NORTH MIAMI BUSINESS ASSISTANCE PROGRAM

GRANT AGREEMENT

THIS GRANT AGREEMENT (the "Agreement") is made and entered into as of August ____, 2016, by and between the **NORTH MIAMI COMMUNITY REDEVELOPMENT AGENCY,** a public body corporate and politic (the "CRA") having an address at 776 N.E. 125th Street, North Miami, Florida 33161 and **THE CHALLENGER SCHOOL, INC.**, a Florida corporation (the "Grantee") having an address at 12128 N.W. 2nd Avenue, North Miami, Florida 33168.

RECITALS

1. The North Miami Business Assistance Program (the "Program") (a) facilitates the attraction and location of selected new business to North Miami by providing financial assistance for interior build-out and (b) retains and promotes the expansion of existing businesses by providing financial assistance for interior and exterior improvements, while also reducing the incidence of slum and/or blighted conditions in the CRA Redevelopment Area.

2. The Program will fund (a) Business Attraction grants of up to Ten Thousand and 00/100 Dollars ($10,000.00) for interior build-out for specific eligible businesses moving into the City of North Miami; (b) Beautification grants of up to Fifteen Thousand and 00/100 Dollars ($15,000.00) to eligible commercial property owners or business operators for improvements to the exterior and/or interior of their buildings; and (c) Rehabilitation grants of up to fifty percent (50%) of the total cost of interior and/or exterior improvements to the owners of eligible commercial buildings in an amount up to Eighty Thousand and 00/100 Dollars ($80,000.00) per building on a reimbursement basis.

4. The Grantee is the lessee 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 12128 N.W. 2nd Avenue, North Miami, Florida 33168, and has applied to the CRA for a rehabilitation grant for the purpose of improving the Property including expanding two classrooms, upgrading the electrical, installing an A/C system and new signage, repairing the fence, and landscaping.

5. The CRA has approved an award to the Grantee of a rehabilitation grant in the amount of FORTY-THREE THOUSAND AND 00/100 DOLLARS ($43,000.00) (the "Grant") for renovations on the Property in accordance with the terms and conditions of this agreement including, but not limited to, the program Guidelines attached hereto as Exhibit "B" and by this reference made a part hereof (the "Program Guidelines") and the scope of work and budget for the project attached hereto as Exhibit "C" and by this reference made a part hereof (the "Project" or "Scope of Work").

6. 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 Guidelines.** The Recitals set forth above are true and correct and are incorporated in this Agreement by reference. The terms and provisions of the Program Guidelines 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 Guidelines and this Agreement, the terms and provisions of this Agreement will control with the understanding that any terms in the Program Guidelines that are not addressed in this Agreement shall nevertheless be applicable.

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 CRA 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 CRA set forth in this Agreement, any portion of the Grant for which a reimbursement request has not been submitted by Grantee to the CRA 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 reimbursement of costs and expenses paid by the Grantee for the performance of the Scope of Work subject to and in accordance with this Agreement and the Program Guidelines. 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 or use, as applicable, issued by the City of North Miami (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 CRA with copies of the fully executed architect and contractor agreements and, at the request of the CRA, 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.** 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 CRA. Availability of Grant funds shall be determined by the CRA, in its sole discretion. The Grantee waives any and all claims against the CRA for any reduction or unavailability of funding. The Grantee will not look to, nor seek to hold liable, the CRA, 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 CRA and the Related Parties harmless and release the CRA 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 CRA agrees to disburse the Grant to the Grantee on a reimbursement basis for expenses necessarily and properly incurred under this Agreement and paid by Grantee based on the Scope of Work and in accordance with the budget set forth therein all as approved by the CRA. Payment shall be made in accordance with the following procedures:

5.1 Reimbursement Request. Reimbursement requests are to be in writing and presented to the CRA by the Grantee only after payment has been made by Grantee for labor and materials as set forth in the Scope of Work. Without limiting the foregoing, reimbursement 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 CRA shall have the right to inspect and verify payment for all labor and materials prior to release of each reimbursement. By submitting a reimbursement request to the CRA, the Grantee shall be deemed to acknowledge and agree, and represent to the CRA, 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 CRA to the Grantee have been disbursed to the appropriate architect, contractors, consultants, subconsultants, subcontractors, materialmen, vendors and miscellaneous suppliers based upon the prior reimbursement request.

5.2 Expenditure Report Required. As part of each reimbursement request, Grantee shall submit to the CRA, for its review and approval, a detailed expenditure report with all invoices and proof of payment as well as any other information and documentation reasonably requested by the CRA. No request for reimbursement shall be processed without an expenditure report and the CRA 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 CRA. The payment of any reimbursement request by the CRA 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 alterations to the Project including, without limitation, minor or cosmetic alterations, exterior alterations and nonstructural or structural alterations without the prior written consent of the CRA 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 CRA 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 CRA one hundred percent (100%) of the Grant received through the Program.

Section 8. 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 CRA, but are only recipients of funding support, and is not an agent or instrumentality of the CRA or entitled to any employment benefits by the CRA.

Section 9. 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 "Past Program Participation" restrictions set forth in the Program Guidelines. 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 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 CRA one hundred percent (100%) of the Grant received through the Program. If the Grantee is the lessee of the Property and either (a) the Grantee sells, transfers, conveys or otherwise assigns its interest in the lease, in whole or in part, (b) there is a change of forty-nine percent (49%) or more of the ownership or control of the Grantee (either through a single transaction or the aggregate of multiple transactions), or (c) the lease is terminated for any reason whatsoever 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 CRA one hundred percent (100%) of the Grant received through the Program.

Section 10. Lessee Requirements. If Grantee is the lessee of the Property, the provisions of this Section 10 shall apply. Grantee hereby represents and warrants to the CRA that

(a) the landlord has consented in writing to (i) the Grantee receiving the Grant, (ii) the improvements to the Property pursuant to the Scope of Work, and (iii) the filing and recording of a UCC-1 Financing Statement with the Florida Secured Transactions Registry and in the Public Records of Miami-Dade County, respectively, perfecting the CRA's security interest in the Project improvements and (b) the remaining term of the lease extends to a date which is at least three (3) years after the Funding Termination Date. Simultaneously upon execution of this Agreement, the Grantee shall provide the CRA with written confirmation of the foregoing signed by the landlord, which confirmation shall be in a form and substance as provided by the CRA. In furtherance of subsection (iii) above, Grantee hereby grants the CRA a security interest in the Project improvements as security for Grantee's obligations to the CRA under this Agreement arising now or in the future. Grantee acknowledges and agrees that the landlord is an affiliate of the Grantee. Grantee further agrees that any grant application made by the landlord will recognize the Grant made hereunder will be applied in determining the maximum amount of any grant that may be awarded to the Property.

Section 11. Records, Reports, Audits, Monitoring and Review.

11.1 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 CRA, all such books and records of the Grantee which relate to the Project shall be available for inspection and audit by the CRA or any of its authorized representatives at all reasonable times during normal business hours. The CRA shall be entitled to make such copies of the books and records as the CRA deems appropriate.

11.2 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 12. Breach of Agreement; Remedies.

12.1 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 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 expenditure report as required by this Agreement or submits incorrect or incomplete proof of expenditures to support reimbursement requests; (e) the Grantee refuses to allow the CRA access to records or refuses to allow the CRA to monitor, evaluate and review the Grantee's Project; (f) a transfer or assignment occurs within three (3) years following completion of the Project as set forth in Section 9 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 CRA, (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 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 CRA and Grantee; (m) an event of default occurs with respect to any loan secured by the Property and/or (n) Grantee fails to operate its business from the Property.

12.2 Remedies. Immediately upon the breach of this Agreement by Grantee as set forth in Section 12.1 above, in addition to all rights and remedies available at law or in equity, the CRA 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 CRA 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.

12.3 No Waiver. No express or implied consent or waiver by the CRA 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 CRA 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 CRA of its rights hereunder. The giving of consent by the CRA in any one instance will not limit or waive the necessity to obtain the CRA's consent in any future instance.

12.4 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 and conveys and assigns to the CRA a continuing lien and security interest upon the Collateral (as defined below). Grantee represents and warrants to the CRA that, upon the filing and recording of UCC financing statements with the Florida Secured Transactions Registry and Miami-Dade 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 CRA 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, CRA's security interest under this Agreement shall terminate and CRA shall execute and deliver to the Grantee a UCC-3 termination statement or similar documents and agreements to terminate all of CRA'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 (2010) or as incorporated therein by reference therein.

Section 13. **Indemnification by Grantee.** The Grantee hereby covenants and agrees to indemnify and hold harmless the CRA 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 CRA 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 CRA) all claims, suits or actions of any kind or nature in the name of the CRA, 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 CRA and the Related Parties. Nothing contained in this Agreement shall be construed to affect the CRA's right of sovereign immunity as provided in Chapter 768, Florida Statutes. Additionally, the CRA does not waive sovereign immunity, and no claim or award against the CRA shall include attorney's fees, investigative costs or pre-judgment interest.

Section 14. **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 CRA designate the following as the respective places for giving such notice:

CRA:	Larry M. Spring, Jr., Executive Director North Miami Community Redevelopment Agency 776 N.E. 125th Street North Miami, Florida 33161 Telephone No. (305) 899-0272 Facsimile No. (305) 899-9376
Copy to:	Steven W. Zelkowitz, Esq., CRA Attorney Gray Robinson, P.A. 333 S.E. 2nd Avenue, Suite 3200 Miami, Florida 33131 Telephone No. (305) 416-6880 Facsimile No. (305) 416-6887
Grantee:	The Challenger School, Inc. 12128 N.W. 2nd Avenue

North Miami, Florida 33168
Attn: Beverly Hilton
Telephone No. (786) 553-8555
Facsimile No. (___) _____

Section 15. **Inspections.** At any time during normal business hours, the CRA 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 16. **Limitation of Liability.** The CRA desires to enter into this Agreement only if in so doing the CRA 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 CRA 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 CRA 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 CRA's liability as set forth in Chapter 768, Florida Statutes. Additionally, the CRA does not waive sovereign immunity, and no claim or award against the CRA shall include attorney's fees, investigative costs or pre-judgment interest.

Section 17. **Miscellaneous.**

17.1 Publicity. It is understood and agreed between the Parties that this Grantee is receiving funds by the CRA. Further, by the acceptance of these funds, the Grantee agrees that activities funded by this Agreement shall recognize the CRA as a funding source. The Grantee shall ensure that any publicity, public relations, advertisements and signs recognize the CRA 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 CRA relative to this Agreement.

17.2 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 including, but not limited to, any Community Development Block Grant requirements such as payment of wages in accordance with the Davis-Bacon Act.

17.3 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 CRA Board and signed by both parties.

17.4 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.

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

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

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

17.8 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.

17.9 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.

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

17.11 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.

17.12 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.

17.13 Recording. Grantee agrees that the CRA may record a Memorandum of this Agreement in the Public Records of Miami-Dade County at Grantee's expense. The form of Memorandum shall be prescribed by the CRA 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.

17.14 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 13 above shall be joint and several obligations and liabilities of the parties comprising Grantee for all intents and purposes.

17.15 <u>JURISDICTION; VENUE AND WAIVER OF JURY TRIAL</u>. 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 MIAMI-DADE 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.

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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:

THE CHALLENGER SCHOOL, INC.,
a Florida corporation

By:_____
Beverly Hilton
CEO

CRA:

NORTH MIAMI COMMUNITY REDEVELOPMENT AGENCY, a public body corporate and politic

By:_____
Dr. Smith Joseph
Chairman

By:_____
Larry M. Spring, Jr.
Executive Director

Attest:

By:_____
Michael A. Etienne, Esq.
City Clerk

Approved as to form and legal sufficiency:

By:_____
Gray Robinson, P.A.
CRA Attorney

STATE OF FLORIDA)
SS:
COUNTY OF MIAMI-DADE)

The foregoing was acknowledged before me this 31st day of August 2016, by Beverly Hilton, as CEO of The Challenger School, Inc., a Florida corporation, on behalf of the corporation, who (check one) [✓] is personally known to me or [ ] has produced a _____ _____ as identification.

Brenda Lee
Notary Public
Print Name: Brenda Lee

My Commission Expires: April 8, 2019

BRENDA LEE
MY COMMISSION # FF 186989
EXPIRES: April 8, 2019
Bonded Thru Budget Notary Services

STATE OF FLORIDA)
SS:
COUNTY OF MIAMI-DADE)

The foregoing was acknowledged before me this 19th day of ~~August~~ October 2016, by Dr. Smith Joseph, as Chairman of the North Miami Community Redevelopment Agency, who (check one) [✓] is personally known to me or [ ] has produced a Florida driver's license as identification.

Andrea A. McDonald
Notary Public
Print Name: ANDREA A. McDONALD

My Commission Expires:

ANDREA A. MCDONALD
MY COMMISSION EXPIRES
May 5, 2019
#FF 212544
Bonded thru Notary Public Underwriters
NOTARY PUBLIC, STATE OF FLORIDA

STATE OF FLORIDA)
SS:
COUNTY OF MIAMI-DADE)

The foregoing was acknowledged before me this 21st day of ~~August~~ October 2016, by Larry M. Spring, Jr., as Executive Director of the North Miami Community Redevelopment Agency, who (check one) [✓] is personally known to me or [ ] has produced a Florida driver's license as identification.

Andrea A. McDonald
Notary Public
Print Name: ANDREA A. McDONALD

My Commission Expires:

ANDREA A. MCDONALD
MY COMMISSION EXPIRES
May 5, 2019
#FF 212544
Bonded thru Notary Public Underwriters
NOTARY PUBLIC, STATE OF FLORIDA

EXHIBIT "A"

Legal Description of Property

Lots 13 and 14, less the South 3 feet of Lot 14, Block 13, ALHAMBRA HEIGHTS, SECTION TWO, according to the Plat thereof, recorded in Plat Book 19, at Page 71, of the Public Records of Miami-Dade County, Florida.

EXHIBIT "B"

Program Guidelines

North Miami Community Redevelopment Agency

Business Assistance Program

Program Guidelines
And
Application

February 2015

NORTH MIAMI COMMUNITY REDEVELOPMENT AGENCY (CRA)

BUSINESS ASSISTANCE PROGRAM

PURPOSE

The purpose of the **North Miami Business Assistance Program** is two-fold: 1) to facilitate the attraction and location of selected new businesses to North Miami by providing financial assistance for interior build-out, and 2) to retain and promote the expansion of existing businesses by providing financial assistance for interior and exterior improvements.

More specifically, the program offers three types of grants:

1) Business Attraction: Up to $10,000 for interior build-out for specific eligible businesses moving into the City.

2) Beautification: Up to $15,000 to eligible commercial property owners or business operators for improvements to the exterior and/or interior of their buildings.

3) Rehabilitation: Up to 50% of the total cost of interior and/or exterior improvements to the owners of eligible commercial buildings in an amount up to $80,000.

The **North Miami Business Assistance Program** is funded by the North Miami CRA for projects located within the CRA district.

The CRA (Grantor) will make payments to the awarded business (Grantee) in the form of reimbursement issued during the duration of the project and/or after the completion of the project. Projects must be pre-approved and an agreement executed with the CRA prior to commencing the project.

Interested businesses may apply for the program through the North Miami Community Redevelopment Agency on an ongoing basis subject to the availability of funds. Potential applicants for the Business Assistance Program should contact NMCRA to determine eligibility.

Contact: **Arthur Sorey, CRA Coordinator**
North Miami Community Redevelopment Agency
776 NE 125th Street
North Miami, Fl 33161
Tel: (305)895-9839
E-mail: asorey@northmiamifl.gov

ELIGIBILITY REQUIREMENTS FOR BEAUTIFICATION AND REHABILITATION GRANTS

In order to be eligible for the Beautification and Rehabilitation grants through the North Miami Business Assistance Program, projects must meet all the following requirements:

- The program is available to commercial property owners of eligible commercial buildings, business operators, as well as non-profit organizations.

- Leaseholders of commercial buildings must obtain approval from the property owner in order to participate in the program.

- Properties must be located within the CRA district boundaries to be eligible for the program. Preference is given to applicants located along the City's major commercial corridors (West Dixie Highway, N.E. 125th Street, N.W. 7th Avenue, Biscayne Boulevard and N.W. 119th Street).

- A qualified building is a structure with commercial space on the ground floor with the street frontage and direct pedestrian access from the street. An eligible "façade" is the front face or elevation of the building, which typically faces the street, contains windows and is the principal entrance to the building.

- In order to be eligible for the program, the façade must be in need of assistance to correct physical decline (e.g. blighting conditions).

- Eligible work under the façade program typically includes installation of storefront windows, awnings, painting, roof parapets, canopy, stucco, tile, security enhancements, signs and exterior lighting. Site work such as walkways, parking pavement, fence gates, landscape, sign on wall, ADA stairs or ramps and loading docks may be eligible as an ancillary part of the proposed project.

- Work to upper portions of the façade of a building is eligible for the grant, provided that such work is part of a larger qualified project involving street level improvements and provided that such work does not involve residential portions of the building.

- Eligible interior building work includes: interior painting, lighting fixtures, flooring, security enhancements, ceiling and other fixed improvements necessary for the operation of the business. Security enhancements include, but are not limited to, security cameras, alarm systems, motion detectors, locks, replacement of current windows and doors with impact resistant materials, and lighting which is used to enhance the building's safety.

- The following types of items are **not eligible** as interior building work: expenses with mobile elements (shelves, furniture, equipment, etc.), business expenses (inventory, payroll, licenses, taxes, utilities, maintenance, etc.), rent and moving expenses.

- All work must be pre-approved and permitted as may be required by the City and performed by a licensed contractor selected by the Grantee through a competitive bidding process.

- Property owner must notify all tenants about the proposed improvements to an assisted commercial property.

The following types of businesses and uses are **not eligible** to participate in the program:

- Residential and industrial buildings
- Properties occupied by religious institutions
- Adult bookstores or similar businesses
- Free standing liquor stores
- Commercial building containing ineligible uses listed above

The following types of work are generally **not eligible** for funding through the program:

- Roof replacement
- New construction or additions
- Work to buildings less than 5 years old
- Work on residential portions of a commercial building

LEASING REQUIREMENTS

Upon completion of the project, 50% of the ground-floor "leasable" commercial space must have leasing commitments of at least one year. If leasing requirements are not met at the time of final inspection, the property owner will be given 180 days to submit a one-year lease agreement to the grantor. If leasing requirements are not met after the extension, the Grantor will require the repayment of 100% of the grant.

PAST PROGRAM PARTICIPATION

Buildings that have been previously assisted by the CRA or the City of North Miami in the last five (5) years are generally not eligible.

CODE VIOLATION

Buildings with pending code violations are not eligible for the program, unless it is determined that the proposed scope of work includes the resolution of the code violation(s) in a manner that is deemed acceptable and appropriate in the sole discretion of the program administrator.

CHANGE IN OWNERSHIP

Program participation is not transferable to new property owners. New property owners must reapply to participate in the program. In the case of a Commercial Beautification Grant, if the assisted property or business is sold during the three-year period following the completion of the project, the Grantor will recapture 100% of the grant.

In the case of a Commercial Rehabilitation Grant up to $80,000, if the assisted property or business is sold during the five-year period following the completion of the property, the Grantor will recapture 100% of the grant. In the case of grant awards in excess of $80,000, this claw-back requirement will be negotiated on a case by case basis.

Property owner is forbidden to make any alterations to the funded improvements without written permission of the Grantor.

TIME LIMITS

Construction must start 3 months from the date of signing of the agreement between the Grantee and the Grantor and must be completed 1 year from such date.

CONSISTENCY WITH CITY ORDINANCES

Projects must comply with all City of North Miami zoning code and building requirements.

To be eligible to participate in the program, applicants must comply with all program requirements. Failure to comply with the program requirements at any time will result in the applicant being dropped from the program. The Grantor is the sole interpreter of eligibility determinations, payment amounts and compliance with program requirements. All of the Grantor's decisions are final. Projects are not officially accepted in the program until an agreement between the applicant and the Grantor is signed.

ELIGIBILITY CRITERIA FOR BUSINESS ATTRACTION GRANT

- To qualify the business must be registered the State of Florida and have a current City Business Tax Receipt from the City of North Miami.

- To qualify the business must be located within the CRA district boundaries, and complement the City's retail mix as defined by the Targeted Business Category (see Business Category List).

- A qualified business must occupy a retail space on the ground floor with street frontage and direct pedestrian access from the street.

- Eligible work under the program includes: interior painting, lighting, fixtures, flooring, security enhancements, ceiling and other fixed improvements necessary for the operation of the business.

The following types of items are **not eligible** to participate in the program:

- Expenses with mobile elements (shelves, furniture, equipment, etc.)
- Business expenses (inventory, payroll, licenses, taxes, utilities, maintenance, etc.)
- Exterior improvements (façade, parking, fences, signs, landscaping, etc.)
- Rent and moving expenses
- Additions

OCCUPATION REQUIRMENTS

The recipient is required to be open for business within (30 days) thirty days of the completion of the project. If occupation requirements are not met, the business must immediately repay 100% of the grant to the Grantor.

LEASING REQUIREMENTS

If the business is a tenant, the Grantor will require the execution of written lease for a minimum of three (3) years.

PROGRAM PARTICIPATION

The participation in the program by an eligible business is limited to one time.

CODE VIOLATIONS

Buildings with pending code violations are not eligible for the program, unless they are corrected prior to the grant award.

CHANGE IN OWNERSHIP

If the business is sold during the three-year period after the completion of the project, 100% of the grant must be repaid by the assisted business owner to the Grantor.

TIME LIMITS

Projects must be completed by the timetable outlined in an Agreement signed between the Grantor and the business owner and approved by the property owner in the case of a tenant.

BUSINESS CATEGORY LIST

Business categories eligible under the program include:

- Restaurant
- Furniture Store
- Art Gallery
- Bookstore
- Music Store/Studio
- Specialty Food
- Coffee Shop
- Produce Market
- Photography Studio
- Dance Studio
- Specialty Retail

The Grantor reserves the right to reject any application and has the right to amend the business category list to accommodate special circumstances.

APPLICATION PROCESS

---- APPLICATION SUBMITTAL

Complete the enclosed application and submit it to:

North Miami Community Redevelopment Agency
776 NE 125th Street
North Miami, Fl 33161
Att: Arthur Sorey, CRA Coordinator

Please include with your application:

- Plans, drawings, or specifications for your project.
- Pictures of current location and of adjacent properties
- Three comparable itemized cost estimates from different qualified contractors. Staff reserves the right to reject questionable estimates.
- Completed and signed W-9 and City of North Miami Vendor Form.

---- APPROVAL PHASE

Upon approval of the project you will be issued a "Letter of Commitment" – indicating the amount of the grant approved by the Grantor for your project.

Receipt of the "Letter of Commitment is not an authorization to begin work.

Within 30 days of receiving your "Letter of Commitment", you will sign an agreement with the Grantor, which will solidify your willingness to participate in the program. You will be required to provide copies of the final architectural drawings and of contracts with your General Contractor and subcontractors.

The contract will include a "Detailed Budget", which will define the amounts to be disbursed for each phase of the project (i.e. 25%, 50%, 75% and 100%).

---- PRECONSTRUCTION PHASE

Within 10 days of signing a contract with the Grantor, you and your selected contractor(s) will then attend a "pre-construction meeting" with staff to review all program requirements.

---- ISSUANCE OF PAYMENT

The Grantor will issue four payments during the project: upon completion of 25%, 50%, 75%, and 100% of the project. Upon completion of each phase of the project, program staff will inspect the project to ensure compliance with the approved plans and budget.

The Grantor will **reimburse** the property owner for the grant amount established in the agreement by issuing a check up to six weeks after staff inspections and after the following documentation has been submitted for each phase of the project.

- Request for payment/progress report on work completed/payments made to contractor/subcontractors
- Copies of cancelled checks (front and back) for the portion for the portion of the work completed. All project expenditures must be paid by check.
- Original, notarized partial and final "release of lien" from all contractors and subcontractors.
- The Grantor will retain 10% of each reimbursement payment made to the property owner until the project is completed.
- Final payment will be issued after all work has been completed, all the above mentioned documentation has been reviewed and accepted by the Grantor, and leasing and other program requirements have been met.

NORTH MIAMI COMMUNITY REDEVELOPMENT AGENCY
BUSINESS ASSISTANCE PROGRAM

Project Address

_____

APPLICANT INFORMATION

Business/Owner's Information

_____
Name

_____
Address

_____
City State Zip

_____
Work Number Cell Email

Contact Person

_____
Name

_____
Home Telephone Work Telephone

If Applicant is not property owner, please provide property owner's information.

Property Owner's Name: _____

Address: _____

Phone: _____ **Email:** _____

Indicate whether the Applicant is an individual or legal entity and, if a legal entity, indicate the type of entity below.

___ Individual
___ General Partnership
___ Joint Venture
___ Business Corporation
___ Limited Partnership
___ Sole Proprietor
___ Other Entity (Specify)

If applicant is a private corporation, partnership or limited liability company, list below the name, business address and percentage of ownership interest or control of each partner.

Name	Business Address	% of interest

Business Information

Description of business/businesses currently located in the property (Please include number of employees)

_____
_____
_____
_____

Type of Grant you are applying for: (Choose only one)

____ **Business Attraction** (Up to $10,000 for interior build-out for specific eligible businesses moving into the City)

____ **Beautification** (Up to $15,000 to commercial property owners or business operators for improvements to the interior and/or exterior of their buildings)

____ **Rehabilitation** (50% of the total cost of interior and/or exterior improvements, up to $80,000 to commercial property owners)

Description of Proposed Improvement(s)

Provide 3 comparable estimates for the proposed work

Applicants must provide proof that property taxes are up to date.

The Grantor reserves the right to deny the participation in the program of any property with outstanding code violations.

The Applicant, _____ asserts that the preceding information is true and correct.

_____

Applicant (print name) Applicant's signature

_____

Company's Federal ID Number

If the applicant is other than the property owner of the building, the following line must be completed.

I certify that I, the trustee and/or owner of the below-cited property, give the above signed Applicant authority to implement improvements at the property as may be required under the North Miami Business Assistance Program.

_____

Signature of owner or trustee

_____

Print owner or trustee name and capacity

For Office Use Only

Date Received _____

Documentation Complete ___Yes ___No

EXHIBIT "C"

Scope of Work

Quirino
Construction
Company

1987 NE 119 Road
North Miami, FL 33181
(O) 305-892-1987. (F) 305-891-7722

Beverly Hilton
12128 NW 2 AVE
N.Miami, FL 33168
786-553-8555

CONTRACT

BATHROOM UP-GRADE
1. TO UP-GRADE PRESENT 4'6 'X10'BATHROOM TO HANDICAP ACCESSIBLE
2. TO UP-GRADE PRESENT 4'6" X 9' BATHROOM TO HANDICAP ACCESSIBLE

FRONT EAST CLASSROOM:
1. TO REMOVE WINDOW A/C AND BLOCK IN 27X52 AREA
2. TO REPLACE 36" ENTRY DOOR, HURRICANE APPROVED
3. TO ERECT HANDICAP RAMP WITH RAILINGS
4. TO DEMO 16X8 X6" WALL AND FINISH

REAR WESTERN CLASSROOM:
1. TO DEMO CONCRETE WALL 12X8X16" THICK AND FINISH

OFFICE:
1. REMOVE WINDOW A/C, PREPARE AREA AND INSTALL 37X50 5/8 IMPACT WINDOW
2. REMOVE AND REPLACE 36" ENTRY FRONT DOOR IMPACT APPROVED

FACIA:
1. REPLACE DAMAGED FACIA 216 LF

PAINT:
1. TO PRESSURE CLEAN AND PAINT THE EXTERIOR BUILDING
2. TO PAINT INTERIOR WALLS AND CEILINGS

MECHANICAL:
1. TO INSTALL NEW A/C SYSTEM

ELECTRICAL;
1. TO RELOCATE EXTERIOR ELECTRICAL PANEL
2. TO UPGRADE PRESENT ELECTRICAL SYSTEM
3. TO INSTALL NEW WALL AND CEILING LIGHTS SYSTEMS

FENCE REPAIRS:
1. TO REPAIR ROTTED OR DAMAGED WOODEN FENCE APROX. 300 LF
2. TO CLEAR VEGETATION AND INSTALL NEW WOODEN FENCE APROX. 160 LF
3. TO INSTALL LATICE ON CHAIN LINK FENCE APROX. 320 LF
4. TO REPAIR 20 FT DAMAGED GATE

LANSCAPE BEAUTIFICATION:
1. TO MANICURE 2 LARGE TREES
2. TO UPGRADE SPRINGKLER SYSTEM
3. TO UPGRADE AND BEAUTIFY FLOWER GARDENS

SIGNAGE:
1. TO UPGRADE SIGNAGE

PLANS AND PERMITS

CLEANING AND GARBAGE REMOVAL

APPROXIMATE BUDGET $86,000.00

LANDLORD'S CERTIFICATE
(REHABILITATION GRANT AGREEMENT)

August 28, 2016

Larry M. Spring, Jr., Executive Director
North Miami Community Redevelopment Agency
776 N.E. 125th Street
North Miami, Florida 33161

Re: Rehabilitation Grant Agreement dated as of August 28, 2016 (the "Grant Agreement") between the North Miami Community Redevelopment Agency (the "CRA") and The Challenger School, Inc. (the "Grantee")

Dear Mr. Spring:

The undersigned is (a) the owner of the Property defined in the Grant Agreement and (b) Landlord under the terms of that certain Lease dated September 4, 2016 (the "Lease") pursuant to which the Property is leased to the Grantee, as Tenant. We understand that pursuant to the Grant Agreement, the CRA will be providing a grant to the Grantee to improve the Property. As a condition of the Grant Agreement, the CRA requires the Grantee to provide certain certifications to the CRA from the Landlord as set forth herein. All defined terms herein shall have the meanings set forth in the Grant Agreement.

Landlord certifies to the CRA that:

(a) the Landlord is the owner of the Property;

(b) the Landlord consents to the Grantee receiving the Grant;

(c) the Landlord consents to the improvements being made to the Property pursuant to the Scope of Work as set forth in the Grant Agreement;

(d) the Landlord consents to the filing and recording of a UCC-1 Financing Statement with the Florida Secured Transactions Registry and in the Public Records of Miami-Dade County, respectively, perfecting the CRA's security interest in the Project improvements;

(e) the remaining term of the Lease extends to a date which is at least three (3) years and one hundred fifty (150) days after the date hereof; and

(f) Landlord agrees to provide the CRA with written notice of any default by the Tenant.

Very truly yours,

Greek Orthodox Church of the Annunciation, Inc.,
a Florida not for profit corporation

By: _____
Name: _____
Title: President

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