



Housing Finance and Community Redevelopment Division

110 Northeast 3rd Street, Suite 300 • Fort Lauderdale, Florida 33301 • 954-357-4900 • FAX 954-357-8221

May 25, 2018

Jennifer Frastai
City of Oakland Park
Engineering and Community Development, Director
3650 NE 12th Avenue
Oakland Park, FL 33334

RE: Broward County Redevelopment Capital Program ("RCP") – loan-to-grant conversion of two (2) Loans; Acquisition Site #3 (\$751,300) and Acquisition Site #4 (\$305,000)

Dear Ms. Frastai:

Broward County (the "County") received a November 2, 2017 and subsequent April 23, 2018 letter and application (together, the "Request for Conversion") requesting full, loan-to-grant conversions of two (2) RCP loans. Both loans (the "Loan") were issued by the County to the City of Oakland Park ("Oakland Park") and the Oakland Park Community Redevelopment Agency (the "Oakland Park CRA").

As explained below, the County hereby approves your Request for Conversion subject to the terms and conditions stated herein.

The first Loan, Acquisition Site #3, was for the reimbursement of costs for associated with acquisition of land located at 1110 N.E. 34th Court, Oakland Park, Florida. As you are aware, the County, Oakland Park and the Oakland Park CRA entered into the Loan Agreement dated June 26, 2012, ("Loan Agreement"), pursuant to which the County made a **\$751,300.00** Loan to Oakland Park and the Oakland Park CRA for the acquisition of land located at 1110 N.E. 34th Court, Oakland Park, Florida for an "Art Park". Pursuant to the Loan Agreement, principal and accrued interest payments are scheduled to begin on June 30, 2018.

The second Loan, Acquisition Site #4, was for the acquisition of property located at 1229 N.E. 37th Street, Oakland Park, Florida. As you are aware, the County, Oakland Park and the Oakland Park CRA entered into another Loan Agreement, also dated June 26, 2012, ("Loan Agreement"), pursuant to which the County made a **\$305,000.00** Loan to Oakland Park and the Oakland Park CRA for the acquisition of property located at 1229 N.E. 37th Street, Oakland Park, Florida intended for future redevelopment. Pursuant to the Loan Agreement, principal and accrued interest payments are also scheduled to begin on June 30, 2018.

The County has reviewed the materials submitted with the Request for Conversion to determine compliance with the requirements of the Interlocal Agreement dated June 21, 2007, by and among the County, Oakland Park, and the Oakland Park CRA, as amended by the First Amendment to Oakland Park Interlocal Agreement dated June 10, 2010, the Second Amendment to Oakland Park Interlocal Agreement dated March 8, 2011, the Third Amendment to Oakland Park Interlocal Agreement dated September 13, 2011 and the Fourth Amendment to Oakland Park Interlocal Agreement dated June 26, 2012 (collectively, the "Interlocal Agreement"), and has determined that Oakland Park and the Oakland Park CRA are in compliance with the terms of the Interlocal

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Agreement regarding loan-to-grant conversions. Specifically, pursuant to Section 4.3 of the Interlocal Agreement, the County's share of the revenue generated by the net increase in the tax base within the Oakland Park Community Redevelopment Area boundaries over 20 years due to specific private redevelopment projects has been calculated at **\$1,405,418.00** which is an amount greater than the sum of the two (2) loan balances, which total **\$1,056,300.00**. Accordingly, the County hereby approves two (2) loan-to-grant conversions of the full Loan balances detailed above.

As a result of the conversion, a surplus of **\$349,118.00** in conversion dollars is available to be applied to another outstanding RCP loan balance(s). The County will apply this surplus balance to the next Request for a Loan-to-Grant Conversion by Oakland Park and the Oakland Park CRA.

However, in accordance with Section 3 of the Loan Agreement, the County's approval of the Request for Conversion is subject to the County's receipt of payment in full of the accrued and unpaid interest on Loan #3 and Loan #4, through the date of this letter, which the County has calculated at **\$22,109.92** for Loan #3 and **\$8,975.81** for Loan #4, for a total of **\$31,085.73**. This unpaid and accrued interest must be paid in full by June 22, 2018. Once such payment is received by the County, the County shall issue a payoff letter and cancel and return both Loans outstanding promissory notes. If such payment is not received by the County on or prior to June 22, 2018, the County's approval of the Request for Conversion contained herein shall immediately terminate and be of no further force and effect, and the County, Oakland Park, and the Oakland Park CRA shall proceed in conformity with the terms of the Loan Agreement and Interlocal Agreement as if the County had never issued this letter.

Thank you for your assistance and please contact me at (954) 357-5320 or rstone@broward.org, or Glenn Amoruso at (954) 357-6679 or gamoruso@broward.org, with any questions regarding the terms of this letter.

Sincerely,



Ralph Stone, Director
Housing Finance and Community Redevelopment Division

Cc: Bertha Henry, County Administrator
Henry Sniezek, Director, Environmental Protection and Growth Management Department
Suzanne Fejes, Assistant Director, Housing Finance and Community Redevelopment Division
Marci Gelman, Assistant Director, Office of Management and Budget
Stephen Farmer, Finance Manager, Finance and Administrative Services Department
Glenn Amoruso, Senior Project Program Coordinator, Housing Finance and Community Redevelopment
Maite Azcoita, Deputy County Attorney
David Hebert, City Manager, City of Oakland Park
Andrew M. Thompson, Director, Finance Services, City of Oakland Park

Pro Rata Interest Payment Calculation

Acquisition Site #3 Loan

| | |
|------------------------|--------------|
| Outstanding Principal: | \$751,300.00 |
| Interest Start date: | 7/1/2017 |
| Interest End date: | 5/25/2018 |
| Days Accrued: | 328 |
| Rate: | 3.23% |
| Basis: | 360 |

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|-------------------------|
| Pro Rata Accrued |
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|-----------|--------------------|
| Interest: | \$22,109.92 |
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Pro Rata Interest Payment Calculation

Acquisition Site #4 Loan

| | |
|------------------------|--------------|
| Outstanding Principal: | \$305,000.00 |
| Interest Start date: | 7/1/2017 |
| Interest End date: | 5/25/2018 |
| Days Accrued: | 328 |
| Rate: | 3.23% |
| Basis: | 360 |

| |
|-------------------------|
| Pro Rata Accrued |
|-------------------------|

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|-----------|-------------------|
| Interest: | \$8,975.81 |
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|----------------------------|--------------------|
| Total Interest Due: | \$31,085.73 |
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