DOWNTOWN COMMERCIAL GRANT AGREEMENT DTC-C-25-21

This Downtown Commercial Grant Agreement (this "Agreement") is made as of, ______, by and between the COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF CLEARWATER, FLORIDA, a public body corporate and politic of the State of Florida created pursuant to Part III, Chapter 163, Florida Statutes (the "Agency"), and 45 Sports Bar and Lounge, LLC, a Florida Limited Liability Company (the "Applicant") (collectively the Agency and Applicant are the "Parties").

WITNESSETH:

WHEREAS, the Agency was created to implement the community redevelopment activities in the Florida Community Redevelopment Act of 1969 (the "Act") codified at Chapter 163, Part III, Florida Statutes; and

WHEREAS, § 163.387(6)(c)4, Florida Statutes provides that the budget of a community redevelopment agency may provide for clearance and preparation of any redevelopment area for redevelopment; and

WHEREAS, § 163.387(6)(c)9, Florida Statutes provides that the budget of a community redevelopment agency may provide for payment undertakings described in a redevelopment plan and for expenses that are necessary to exercise the powers granted to a community redevelopment agency under § 163.370, Florida Statutes; and

WHEREAS, § 163.370(2)(a), Florida Statutes provides that one such power is the ability to make and execute contracts and other instruments necessary or convenient to the exercise of a community redevelopment agency's exercise of its power under the Act; and

WHEREAS, another such power is found in § 163.370(2)(c), Florida Statutes which provides that a community redevelopment agency may undertake and carry out community redevelopment and related activities within the community redevelopment area; and

WHEREAS, Objective 1E of the Clearwater Community Redevelopment Area Plan (the "Plan") provides that Cleveland Street is Downtown Clearwater's (the "Downtown's") main street and valued for its historic character and pedestrian scale; and

WHEREAS, Objective 1D of the Plan provides that the Agency will encourage a variety of office-intensive businesses, including finance and insurance, IT/software, professional services and medical to relocate and expand in Downtown to provide a stable employment center; and

WHEREAS, Objective 3G of the Plan provides that the Agency will create and activate space to work as a signature destination, including civic plazas, markets and retail gathering places that promote economic growth for Downtown; and

WHEREAS, Objective 4A of the Plan provides that the Agency will encourage

redevelopment that contains a variety of building forms and style.

WHEREAS, Objective 4D of the Plan provides that the Agency will encourage renovation, restoration, and reuse of existing historic structures to maintain the character of the Downtown's neighborhood; and

WHEREAS, on August 12, 2024, the Agency's Board of Trustees approved the Downtown Commercial Grant Program (the "Program") with the goals of reducing blight and activate, commercial spaces with uses that aspire to generate creative and innovative gathering spaces, walkable pedestrian thoroughfares, and increased overall activity. This Program can also help a business or developer "close the gap" in their financial ability to meet the goals of the Agency's Area Plan; and

WHEREAS, the Agency has approved (\$122,438.25) in financial assistant under the Program to provide improvement assistance to the property located at 1409 Cleveland Street, Clearwater, FL 33756 (the "Property"). The grant is intended to provide extending the bar area, repairing floors, completing kitchen renovations, upgrading lighting and duct work, interior painting, replacing storefront glass windows, and renovating restrooms (the "Project") as further detailed in the Applicant's grant application and Project description; and

WHEREAS, the Plan also states that the City of Clearwater ("the City") shall encourage a vibrant and active public realm, recreation and entertainment opportunities and support the community and neighborhoods; and

WHEREAS, the Applicant intends to make improvements to the Property in the Downtown area for commercial use; and

WHEREAS, the Agency finds that providing financial assistance for redevelopment of blighted property is a permissible expenditure under the Agency's approved budget and the Act; and

WHEREAS, the Agency finds that the Property currently sits in a blighted state of existence; and

WHEREAS, the Agency finds that the Project comports with and furthers the goals, objectives, and policies of the Plan; and

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, the parties hereby agree as follows:

I. GENERAL

- 1. Recitals. The foregoing recitals are true and correct and are incorporated in and form a part of this Agreement.
- 2. <u>Intent; Purpose of Agreement</u>. The purpose of this Agreement is to further the implementation of the Plan by providing grants for redevelopment, rehabilitation, and

enhance area commercial structures exhibiting deterioration and decline in substantial compliance with the Application, all to incentivize improvements to the area, and improve the aesthetic and useful enjoyment of the Downtown through the eradication of conditions of blight, all in accordance with and in furtherance of the Plan and as authorized by and in accordance with the Act.

II. APPLICANT WARRANTIES AND RESPONSIBILITIES

- 1. <u>Development of the Project</u>. The Applicant shall complete the Project in substantial compliance with the Program and the Application. The Applicant must receive a "Certificate of Occupancy or Certificate of Completion" within three hundred sixty-five (365) calendar days from the date of the executed grant agreement. After the said three hundred sixty-five (365) days, the grant will expire. An extension for the grant funds may be granted by the Director for a good cause. It is the responsibility of the Applicant to request an extension of the grant approval before the expiration date.
- 2. Applicant's Project Contribution. As a condition of receiving reimbursement grant funding from the Agency, the Applicant shall provide required documentation for disbursement as stated in the grant program guidelines under Section 7. The Applicant shall contribute (one hundred thousand one hundred seventy-six dollars and 75/100 cents) (\$100,176.75) in monetary contribution toward the Project. Evidence of expenditure of Applicant's contribution towards the Project shall be submitted to the Agency's satisfaction before disbursement of the Agency's grant funding. Notwithstanding the foregoing, the Director may allow initial project deposits or other necessary draws, up to fifty percent (50%) of the grant amount, to be paid directly to a City/CRA approved licensed contractor/vendor.
- 3. <u>Warranties of the Applicant.</u> The Applicant warrants that all the following qualifications have been met:
 - a. The Applicant is the property owner or commercial/business tenant.
 - b. The business must be an allowable use on the subject property in accordance with the City's Land and Building Development Regulations/Codes.
 - c. Must be current in all property taxes and City business fees
 - d. Must be in good standing with the city (no outstanding code enforcement or building code violations). This requirement may be waived by the Director if the work proposed under this application will remediate <u>all</u> code violations.
 - e. Property must be free of code enforcement liens or other City liens.
 - f. The business or new proposed business on the Property must be an independently owned and operated local business.
 - g. If the business is independently owned and operated franchise, other franchise locations associated with the same brand must ONLY be located within the municipal boundary of the City.
 - The proposed business on the property must make independent decisions regarding its name, signage, brand, appearance, purchasing practices, hiring, and distribution, and must be solely responsible for paying its own mortgage,

- rent, marketing, and other business expenses without assistance from a corporate headquarters outside of the City limits.
- h. *The owner of the Property is the Applicant, unless the owner authorizes a business owner occupying the property by a valid lease to undertake improvements on the property. Owner means a holder of any legal or equitable estate in the premises, whether alone or jointly with others and whether in possession or not shall include all individuals, associations, partnerships, corporations, limited liability companies and others who have interest in a structure and any who are in possession or control thereof as agent of the owner, as executor, administrator, trustee, or guardian of the estate of the owner. For the purposes of this application, the total Agency grant value that an owner has received over such period shall be the combined value, in the twelve (12) month period immediately preceding the submission of an application for this program, of: (1) the amount of Agency grant funds that the applicant has received; (2) the amount of Agency grant funds that any holder of legal title in the subject property other than the applicant has received; and (3) if a business entity holds legal title in the subject property, the total amount of Agency grant funds received by any directors, members, partners, shareholders, any others with an ownership interest in such entity, and any others able to exert managerial control over or direct the affairs of said entity.

III. AGENCY RESPONSIBILITIES

1. <u>Grant Funding.</u> The Agency shall reimburse the Applicant for the Project's eligible costs up to one hundred twenty-two thousand four hundred thirty-eight dollars and 25/100 cents (\$122,438.25) ("Grant Funds") as provided under the Program, payable within (30) days after receipt of a fully completed reimbursement request after verification by the Agency that the Project has been completed and evidence that the Applicant has actually incurred these Project costs to the satisfaction of the Director. The Director may allow earlier draw requests of Grant Funds to approved licensed contractors in accordance with the Program where applicable.

The Director retains sole discretion to determine whether the Project meets the requirements of this Agreement or the Program and Application. If the Director determines that the Project does not meet said requirements, then the Parties agree that the Director's decision is final, the Agency shall not owe any monies to the Applicant for the requested reimbursement, and the Applicant shall have no recourse against the Agency.

IV. APPLICANT DEFAULT

1. Failure to Complete Project Work. If the Applicant fails to receive a "Certificate of Occupancy or Certificate of Completion" within three hundred sixty five (365) calendar days form the date of the executed grant agreement in substantial compliance with the Program and the Application then the Parties agree that the Applicant shall be in default under this Agreement, this Agreement shall immediately become null and void, and the

Agency will have no further responsibility to the Applicant, including but not limited to the responsibility to tender the reimbursement funds to the Applicant. An extension for the grant funds may be granted by the Director for good cause if the Applicant submits a written request for such an extension before the expiration of the three hundred sixty-five (365) day period.

- 2. Other Events of Default. In addition to the foregoing events of default, the occurrence of any one or more of the following events after the Effective Date shall also constitute an event of default by the Applicant:
 - A. The Applicant shall make a general assignment for the benefit of its creditors, or shall admit in writing its inability to pay its debts as they become due or shall file a petition in bankruptcy, or shall be adjudicated a bankrupt or insolvent, or shall file a petition seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future statute, law or regulation or shall file an answer admitting, or shall fail reasonably to contest, the material allegations of a petition filed against it in any such proceeding, or shall seek or consent to or acquiesce in the appointment of any trustee, receiver or liquidator of the Applicant or any material part of such entity's properties; or
 - B. Within sixty (60) days after the commencement of any proceeding by or against the Applicant seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future statute, law or regulation, such proceeding shall not have been dismissed or otherwise terminated, or if, within sixty (60) days after the appointment without the consent or acquiescence of the Applicant of any trustee, receiver or liquidator of any of such entities or of any material part of any of such entity's properties, such appointment shall not have been vacated.
 - C. A breach by the Applicant of any other term, condition, requirement, or warranty of this Agreement or the Policy.
- 3. Agency's Remedy Upon Certain Applicant Default. In the event of default and if the Applicant has failed to cure the default within the allotted time prescribed under Section IV(4), then the Parties agree that: a) this Agreement shall be null and void; b) that the Agency will have no further responsibility to the Applicant, including the responsibility to tender any remaining reimbursement funds to the Applicant; and c) that if the Agency has tendered reimbursement funds to the Applicant, the Agency shall be entitled to the return of all reimbursement funds plus default interest at a rate of ten percent (10%) starting from the date of default.
- 4. <u>Notice of Default and Opportunity to Cure.</u> The Agency shall provide written notice of any default under this Agreement and provide the Applicant thirty (30) days from the date the notice is sent to cure the default if it is an event listed under Sections IV(2). This notice will be deemed sent when sent by first class mail to the Applicant's notice address or when delivered to the Applicant if sent by a different means.

V. MISCELLANEOUS

1. <u>Notices.</u> All notices, demands, requests for approvals or other communications given by either party to another shall be in writing, and shall be sent to the property for each party indicated below and addressed as follows:

To the Applicant: Sports Bar and Lounge, LLC 1409 Cleveland Street, Clearwater, FL 33756 To the Agency:
Community Redevelopment Agency of the City of Clearwater
P.O. Box 4748
Attention: Executive Director

with copies to:
City of Clearwater
P.O. Box 4748
Clearwater, Florida 33758
Attention: Clearwater City Attorney's Office

2. <u>Unavoidable Delay.</u> Any delay in performance of or inability to perform any obligation under this Agreement (other than an obligation to pay money) due to any event or condition described in this Section as an event of "Unavoidable Delay" shall be excused in the manner provided in this Section.

"Unavoidable Delay" means any of the following events or conditions or any combination thereof: acts of God, acts of the public enemy, riot, insurrection, war, pestilence, archaeological excavations required by law, unavailability of materials after timely ordering of same, building moratoria, epidemics, quarantine restrictions, freight embargoes, fire, lightning, hurricanes, earthquakes, tornadoes, floods, extremely abnormal and excessively inclement weather (as indicated by the records of the local weather bureau for a five year period preceding the Effective Date), strikes or labor disturbances, delays due to proceedings under Chapters 73 and 74, Florida Statutes, restoration in connection with any of the foregoing or any other cause beyond the reasonable control of the party performing the obligation in question, including, without limitation, such causes as may arise from the act of the other party to this Agreement, or acts of any governmental authority (except that acts of the Agency shall not constitute an Unavoidable Delay with respect to performance by the Agency).

An application by any party hereto for an extension of time pursuant to this Section must be in writing, must set forth in detail the reasons and causes of delay, and must be filed with the other party to this Agreement within thirty (30) days following the occurrence of the event or condition causing the Unavoidable Delay or thirty (30) days following the party becoming aware (or with the exercise of reasonable diligence should have become aware) of such occurrence.

The party shall be entitled to an extension of time for an Unavoidable Delay only for the number of days of delay due solely to the occurrence of the event or condition causing such Unavoidable Delay and only to the extent that any such occurrence actually delays that party from proceeding with its rights, duties and obligations under this Agreement affected by such occurrence. In the event the party is the Applicant then the Director is authorized to grant an extension of time for an Unavoidable Delay for a period of up to six (6) months. Any further requests for extensions of time from the Applicant must be agreed to and approved by the Agency's trustees.

- 3. <u>Indemnification.</u> The Applicant agrees to assume all risks of inherent in this Agreement and all liability therefore, and shall defend, indemnify, and hold harmless the Agency and the City of a Clearwater, a municipal corporation ("the City"), and the Agency's and the City's officers, agents, and employees from and against any and all claims of loss, liability and damages of whatever nature, to persons and property, including, without limiting the generality of the foregoing, death of any person and loss of the use of any property, except claims arising from the negligence of the Agency, the City, or the Agency's or the City's agents or employees. This includes, but is not limited to, matters arising out of or claimed to have been caused by or in any manner related to the Applicant's activities or those of any approved or unapproved invitee, contractor, subcontractor, or other person approved, authorized, or permitted by the Applicant whether or not based on negligence. Nothing herein shall be construed as consent by the Agency or the City to be sued by third parties, or as a waiver or modification of the provisions or limits of Section 768.28, Florida Statutes, or the Doctrine of Sovereign Immunity.
- 4. <u>Assignability; Complete Agreement.</u> This Agreement is non-assignable by either party and constitutes the entire Agreement between the Applicant and the Agency and all prior or contemporaneous oral and written agreements or representations of any nature with reference to the subject of the agreement are canceled and superseded by the provisions of this agreement.
- 5. Applicable Law and Construction. The laws of the State of Florida shall govern the validity, performance, and enforcement of this Agreement. This Agreement has been negotiated by the Agency and the Applicant, and the Agreement, including, without limitation, any exhibits, shall not be deemed to have been prepared by the Agency or the Applicant, but by all equally.
- 6. <u>Severability.</u> Should any section or part of any section of this Agreement be rendered void, invalid, or unenforceable by any court of law, for any reason, such a determination shall not render void, invalid, or unenforceable any other section or any part of any section in this Agreement.
- 7. <u>Amendments.</u> This Agreement cannot be changed or revised except by written amendment signed by the Parties hereto.

8. <u>Jurisdiction and Venue.</u> For purposes of any suit, action or other proceeding arising out of or relating to this Agreement, the parties hereto do acknowledge, consent, and agree that venue thereof is Pinellas County, Florida.

Each party to this Agreement hereby submits to the jurisdiction of the State of Florida, Pinellas County and the courts thereof and to the jurisdiction of the United States District Court for the Middle District of Florida, for the purposes of any suit, action or other proceeding arising out of or relating to this Agreement and hereby agrees not to assert by way of a motion as a defense or otherwise that such action is brought in an inconvenient forum or that the venue of such action is improper or that the subject matter thereof may not be enforced in or by such courts.

If, at any time during the term of this Agreement, the Applicant is not a resident of the State of Florida or has no office, employee, agency, registered agent or general partner thereof available for service of process as a resident of the State of Florida, or if any permitted assignee thereof shall be a foreign corporation, partnership or other entity or shall have no officer, employee, agent, or general partner available for service of process in the State of Florida, the Applicant hereby designates the Secretary of State, State of Florida, its agent for the service of process in any court action between it and the Agency arising out of or relating to this Agreement and such service shall be made as provided by the laws of the State of Florida for service upon a nonresident; provided, however, that at the time of service on the Florida Secretary of State, a copy of such service shall be delivered to the Applicant at the address for notices as provided in Section V(1).

9. <u>Termination.</u> If not earlier terminated as provided in this Agreement, the term of this Agreement shall expire, and this Agreement shall no longer be of any force and effect on two years of the anniversary Effective Date.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed on the date and year first above written.

(AGENCY SIGNATURE PAGE)

COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF CLEARWATER, FLORIDA, a public body corporate and politic of the State of Florida.

| | By: |
|--------------------------------------|------------------------------|
| | Bruce Rector/Chairman |
| | Date: |
| Approved as to form: | Attest: |
| Matthew J. Mytych, Esq. CRA Attorney | Rosemarie Call City Clerk |
| Date: | Date: |

(APPLICANT SIGNATURE PAGE)

| | (45 Sports Bar Lounge, LLC), a (Limited Liability Company). |
|----------------------|---|
| | By: Print name: Title: Date: |
| STATE OF FLORIDA) | |
| COUNTY OF PINELLAS) | |
| | edged before me by means physical presence of 2025 by |
| | who \square is/are personally known to me or |
| | |
| (NOTARIAL SEAL) | Notary Public, State of Florida |
| | Name of Notary: |
| | My Commission No.: |

Exhibit "A" NO COERCION FOR LABOR OR SERVICES ATTESTATION

| Pursuant to Section 787.06(13), F.S., this form must be completed by an officer or representative of a nongovernmental entity when a contract is executed, renewed, or extended between the nongovernmental entity and a governmental entity. |
|---|
| does not use coercion for labor or services as defined in Section 787.06, F.S. |
| Under penalty of perjury, I declare that I have read the foregoing statement and that the facts stated in it are true and correct. |
| Signature: Printed Name: |
| Title: |
| Date: |