

# Properties of Distinction Program Grant Agreement

THIS AGREEMENT, made this \_\_\_\_\_ day of \_\_\_\_\_, 2017 by and between the RIVIERA BEACH COMMUNITY REDEVELOPMENT AGENCY, a body politic and corporate created pursuant to Part III, Chapter 163, Florida Statutes (the "Agency") and BLUE LAGOON PLAZA, LLC, a Florida limited liability company, whose mailing address is \_\_\_\_\_, Riviera Beach, FL, (the "Grantee"):

## WITNESSETH

WHEREAS, the Agency has adopted the **Properties of Distinction Program**, (the 'Program'), which is designed to improve commercial properties which are viewed as economic drivers located within a Target Sub-District in the Community Redevelopment Area in the City of Riviera Beach, Florida (the "Area"), and

**WHEREAS**, funding through the Program is made available for commercial property improvements for the building or site based upon criteria contained in the Agency's **Properties of Distinction Program Description**; and

**WHEREAS**, applicants approved under the Program must agree to construct the improvements within a period of one year; and

**WHEREAS**, the applicant agrees to maintain the improvements after construction, for a period of ten (10) years.

**NOW, THEREFORE**, in consideration of the grant herein described and for other good and valuable considerations, the legal sufficiency of which is hereby acknowledged, the parties agree as follows:

1. **RECITALS.** The recitals set forth above are true and correct and restated herein and the same are hereby incorporated by reference, and made a specific part hereof.

2. **GRANTEE'S INITIAL OBLIGATIONS.** Grantee undertakes the following obligations in fulfillment hereof:

2.1 Grantee shall complete the improvements to the building or site (described in Exhibit "A") (the Property") in accordance with the Application for Funding submitted by Grantee, including Sources and Uses, Bid Documents, etc., (Exhibit "B") and the Program Guidelines (the "Improvements"), within a period of one (1) year from the date the Grantee is issued a building permit for the Improvements. (Such one (1) year period being referred to herein as the "Construction Period".)

2.2 Grantee shall, at its sole cost, repair, replace and maintain the Improvements constructed pursuant to this Agreement ten years after issuance of a certificate of completion in a clean, attractive, first-class condition. (Such ten (10) year period being referred to herein as the "Maintenance Period".) All replacements shall be of equal quality and class to the original items replaced. Grantee shall not commit or allow to be committed any waste on any portion of the Property.

3. **AGENCY'S OBLIGATIONS.** The Agency undertakes the following obligations in fulfillment hereof:

3.1 Agency shall provide funding to Grantee or Contractors in the amount of One Hundred Ninety Five Dollars (\$195,000) (the "Grant"). The Grant shall be used for the Improvements to the Property

3.2 At the closing of the Construction First Lien Financing, Agency agrees to immediately disburse the Grant to a disbursing agent agreeable to the Agency, Developer, and the Construction First Lien Lender (the "Funding Agent") in accordance with the terms of the Funding Agreement. Provided, however, the Agency will disburse up to Seventy Five Hundred Dollars for preconstruction costs upon the submittal of supporting documentation.

4.0 **GRANTEE'S WARRANTIES AND COVENANTS.** Grantee hereby warrants and covenants as follows:

4.1 To pay and perform all of the obligations secured by this Agreement according to its terms.

4.2. There are no current or pending City of Riviera Beach liens for code enforcement or water and sewer liens on any property owned or controlled by Grantee in the City of Riviera Beach.

4.3 To keep the Property free and clear of all liens, charges, encumbrances, taxes and assessments. Provided, however, Grantee shall have the right to encumber the Property with a Construction First Mortgage Lien and the Grantor's Purchase Mortgage.

4.4. To pay, when due, all taxes, assessments and license fees relating to the Property.

4.5. To keep the Property, at Grantee's own cost and expense, in good repair and condition and not to misuse, abuse, waste or allow to deteriorate, except for normal wear and tear, and to make same available for inspection by the Agency at all reasonable times.

4.6. To keep the Property insured against loss by theft and other hazards in an amount as required by the Construction First Financing Loan, and such policies shall be obtained from responsible insurers, authorized to do business in this state and are acceptable to the Agency.

4.7 To immediately notify the Agency, in writing, of any change in or discontinuance of Grantee's business mailing address, as set forth above.

4.8 Grantee agrees to only lease the Premises to one of the following businesses without the express written permission of the Board of Commissioners of the Agency for a period of ten (10) years from the Completion Date in accordance with the terms of the Regulatory Agreement:

- Office
- Beauty Salon
- Barbershop
- Medical
- Consumer retail limited to clothing, flowers, arts and crafts, marine accessories and jewelry
- Restaurant
- Professional Services
- Banking
- Security Services
- Media (website & social media, CAD, and graphic art)

Grantee shall execute a memorandum of this agreement (“Memorandum of Agreement”) which shall be recorded in the Public Records of Palm Beach County. Notwithstanding any other provision of this Agreement, Grantor’s right in or rights under this Agreement including any liens resulting from a Default thereof, as the same may be modified, amended or renewed in accordance with the provisions of this Agreement, shall not be encumbered by or subordinated in any way to (a) any mortgage now or hereafter existing, (b) any other liens or encumbrances hereafter affecting, created or suffered by Grantee on its interest, or (c) lease, sublease or any mortgages, liens or encumbrances now or hereafter placed on any interest of any tenants of subtenants.

5. **DEFAULT/BREACH.** Notwithstanding any other provision of this Agreement, any default of this Agreement that occurs and is continuing after any applicable cure period, shall subject the Grantee to a potential annual maximum penalty of Twenty Five Thousand Dollars (\$25,000) as the Agency’s sole and absolute remedy. The penalty for noncompliance shall be payable within ninety (90) days of written notice of noncompliance from the Agency. A penalty resulting from a Default of this Agreement shall constitute a lien on the premises. The determination as to whether a default has occurred and whether a default has been cured shall be made solely by the Agency.

6. **ATTORNEYS' FEES.** Should any dispute arise hereunder, the prevailing party shall be entitled to recover all costs, expenses and attorneys' fees incurred by the it in such dispute, whether or not suit be brought, and such right shall include all of such costs, expenses and attorneys' fees through all appeals or other actions.

7. **WAIVER.** No waiver by the Agency of any provision of this Agreement shall be deemed to be a waiver of any other provisions hereof or of any subsequent breach by Grantee of the same or any other provision or the enforcement thereof. The Agency’s consent to, or approval of, any act by the Grantee requiring the Agency’s consent or approval shall not be deemed to render unnecessary the obtaining of the Agency’s

consent to or approval of any subsequent consent or approval of the Grantee, whether or not similar to the act so consented to or approved.

8. **ASSIGNMENT.** This Agreement or any portion hereof shall not be assigned or transferred by either party without the written consent of the other party.

9. **NOTICE.** The delivery of any items and the giving of notice in compliance with the terms of this Agreement shall be accomplished by making same, in writing, and by the delivery thereof to the party intended to receive it or by mailing the same to the address of such party as hereinafter set forth. In the event such notice is made by mail, the same shall be given via U.S. Mail, return receipt requested, and, unless otherwise provided herein, notice or delivery by mail shall be effective when mailed.

10. **BINDING EFFECT.** All of the terms and provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto, their respective assigns, successors, legal representatives, heirs and beneficiaries, as applicable.

11. **CONSTRUCTION.** This Agreement and the terms hereof shall be construed in accordance with the laws of the State of Florida and venue for all actions in a court of competent jurisdiction shall be in Palm Beach County, Florida.

12. **SEVERABILITY.** Should any word, phrase or provision hereof be declared illegal or invalid by a court of competent jurisdiction, such declaration of illegality and/or invalidity shall not affect the remainder hereof.

13. **ENTIRE AGREEMENT; MODIFICATION.** No statements, representations, warranties, either written or oral, from whatever source arising, except as expressly stated in this Agreement, shall have any legal validity between the parties or be binding upon any of them. The parties acknowledge that this Agreement contains the entire understanding and agreement of the parties. No modifications hereof shall be effective unless made in writing and executed by the parties hereto with the same

formalities as this Agreement is executed.

14. **CAPTIONS AND PARAGRAPH HEADINGS.** Captions and paragraph headings contained in this Agreement are for convenience and reference only and in no way define, describe, extend or limit the scope and intent of this Agreement nor the intent of any provisions hereof.

15. **JOINT PREPARATION.** The preparation of this Agreement has been a joint effort of the parties, and the resulting document shall not, solely as a matter of judicial construction, be construed more severely against one of the parties than the other. It is the parties' intent that this Agreement be construed liberally to achieve its intent

16. **COUNTERPARTS.** This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which shall constitute one and the same agreement.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals this \_\_\_\_ day and \_\_\_\_\_ year set forth below their respective signatures.

WITNESSES:

\_\_\_\_\_  
\_\_\_\_\_

**BLUE LAGOON PLAZA, LLC**  
A Florida limited liability company

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

STATE OF FLORIDA  
COUNT Y OF PALM BEACH

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, by \_\_\_\_\_, as the \_\_\_\_\_ of \_\_\_\_\_, who is personally known to me or has produced a Florida Driver's License as identification.

Name: \_\_\_\_\_

Print Name: \_\_\_\_\_

Commission No.: \_\_\_\_\_

My Commission Expires: \_\_\_\_\_

**RIVIERA BEACH COMMUNITY  
REDEVELOPMENT AGENCY**

WITNESSES:

\_\_\_\_\_

\_\_\_\_\_

By: \_\_\_\_\_

\_\_\_\_\_

Dated: \_\_\_\_\_

**EXHIBIT B**

**Incentive Overview**

**Program**

**Properties of Distinction**

**Description**

The CRA Board has determined that there are certain properties within the Redevelopment Priority Areas that can be viewed as “economic drivers”, and, as such, these properties merit concentrated focus to ensure that their capacities are optimized for the elimination of blight. Such Property shall provide certain Community and Economic development impacts. This incentive program allows the CRA to work with the property or business owner or owners to design a customized plan of action that will result in the subject property achieving its “highest and best use.” The CRA will devise a customized plan for the CRA Board’s approval.

**Category/Keywords**

New Construction/Major Rehabilitation For Sites Determined By CRA As “Economic Drivers”

**Geographic**

Redevelopment Priority Areas, as determined by the Riviera Beach CRA/Board. Properties located in the Riviera Beach Heights area may qualify for additional incentives, and/or less restrictive underwriting.

**Lead Agency**

The Riviera Beach CRA.

**Ownership/Occupancy Status**

If property is not owned by a business, business owner must obtain written approval from the property owner.

**Program Information**

**Eligibility/Restrictions**

The Riviera Beach CRA will routinely engage in assessments that help to identify certain properties that could qualify for the Property of Distinction designation. The CRA will engage the property owner(s) in a visioning process to improve their properties consistent with the CRA plan and any architectural guidelines established. The program focus is on improving areas that will benefit from major attractions of private capital investments to allow the CRA to invest \$100,000 or more for redevelopment improvements including infrastructure, blight elimination, or site assemblage to continue catalytic redevelopment effort from private activities. A Plan of Action must be completed which includes the following; a Sources & Uses Worksheet that explains how the project will be financed, Engineering & Architectural Plans & Specifications, and other criteria set from the customized planning and investment process developed.

**Underwriting/Approval Criteria**

The proposed project improvements will be assessed on the following: the degree to which it eliminates blight; increased tax revenues, business expansion, including job retention and creation; location of project; local contractor participation; and business type.

**Marketing Intake/Procedures/Schedule**

The Riviera Beach CRA staff, or its designee, will survey potential sites, meet with property owner, and determine schedule for improvements to take place.

**Monitoring/Compliance**

Riviera Beach CRA staff, or its designee, will perform site visits during and following the improvement period, (improvements must be completed within two (2) years from CRA Board Approval.) Reimbursement draws may be allowed based on a defined construction period. Draws will be processed following a CRA staff, or its designee site visit checklist sign-off.

**Resources/Contacts/Technical Assistance**

**Resource Links**

**CRA Agency Contacts**

Scott Evans, 561-844-3408 [sevans@rbcr.com](mailto:sevans@rbcr.com)  
Annetta Jenkins, 561-844-3408 [ajenkins@rbcr.com](mailto:ajenkins@rbcr.com)



**EXHIBIT C**  
**APPLICATION FOR FUNDING**