

HBCRA TENANT LEASE SURETY/TENANT RENT SUBSIDY GRANT PROGRAM

GRANT AGREEMENT

THIS GRANT AGREEMENT (the “Agreement”) is made and entered into as of January 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 **CEVICHE AVENUE, LLC**, a Florida limited liability company (the “Grantee”), having an address at 101 N.E. 3rd Street, Hallandale Beach, Florida 33009.

R E C I T A L S

1. The goal of the Tenant Lease Surety/Tenant Rent Subsidy Grant Program (the “Program”) is to accelerate the attraction of new start-up businesses and reduce vacancy of commercial space in the HBCRA’s Community Redevelopment Area, with an emphasis on energizing ground-floor space and creating job opportunities in the Community Redevelopment Area.

2. The Program is available to the lessees of all eligible commercial properties in the HBCRA’s Community Redevelopment Area and will guarantee thirty-five (35%) percent of a qualified tenant’s financial obligation for a period of time approved by the HBCRA Board of Directors under a proposed lease with a minimum term of three (3) years.

3. The Grantee is the lessee of the real property with an address of 101 N.E. 3rd Street, Hallandale Beach, Florida 33009 (the “Property”), and has applied to the HBCRA for a Tenant Rent Subsidy Grant.

4. The Board of Directors of the HBCRA has approved an award to the Grantee of a Tenant Rent Subsidy Grant in the amount of Seven Thousand Three Hundred Eight Dollars (\$7,308) (the “Grant”) for a rent subsidy in accordance with the terms and conditions of this Agreement.

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. The Recitals set forth above are true and correct and are incorporated in this Agreement by reference.

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 six (6) months 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 reimbursement 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. Use of Grant. Reference is made to that certain Commercial Lease Agreement dated June 1, 2018, between Jackeline Kels and Aleyda Isabel Rivera and Marisol Pimentel, owners and legal representatives of the Grantee (the "Lease"). The Grantee agrees to use the Grant solely for the payment of a portion of the rent under the Lease. The Grantee further agrees that the Grant shall only be disbursed in six (6) consecutive monthly installments of One Thousand Two Hundred Eighteen Dollars (\$1,218) each as set forth therein commencing with the rent paid for January 2019.

Section 4. Amount Payable. Subject to available funds, 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, the amount payable under this Agreement may be reduced by the HBCRA. Availability of Grant funds shall be determined by the HBCRA, in its sole discretion. 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. Reimbursement Procedures. The HBCRA agrees to disburse the Grant to the Grantee on a reimbursement basis in six (6) consecutive monthly installments of One Thousand Two Hundred Eighteen Dollars (\$1,218) each following each monthly rental payment made by the Grantee under the Lease. Prior to the disbursement of any monthly installment of the Grant, the Grantee shall provide the HBCRA with documentation in a form and substance acceptable to the HBCRA certifying that the Grantee paid the rent for that month under the Lease for which a monthly installment of the Grant is requested.

Section 6. Occupation Requirements. The Grantee is required to open for business during the term of this Agreement. 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 7. 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 8. No Assignment. This Agreement and participation in the Program are not transferable to new lessees. New 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. If the Grantee either (a) sells, transfers, conveys, or otherwise assigns its interest in the lease or subleases the Property, in whole or in part, (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), and/or (c) the Lease is terminated for any reason whatsoever during the term of this Agreement or during the three (3) year period following Funding Termination Date, 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. Representations. Grantee hereby represents and warrants to the HBCRA that (a) the landlord has consented in writing to (i) the Grantee receiving the Grant and (ii) the filing and recording of a

UCC-1 Financing Statement with the Florida Secured Transactions Registry and in the Public Records of Broward County, respectively, perfecting the HBCRA's security interest in the Collateral (as defined below), (b) the original term of the Lease was for three (3) years, (c) the Lease is a bona fide arm's length Lease; (d) the Lease is in full force and effect; (e) the copy of the Lease provided to the CRA by the Grantee is a true, complete, and correct copy thereof; (f) neither landlord nor Grantee is in default of its respective obligations thereunder; (g) there has been no sublease, license, concession, or other agreement, written or oral, with respect to the Lease and (h) Grantee has not 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 CRA. Simultaneously upon execution of this Agreement, the Grantee shall provide the HBCRA with written confirmation of the foregoing signed by the landlord, which confirmation shall be in a form and substance as provided by the HBCRA. In furtherance of subsection (ii) above, Grantee hereby grants the HBCRA a security interest in the Collateral as security for Grantee's obligations to the HBCRA under this Agreement arising now or in the future.

Section 10. Records, Reports, Audits, Monitoring and Review.

10.1 The Grantee shall maintain complete and accurate books, records, and accounts of all costs and expenses incurred in connection with the Lease. Upon the request of the HBCRA, all such books and records of the Grantee which relate to the Lease 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.

10.2 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 11. Breach of Agreement; Remedies.

11.1 Breach. A breach by the Grantee under this Agreement shall have occurred if: (a) the Grantee ineffectively or improperly uses the Grant allocated under this Agreement; (b) the Grantee does not receive all permits and/or governmental approvals for its business as required by applicable law; (c) the Grantee submits incorrect or incomplete proof of payment of rent reimbursement requests; (d) the Grantee refuses to allow the HBCRA access to records; (e) a transfer or assignment occurs within three (3) years following Funding Termination Date, (f) the Grantee discriminates in violation of any Federal, State, or local law; (g) the Grantee attempts to meet its obligations under this Agreement through fraud, misrepresentation, or material misstatement; (h) the Grantee fails to perform or improperly performs any of its obligations set forth in this Agreement; (i) Grantee defaults in its obligations under any other agreements entered into between the HBCRA and Grantee; (j) an event of default occurs with respect to any loan secured by the Lease; (k) an event of default occurs with respect to the Lease; and/or (l) Grantee fails to operate its business from the Property. With respect to subsections (j) and (k), the Grantee agrees to provide the HBCRA with copies of any notices of default given by any lender and/or landlord.

11.2 Remedies. Immediately upon the breach of this Agreement by Grantee as set forth in Section 11.1 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.

11.3 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.

11.4 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, 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 12. 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 13. 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: Nydia Rafols-Sallabery, Interim 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. Zerkowitz, Esq., HBCRA Attorney
Fox Rothschild LLP
One Biscayne Tower
2. S. Biscayne Boulevard, Suite 2750
Miami, Florida 33131
Telephone No. (305) 442-6540
Facsimile No. (305) 442-6541

Grantee: Aleyda Rivera
Ceviche Avenue, LLC
101 N.E. 3rd Street
Hallandale Beach, Florida 33009
Telephone No. (561) 685-8088
Facsimile No. (_____) _____

Section 14. 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 15. 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 16. Miscellaneous.

16.1 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.

16.2 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.

16.3 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.

16.4 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.

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

16.6 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.

16.7 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.

16.8 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.

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

16.10 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.

16.11 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.

16.12 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 12 above shall be joint and several obligations and liabilities of the parties comprising Grantee for all intents and purposes.

16.13 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.

16.14 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.

16.15 Grantee's Required Insurance Coverages. The HBCRA may require that the 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 (10) 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.

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

GRANTEE:

CEVICHE AVENUE LLC
a Florida limited liability company

By: _____
Name: _____
Title: _____

Dated: January 14, 2019

HBCRA:

HALLANDALE BEACH
COMMUNITY REDEVELOPMENT AGENCY

By: _____
Nydia Rafols-Sallaberry
Interim Executive Director

ATTEST:

By: _____
Jenorgen Guillen
HBCRA Clerk

Approved as to form and legal sufficiency:

By: _____
Fox Rothschild LLP
HBCRA Attorney

Dated: January 14, 2019

JOINDER AND CONSENT

The undersigned, as the owners and legal representatives of CEVICHE AVENUE LLC, hereby join in and consent to the Agreement and agree to be bound by the terms thereof to the same extent as the Grantee.

ALEYDA ISABEL RIVERA

MARISOL PIMENTEL