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Attorneys At Law

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November 11, 2016

Mr. Dennis Beach, City Manager
100 W. Atlantic Blvd.
Pompano Beach, Florida 33060

Re: Lease with PG's on the Green, Inc. d/b/a Galuppi
1103 N. Federal Hwy., Pompano Beach, FL 33060

Dear Mr. Beach:

My office represents PG's on the Green, Inc., GLR Group, LLC, Pat Galuppi and Grant Galuppi with regard to the Assignment of the Lease/Concession Agreement dated January 11, 2005 as amended. I have been working with the City Attorney, Fred Berman and your Executive Assistant Shelley Bartholomew has been copied on all emails and correspondence going back and forth in this matter. Enclosed herewith, please find the following original documents which have been revised by the City Attorney's office and which we submit seeking the approval of the same, to-wit:

1. Assignment and Assumption of Lease
2. Consent to Assignment, including:
 - a. Guaranty of Payment and Performance by the Assignee
 - b. Radon Gas Notification
3. Guarantors Ratification and Agreement signed by the prior guarantor

In addition to the foregoing, the City Attorney's office requested that a summation of the basis for requesting approval of this transaction and these documents. To that end, please be advised as follows:

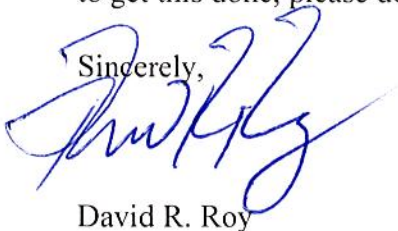
1. Since the inception of the Lease/Concession Agreement, the Galuppi have continually been improving the location and adding on additional venues, such as the outdoor bar, the wedding pavilion overlooking the 18th hole and making the premises a first class restaurant and bar;
2. Over the 12 years that Galuppi has been operating this location and with the increase in business, 12 years of insurance claims (with or without merit) begin to make the loss runs appear very high;

3. Based upon the loss runs over the prior 12 years, Galuppi will be uninsurable if the loss history continues and insurance coverages for the business have increased to more than \$75,000 per year making the ability to continue operating more difficult;
4. The insurance carrier for Galuppi advised the Galuppi that in order to reduce the loss runs and thereby lower their annual insurance premiums, a new business entity would have to take control of the business;
5. To that end, we have incorporated GLR Group, LLC, a Florida limited liability company that is owned by Pat Galuppi's wife, Laura and Grant Galuppi's wife, Lauren; The day to day operation of Galuppi's will remain unchanged and both the prior company and the new company remain obligated for all of the terms and conditions provided for in the Lease/Concession Agreement;
6. The City of Pompano Beach risks nothing, releases no person or parties that are currently obligated to abide by the terms and conditions of the Lease/Concession Agreement and the change is merely the business entity that owns the business.

If you would like further details and/or would like to meet with Pat Galuppi or Grant Galuppi, they are available to provide you with any additional documentation or information that you deem necessary and proper. I would like to add that the City Attorney's office has been incredible to work with and have made this transaction much smoother than I could have anticipated. As an attorney working in Pompano Beach, I was very glad to receive such a prompt response and reasonable requests for modifications to the documents.

As my client's insurance coverages are all ready for renewal at the end of this year, I am hopeful that we can get the Assignment approved prior to years end and whatever I can do to assist to get this done, please do not hesitate to contact me.

Sincerely,



David R. Roy

DRR/msr

Enclosure

cc: Client

Office of the City Attorney
City of Pompano Beach
P. O. Box 2083
Pompano Beach, Florida 33061