

**FIRST AMENDMENT**  
**TO**  
**REAL ESTATE DEVELOPMENT AGREEMENT AND ADDENDUM**  
**BETWEEN**  
**CITY OF LAUDERHILL**  
**AND**  
**LE PARC AT LAUDERHILL, LLC**

WHEREAS, the CITY OF LAUDERHILL, FLORIDA (“CITY”) and LE PARC AT LAUDERHILL, LLC. (“DEVELOPER”) entered into a Real Estate Development Agreement (“Initial Agreement”) on April 8, 2019; and

WHEREAS, the City Commission approved the Initial Agreement by way of Resolution No. 19R-04-67 (attached hereto as Exhibit “A”); and

WHEREAS, the Initial Agreement provided for development incentives (“Incentives”) for the development of the Le Parc multifamily project located at 3831 NW 13<sup>th</sup> Street, Lauderhill, FL 33311 (“Project”); and

WHEREAS, the Initial Incentives included the waiver of all building permit fees, the waiver of City impact fees, and the abatement of municipal ad valorem property taxes originally in the estimated amount of SIX MILLION THREE HUNDRED THIRTY FIVE THOUSAND THREE HUNDRED FOUR DOLLARS AND ZERO CENTS (\$6,335,304.00) for a period of 10 years; and

WHEREAS, the Developer subsequently requested that the City Commission consider amending the Initial Agreement by that certain Addendum to the Initial Agreement dated July 11, 2022 (“Addendum”) to reflect a higher real estate abatement cap in the amount of NINE MILLION ONE HUNDRED THREE THOUSAND FIVE HUNDRED THREE DOLLARS AND ZERO CENTS [\$9,103,503.00] in light of an increased development budget as a result of the change in cost of materials; and

WHEREAS, the City analyzed the financial impact of the Developer’s request and determined the requested amendment financially feasible; and

WHEREAS, the CITY Commission approved the Addendum by way of Resolution 22R-07-152 (attached hereto as Exhibit “B”) which increased the real estate abatement cap and provided for claw back provisions; and

WHEREAS, the claw back provisions within the Addendum included a reduction to the real estate abatement in the amount of TWO HUNDRED FIFTY THOUSAND DOLLARS AND ZERO CENTS [\$250,000.00] every month past the prescribed Development start date of March 31, 2023; and

WHEREAS, the Developer has not commenced construction due to the time it has taken the United States Department of Housing and Urban Development to process Developer’s financing application; and

WHEREAS, the CITY and CRA wish to extend the previously approved development start date to be no later than December 31, 2024; and

WHEREAS, Florida Statute 166.021(8) authorizes municipalities to use direct and indirect financial incentives to promote economic development activities; and

WHEREAS, the Project is located within the City's State Road 7 Community Redevelopment Area ("CRA"); and

WHEREAS, the CRA's Community Redevelopment Plan provides for direct incentives to promote community redevelopment that is aligned with the Community Redevelopment Plan; and

WHEREAS, the Project is aligned with the desired redevelopment as established within the Community Redevelopment Plan; and

WHEREAS, the CRA and Developer hereby amend the Initial Agreement and corresponding Addendum to reflect the use of direct financial incentives in the form of a municipal ad valorem property tax reimbursement as opposed to the previously approved ad valorem property tax abatement; and

WHEREAS, the word "abatement" is stricken throughout the Initial Agreement and Addendum, and replaced with "reimbursement" throughout; and

WHEREAS, the Developer agrees to design and construct the continuation of N.W. 38<sup>th</sup> Avenue Right-of-way in a manner that is consistent with the City improvements on N.W. 38<sup>th</sup> Avenue between N.W. 19<sup>th</sup> Street and N.W. 15<sup>th</sup> Street ("Right-of-Way"), subsequent to dedicating same to City/CRA; and

WHEREAS, the CITY/CRA agrees to reimburse Developer for the design and construction of the continuation of N.W. 38<sup>th</sup> Avenue from N.W. 15<sup>th</sup> Street south to N.W. 13<sup>th</sup> Street for those Transportation Surtax eligible construction expenditures in accordance with the Broward County Transportation Surtax reimbursement procedure as approved by the City and in a manner that is consistent with the design elements of the City/CRA improvements on N.W. 38<sup>th</sup> Avenue between N.W. 19<sup>th</sup> Street and N.W. 15<sup>th</sup> Street inclusive of on street parking, landscaping, pedestrian level lighting if the Developer actually constructs the approved road and improvements. The City will not reimburse for any improvements outside of what the City approves in advance; and

WHEREAS, the non-contingent dedication of the N.W. 38<sup>th</sup> Avenue Right-of-Way between N.W. 15<sup>th</sup> Street and N.W. 13<sup>th</sup> Street serves a public purpose in the form of enhanced roadway connectivity valued at approximately ONE MILLION DOLLARS AND ZERO CENTS [\$1,000,000.00]; and

WHEREAS, this First Amendment to the Development Agreement and Addendum ("First Amendment") provides for the municipal real estate reimbursement amount to be further adjusted for a period of ten (10) years by including an assumption based on historic growth in property values over twenty (20) years in the amount of 5.985% for a total reimbursement cap totaling an estimated NINE MILLION THREE HUNDRED TWELVE THOUSAND THREE HUNDRED TWENTY FIVE DOLLARS AND NINETY FIVE CENTS [\$9,312,325.95] if 358 units are built; this amount is subject to adjustment based upon the final Broward County Property Appraiser actual valuations once the construction is completed based upon the final approved site plan utilizing the method of calculation determined solely by the City based upon the formulary provided in Exhibit "D";

WHEREAS, this First Amendment, and all the Incentives contained herein, are contingent upon City approval of any new or modified site plan and are specific to this Developer only; any sale or transfer of 51% or more of the ownership interest in the property by the Developer (excluding the change of the managing principal of the entity Le Parc at Lauderhill, LLC. due to legal incapacity, death, or probate planning) would nullify any Incentives and render this First Amendment and all prior agreements null and void; and

WHEREAS, the Initial Agreement and corresponding Addendum are hereby amended by this First Amendment as follows:

1. **REPRESENTATIONS OF DEVELOPER:**

- a. Developer proposes that it will develop or cause to be developed +/-9.93 acres of the Le Parc site with up to 358 units comprised of six (6) three story Garden Apartments and two (2) up to eight (8) story mid-rise apartments; or as otherwise provided in the final approved site plan as approved by the City. The final calculation for the Incentives offered will vary depending upon the final Broward County Property Appraiser valuations once the construction is completed based upon the final approved site plan utilizing the method of calculation determined solely by the City based upon the formulary provided in Exhibit “D”.
- b. Developer shall begin construction of the Project no later than December 31, 2024, subject to any events constituting a force majeure as declared by the State, County or City. Construction is deemed to have begun upon the first step of breaking ground, which date shall constitute the Development Start Date (“Development Start Date”), and which date must be no later than December 31, 2024, subject to any events constituting a force majeure as declared by the State, County or City.
- c. Developer shall complete the Project no later than twenty-four (24) months from issuance of the first building permit, subject to any events constituting a force majeure as declared by the State, County or City, otherwise the Clawback provisions contained in Section 3 below shall begin to apply.
- d. Developer shall ensure all taxes are paid and kept current for the duration of the tax reimbursement period. If Developer is not current in tax payments, it will not receive a reimbursement. If Developer becomes more than one (1) year delinquent in payment of taxes, the City can terminate any future Incentives at its sole discretion.
- e. Developer agrees to the dedication of NW 38th Avenue right-of-way within thirty (30) days of execution of this First Amendment to Real Estate Development Agreement and Addendum, or upon County Approval of said dedication (if necessary), or whichever shall occur first.
- f. Developer agrees Dedication of this right of way is not contingent upon the completion of Project, with the right of way dedication to be as depicted in the attached Exhibit “C”.
- g. Developer shall design and construct the continuation of N.W. 38<sup>th</sup> Avenue from N.W. 15<sup>th</sup> Street south to N.W. 13<sup>th</sup> Street in accordance with Broward County Transportation Surtax procedure and in a manner that is consistent with the design elements of the City/CRA improvements on N.W. 38<sup>th</sup> Avenue between N.W. 19<sup>th</sup> Street and N.W. 15<sup>th</sup> Street inclusive of on street parking, landscaping, pedestrian level lighting as approved by the City in writing.
- h. Developer shall give City right of first refusal for purchase of the property, or an option to purchase property as a whole or the existing right of way inclusive of additional land needed to construct the continuation of NW 38<sup>th</sup> Avenue in the event of sale prior to

construction of the Project, or in the event of the transfer of control of more than 51% of the property by the Developer (excluding the change of the managing principal of the entity Le Parc at Lauderhill, LLC. due to legal incapacity, death, or probate planning), at City's option.

- i. Developer agrees to make its best efforts to make opportunities available and to include local businesses, and apply local preferences, for any bids, solicitations, proposals, or work that may be available and appropriate to be awarded to any contractors or sub-contractors for construction, operation, or management of the Project, when competitive and meeting the needs of Developer and subject to HUD approval. City Staff will provide a list of contractors to Developer and will assist in ensuring this process is available.

2. **REPRESENTATIONS OF CITY:**

- a. City Shall reimburse the increase in municipal ad valorem property taxes from the difference between the municipal ad valorem property taxes generated in the tax year prior to development start date ("basis year"), and the tax year applicable to the date of issuance of the final Certificate of Occupancy in accordance with the final approved site plan for the Project, and each subsequent tax year thereafter in an amount not to exceed an estimate of NINE MILLION THREE HUNDRED TWELVE THOUSAND THREE HUNDRED TWENTY FIVE DOLLARS AND NINETY FIVE CENTS [\$9,312,325.95], subject to any adjustment that is made based upon the final approved site plan, for a period of ten (10) years, whichever shall occur first. In no event shall reimbursement of the increase in municipal ad valorem property taxes be made prior to completion of the Project in accordance with the approved site plan. The final calculation for the Incentives offered will vary depending upon the final Broward County Property Appraiser actual valuations once the construction is completed based upon the final approved site plan utilizing the method of calculation determined solely by the City based upon the formulary provided in Exhibit "D".
- b. City shall reimburse building permit fees and City impact fees in an amount not to exceed ONE MILLION NINE HUNDRED ELEVEN THOUSAND EIGHT HUNDRED TWENTY-TWO DOLLARS AND FIFTY EIGHT CENTS [\$1,911,822.58]. The actual amount of building permit and impact fees may be adjusted depending upon the final approved site plan based upon the formulary.
- c. City shall reimburse Developer for construction of NW 38<sup>th</sup> Avenue right-of-way and improvements approved by the city in writing in accordance with the construction expenses deemed eligible under the Broward County Transportation Surtax program if Developer actually completes said construction and eligible improvements. With prior notice to Developer, the City has the option to decide to instead construct the NW 38<sup>th</sup> Avenue right-of-way itself, in which case the City would not be required to reimburse the Developer for said design or construction.
- d. City shall conduct a periodic review of the land subject to the development agreement at least once every twelve (12) months in accordance with the requirements of Article IV Section 8.12. of the City of Lauderhill Land Development Regulations.

3. **CLAWBACK PROVISIONS:**
  - a. The real estate tax reimbursement period shall be reduced by one (1) year for every month past the Development Start Date
  - b. The real estate tax reimbursement amount shall be reduced by TWO HUNDRED FIFTY THOUSAND DOLLARS [\$250,000.00] for every month after the prescribed Twenty-four (24) months construction period, subject to any events constituting a force majeure as declared by the State, County or City.
4. **Amendment Controls:** In the event of a conflict between the Initial Agreement, the Addendum, and this First Amendment, this First Amendment shall control.
5. **Agreement to Remain in Effect:** All other terms and conditions of the Initial Agreement and the Addendum which are not inconsistent herewith remain in full force and effect.

This First Amendment shall be deemed to have the effective date when properly recorded in the public records of Broward County, Florida.

**DEVELOPER**

\_\_\_\_\_  
Le Parc at Lauderhill, LLC

Date: \_\_\_\_\_

**CITY**

\_\_\_\_\_  
Desorae Giles-Smith  
City Manager

Date: \_\_\_\_\_