total proposed: \$ 178,694.00

Deduct Profit, Overhead and Supervision

Revised Total \$147,673.00

**Notes:**

Provide to all stages of work the proper general conditions, impact fees, licenses fees, are not included in this scope of work.

Grand total proposed for all three above segments (see attached): \$775,626.00

Less overhead and profit: -Subtotal:	\$134,614.00
Less supervision:	\$641,012.00
Net cost:	\$ 26,100.00
	\$614,912.00

Built and spend to date: \$290,724.00

Estimated cost to date towards ground floor restaurant: \$95,700.00