

RESOLUTION NO. 2007- 204

A RESOLUTION BY THE BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY, FLORIDA APPROVING THE TERMS, PROVISIONS, CONDITIONS, AND REQUIREMENTS OF AN AMENDED ECONOMIC DEVELOPMENT GRANT AGREEMENT BETWEEN ST. JOHNS COUNTY, FLORIDA, AND RULON COMPANY, AND AUTHORIZING THE INTERIM COUNTY ADMINISTRATOR TO EXECUTE THE AMENDED AGREEMENT ON BEHALF OF ST. JOHNS COUNTY.

RECITALS:

WHEREAS, St. Johns County, Florida (County), and Rulon Company (Rulon) entered into an Economic Development Grant Agreement on May 25, 2004; and

WHEREAS, Rulon, by letter dated June 7, 2007, requested an amendment to the grant agreement to allow the release of funds equal to the water/sewer unit connection fees; and

WHEREAS, Section 24 of the Economic Development Grant Agreement requires the County and Rulon to enter into an Economic Development Grant Agreement Amendment in order to revise, replace, and/or amend any of the terms, conditions, provisions, or requirements of the Economic Development Grant Agreement; and

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY, FLORIDA as follows:

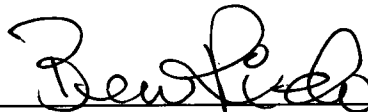
Section 1. The above Recitals are incorporated by reference into the body of this Resolution, and such Recitals are adopted as Findings of Fact.

Section 2. The Board of County Commissioners hereby approves the terms, provisions, conditions, and requirements of the Amended Economic Development Grant Agreement between St. Johns County, Florida and Rulon Company, and authorizes the Interim County Administrator to execute the Amended Agreement on behalf of St. Johns County.

DULY ADOPTED BY THE GOVERNING BOARD OF ST. JOHNS COUNTY, FLORIDA this 24th day of July, 2007.

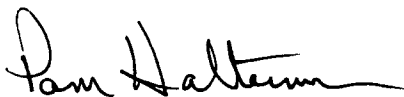
ATTEST:

**ST. JOHNS COUNTY
BOARD OF COUNTY COMMISSIONERS
ST. JOHNS COUNTY, FLORIDA**



Chairman

RENDITION DATE 7/26/07



Deputy Clerk



**ECONOMIC DEVELOPMENT
GRANT AGREEMENT**

THIS ECONOMIC DEVELOPMENT GRANT AGREEMENT ("Agreement") dated this 25th day of May, 2004, between St. Johns County ("County"), a political subdivision of the State of Florida, located at 4020 Lewis Speedway, St. Augustine, Florida 32084, and Rulon Company, ("Rulon"), a foreign corporation, currently located at 105 Rulon Drive, Brunswick, Georgia 31525.

RECITALS

WHEREAS, Section 125.045, Florida Statutes, declares that a public purpose is served when a County makes economic development grants to private enterprises for the expansion of businesses existing in the County, or the attraction of new businesses to the County; and

WHEREAS, Section 125.045, Florida Statutes, authorizes Counties to spend public funds for economic development activities, including the making of economic development grants; and

WHEREAS, St. Johns County, Florida, through County Ordinance 2002-47, adopted and implemented a St. Johns County Business Incentive Program for the purpose of providing economic development grants for private enterprises that meet both the criteria established under County Ordinance 2002-47, and receive the Board of County Commissioners' recommendation that an Economic Development Grant be awarded; and

WHEREAS, Rulon, on March 3, 2004 submitted to the County an Application for an Economic Development Grant under the criteria set forth in County Ordinance 2002-47; and

WHEREAS, the St. Johns County Public Economic Development Agency (Public Agency) has reviewed Rulon's Submitted Application for an Economic Development Grant under the criteria set forth in County Ordinance 2002-47; and

WHEREAS, the Public Agency has issued a Report that evaluates Rulon's Submitted Application for an Economic Development Grant under the criteria set forth in County Ordinance 2002-47; and

WHEREAS, the Board of County Commissioners of St. Johns County, Florida has reviewed both Rulon's Submitted Application for an Economic Development Grant, and the Public Agency's Report that evaluated Rulon's Submitted Application for an Economic Development Grant under the criteria set forth in County Ordinance 2002-47; and

WHEREAS, after a review of both Rulon's Submitted Application, and the Public Agency's Report, the Board of County Commissioners of St. Johns County has determined and voted that Rulon should be eligible for an Economic Development Grant; and

WHEREAS, the Board of County Commissioners of St. Johns County directed the Public Agency, and the Office of County Attorney to develop and draft a **Grant Agreement** that is both consistent with the requirements set forth in County Ordinance 2002-47, and includes those provisions that are common and necessary to give legal force and effect to such a **Grant Agreement**.

NOW THEREFORE, the parties hereto, for and in consideration of the mutual covenants and conditions hereinafter expressed, do hereby agree as follows:

Section 1. Findings.

The above Recitals are incorporated by reference into the body of this **Agreement**, and such Recitals are adopted as Findings of Fact.

Section 2. Details and/or Parameters of Rulon's Project.

The details and/or parameters of Rulon's Project are contained in Rulon's Submitted Application for an Economic Development Grant which was submitted to the County on March 3, 2004, and which is attached hereto, and incorporated herein, as Exhibit A.

Section 3. Expedited Processing of Permitting.

To the extent necessary, and for as long as Rulon is engaged in constructing its facility, noted in Exhibit A, and located within the County, the County Administrator may, upon a written request from Rulon, direct County staff to expedite, to the extent both practicable and permissible, the County's permitting process to which this Grant applies.

Section 4. Duration of Agreement.

The duration of this **Agreement** runs from June 1, 2004, through, and including, September 30, 2009.

Section 5. Agreement May Not Be Assigned.

In light of the scope and rationale for this **Agreement**, Rulon may not assign, transfer, or sell any of the rights noted in this **Agreement**. Any attempt to assign, transfer, or sell any of the rights noted in this **Agreement** is specifically prohibited. Should Rulon either assign, transfer, or sell any of the rights noted in this **Agreement**, or

attempt to assign, transfer, or sell any of the rights noted in this **Agreement**, such action or attempted action shall constitute an automatic termination of this **Agreement**, and will not require further notification to Rulon by the County, as to the automatic termination of this **Agreement**.

Section 6. Severability.

If any word, phrase, sentence, part, subsection, section, or other portion of this **Agreement**, or any application thereof to any person or circumstance is declared void, unconstitutional, or invalid for any reason, then such word, phrase, sentence, part, subsection, or other portion, or the proscribed application thereof, shall be severable, and the remaining provisions of this **Agreement**, and all applications thereof, not having been declared void, unconstitutional, or invalid, shall remain in full force, and effect.

Section 7. Definitions.

a) *Board* means the Board of County Commissioners of St. Johns County, Florida.

b) *County* means St. Johns County, a political subdivision of the State of Florida.

c) *County Administrator* means the County Administrator of St. Johns County, and/or designees of the County Administrator.

d) *County Ordinance 2002-47* means St. Johns County Ordinance 2002-47, as amended, which, among other things, adopted and implemented a County Business Incentive Program, created a Public Economic Development Agency, and authorized expenditure of County Funds for Economic Development Grants.

e) *Full-time Equivalent Jobs* means Full-time equivalent terms, as such terms are consistent with terms used by the Florida Department of Labor and Security, and the United States Department of Labor for purposes of unemployment compensation tax administration and employment estimation, resulting directly from a Project in the County. This number shall not include temporary construction jobs involved in the construction of facilities for the Project or any jobs which have been previously been included in any application for tax refunds under Sections 288.1045, or 288.106, Florida Statutes.

f) *Grant Agreement* means a written agreement between the County and Rulon that establishes the details of an Economic Development Grant, and that is a pre-condition to Rulon being able to submit a claim for an Economic Development Grant Payment.

g) *Project* means the creation of a new business in St. Johns County whether from the relocation of a business from outside the County into the County and/or the expansion of an existing business within the County.

h) *Public Agency* means the St. Johns County Public Economic Development Agency that is created by County Ordinance 2002-47.

Section 8. Total Number of New Full-Time Equivalent Jobs in County.

Consistent with Rulon's Application for a County Economic Development Grant, Rulon will provide at least 60 Full-time Equivalent Jobs in the County as a Result of Project.

Section 9. Average Wage of New Full-Time Equivalent Jobs.

Consistent with Rulon's Application for a County Economic Development Grant, \$55,000.00 (fifty-five thousand dollars) represents the average wage of the new Full-Time Equivalent Jobs that Rulon will provide in the County as a Result of the Project.

Section 10. Time Schedule for Placing and Activating Jobs in County.

Consistent with Rulon's Application for a County Economic Development Grant, Rulon estimates that it will commence the Project on July 1, 2004, and complete the Project on, or before, July 1, 2005. As a result, the new Full-Time Equivalent Jobs that Rulon will provide in the County as a Result of the Project should be activated no later than November 30, 2005.

Section 11. Maximum Amount of Economic Development Grant that Rulon is Eligible to Receive; Re-calculation of Maximum Amount Permitted.

A) Under the formula set forth in County Ordinance 2002-47, and the terms and provisions noted in this Agreement, the maximum amount that Rulon is eligible to receive through one or more Grant Payments from the County is \$152,424.00 (one hundred fifty-two thousand, four hundred twenty-four dollars).

B) The maximum amount that Rulon is eligible through one or more Grant Payments may be re-calculated and/or reduced if any part of Rulon's Grant Application changes before Rulon becomes operational in the County. In no circumstance however, will Rulon receive Grant Payments that exceed in total, \$152,424.00 (one hundred fifty-two thousand, four hundred twenty-four dollars).

Section 12. Amount of Grant Payment in a County Fiscal Year.

A) Consistent with County Ordinance 2002-47, and consistent with, and contingent to, the terms and provisions noted in this **Agreement**, Rulon shall receive from the County a Grant Payment in the amount of: 1) \$30,000.00 (thirty thousand dollars) for County Fiscal Year 2005; 2) \$30,606.00 (thirty thousand, six hundred six dollars) for County Fiscal Year 2006; 3) \$30,606.00 (thirty thousand, six hundred six dollars) for County Fiscal Year 2007; 4) \$30,606.00 (thirty thousand, six hundred six dollars) for County Fiscal Year 2008; and 5) \$30,606.00 (thirty thousand, six hundred six dollars) for County Fiscal Year 2009.

B) In no case shall Rulon receive a total Grant Payment that exceeds \$60,606.00 (sixty thousand six hundred six dollars) in any given County Fiscal Year, or an individual Grant Payment that exceeds \$30,606.00 (thirty thousand six hundred six dollars) in any given County Fiscal Year, unless agreed to by the parties, and permitted under the terms and conditions of both County Ordinance 2002-47, and this **Agreement**, as both may be amended from time to time. In any of the preceding cases, the County and Rulon would have to enter into a duly executed and authorized Amendment to this **Agreement**, as noted elsewhere in this **Agreement**.

Section 13. Total Amount of General County Portion of Ad Valorem Taxes that Rulon Will Have Paid Prior to Applying/Receiving Grant Payment for County Fiscal Year 2006, County Fiscal Year 2007, County Fiscal Year 2008, and County Fiscal Year 2009.

For County Fiscal Year 2006, and prior to the issuance of any County Grant Payment, Rulon will have paid to the County, an amount totaling \$30,606.00 (thirty thousand six hundred six dollars) in County Ad Valorem Taxes.

For County Fiscal Year 2007, and prior to the issuance of any County Grant Payment, Rulon will have paid to the County, an amount totaling \$30,606.00 (thirty thousand, six hundred six dollars) in County Ad Valorem Taxes.

For County Fiscal Year 2008, and prior to the issuance of any County Grant Payment, Rulon will have paid to the County, an amount totaling \$30,606.00 (thirty thousand, six hundred six dollars) in County Ad Valorem Taxes.

For County Fiscal Year 2009, and prior to the issuance of any County Grant Payment, Rulon will have paid to the County, an amount totaling \$30,606.00 (thirty thousand, six hundred six dollars) in County Ad Valorem Taxes.

Section 14. Total Amount of Water Unit Connection Fees that Rulon Paid Prior to Applying/Receiving Grant Payment for County Fiscal Year 2005.

For County Fiscal Year 2005, and prior to the issuance of any County Grant Payment, Rulon will have paid to the County, an amount totaling \$13,200.00 (thirteen thousand, two hundred dollars) in water unit connection fees.

Section 15. Total Amount of Sewer Unit Connection Fees that Rulon Paid Prior to Applying/Receiving Grant Payment for County Fiscal Year 2005.

For County Fiscal Year 2005, and prior to the issuance of any County Grant Payment, Rulon will have paid to the County, an amount totaling \$16,800.00 (sixteen thousand, eight hundred dollars) in sewer unit connection fees.

Section 16. Authority of Board to Review and Verify Financial and Personnel Records of Rulon in Order to Determine Degree of Compliance with Agreement.

A) The Board (or where delegated, the Board's designee) specifically and explicitly reserves the right to review, inspect, and/or examine the financial and personnel records of Rulon in order to determine the degree of Rulon's compliance with this Agreement, or any applicable term, condition, provision, or requirement contained in County Ordinance 2002-47.

B) Further, the Board (or where delegated, the Board's designee), specifically and explicitly reserves the right to review, inspect, and/or examine any, and all, data, correspondence, information, and documents of Rulon that are necessary to determine the degree of Rulon's compliance with this Agreement, or any applicable term, condition, provision, or requirement contained in County Ordinance 2002-47.

Section 17. Date After Which Rulon May File a Claim for Grant Payment.

For each year that Rulon is eligible for a Grant Payment from the County, Rulon may file a claim for a Grant Payment on any date on or after October 1, but on, or before the following September 30 (which corresponds with the County's Fiscal Year).

Section 18. Rulon's Performance Conditions; Consequences of Non-Compliance.

A) In order to remain eligible for a Grant Payment, Rulon must abide by, comply with, and/or meet the following performance conditions:

Maintain at least 60 Full-time Equivalent Jobs within the County for each day, of each year, that Rulon seeks a Grant Payment;

Maintain an annual average wage rate of at least \$55,000.00 (fifty-five thousand dollars) for each year that Rulon seeks a Grant Payment.

After completion of construction associated with the Project, maintain a facility that is at least 75,000 (seventy-five thousand) square feet for each subsequent year that Rulon seeks a Grant Payment.

B) Should the Board determine that Rulon is in non-compliance with any of the above-noted performance conditions, then the County Administrator, on behalf of the County, shall promptly notify (and in any event, no later than thirty (30) days after the Board makes such a determination of non-compliance) Rulon of such non-compliance. Thereafter, from the date of notification, Rulon will have an additional thirty (30) days in which to submit written information that documents Rulon compliance with the above-noted performance conditions, or documents that Rulon has taken such corrective action necessary in order to once again comply with the above-noted performance conditions. Should Rulon remain in non-compliance thirty (30) days after notification from the County Administrator, then this **Agreement** may be terminated in the manner set forth elsewhere in this **Agreement**.

Section 19. Conditions Associated With Grant Payment to Rulon.

A) No Grant Payment shall be made during the County Fiscal Year unless, and until, Rulon submits a claim for Grant Payment, and the claim for Grant Payment is approved by the County Administrator in the manner set forth in County Ordinance 2002-47.

B) Rulon may submit a claim for a scheduled Grant Payment only once each County Fiscal Year.

C) Rulon shall submit a claim for a Grant Payment to the County Administrator.

D) The claim for Grant Payment submitted by Rulon must be made on, or after, the date specified elsewhere in this **Agreement**.

E) Rulon's first claim for a Grant Payment shall contain Rulon's authorization to deliver this **Agreement** to the County Administrator and to disclose the contents of this **Agreement** to the public.

F) The claim for Grant Payment submitted by Rulon must include a copy of all receipts and data related the achievement of each performance condition specified in this **Agreement**.

G) The amount requested by Rulon as a Grant Payment, may not exceed the amount specified in this **Agreement** for the particular County Fiscal Year.

H) Upon the County Administrator's receipt of Rulon's claim for Grant Payment, the County Administrator shall investigate and determine whether Rulon has met, and complied with all applicable terms and conditions in this **Agreement** necessary in order to remain eligible for the Grant Payment, and the Board has appropriated the funds necessary to make the Grant Payment. At such time as the County Administrator has determined Rulon's compliance with this **Agreement**, and the Board's appropriation of such funds, the County Administrator shall approve Rulon's claim for Grant Payment.

D) Upon the County Administrator's approval of Rulon's claim for Grant Payment, the County shall issue a check to Rulon for the amount of the approved Grant Payment.

Section 20. Acknowledgement by Rulon that Compliance with Terms and Conditions of Agreement is Condition Precedent to Receipt of Grant Payment; Consequences of Rulon Failing to Comply.

By executing this Agreement, Rulon understands, agrees, and acknowledges that compliance with all applicable terms, conditions, provisions, and requirements of this Agreement is a condition precedent to Rulon's receiving a Grant Payment.

By executing this Agreement, Rulon further understands, agrees, and acknowledges that the failure of Rulon to comply with all applicable terms, conditions, provisions, and requirements of this Agreement shall result in Rulon losing its eligibility for a Grant Payment for the County Fiscal Year that Rulon was not in compliance with this Agreement.

Section 21. Required Notice Concerning Grant Payment to Rulon.

Pursuant to County Ordinance 2002-47, the following notice is included in this Agreement:

This Grant Agreement is neither a general obligation of the St. Johns County, nor is it backed by the full faith and credit of St. Johns County. Payment of each grant payment is conditioned on, and subject to, specific annual appropriations by the Board of County Commissioners of St. Johns County of monies sufficient to pay the grant payment due that year.

Section 22. Furnishing Notices to County and Rulon.

All notices to the County shall be delivered either by hand (receipt of delivery necessary), or by certified mail to:

County Administrator
4020 Lewis Speedway
St. Augustine, Florida 32084

With a copy to Attorney for Public Agency:

County Attorney
4020 Lewis Speedway
St. Augustine, Florida 32084

Until Rulon relocates its business to St. Johns County, all notices to Rulon shall be delivered either by hand (receipt of delivery necessary), or by certified mail to:

Rulon Company
105 Rulon Drive
Brunswick, Georgia 31525

After Rulon relocates its business to St. Johns County, but in no case later than July 1, 2005, all notices to Rulon shall be delivered either by hand (receipt of delivery is necessary), or by certified mail to Rulon's new County address. Prior to July 1, 2005, Rulon shall notify the County of Rulon's new address within the County.

Section 23. Timeframe for Required Approval, Acceptance, and Execution of this Agreement by Rulon; Consequences of Failure to Timely Execute this Agreement by Rulon.

Consistent with County Ordinance 2002-47, Rulon has thirty (30) days from the date that this Agreement is approved by the Board, in which to execute and deliver two (2) copies of this Agreement to the Public Agency.

Consistent with County Ordinance 2002-47, in the event that Rulon does not execute and deliver two (2) copies of this Agreement within the thirty (30) day timeframe noted above, the effect of such failure on the part of Rulon shall result in the automatic termination of the Board's approval of this Agreement. Consequently, upon such circumstances, this Agreement shall be deemed rejected by the Board, and therefore, void, and having no further effect.

Section 24. Amendments to this Agreement.

Both the County and Rulon acknowledge that this Agreement constitutes the complete agreement and understanding of the parties.

Further, both the County and Rulon acknowledge that any change, amendment, modification, revision, or extension of this Agreement (other than termination as noted elsewhere in this Agreement) shall be in writing, and shall be executed by duly authorized representatives of both the County, and Rulon.

Section 25. Termination of Agreement.

A) This Agreement is automatically terminated should Rulon fail to abide by, or comply with any term, condition, provision, or requirement of this Agreement, for which adherence or compliance is mandated (either under County Ordinance 2002-47, or this Agreement), and the consequence of failure is automatic termination.

B) This Agreement may be terminated by the County should the Board determine that Rulon is not in compliance with any term, condition, provision, or requirement of this Agreement that is necessary for Rulon maintaining its eligibility for a Grant Payment for any year that this Agreement is in effect.

C) Except in the case of an automatic termination, the County Administrator shall provide thirty (30) days written notification to Rulon of the County's intent to terminate this Agreement.

D) Except in the case of an automatic termination, termination of this Agreement shall occur thirty (30) days from the date of written notification from the County Administrator to Rulon of the County's intent to terminate this Agreement.

E) In an automatic termination (other than an automatic termination precipitated under Section 5 of this Agreement), a termination with cause, or for other reasons, the County Administrator's written notification to Rulon of the County's intent to terminate this Agreement should include the reason or reasons that led the County to terminate this Agreement.

Section 26. Governing Law/Venue.

This Agreement shall be construed according to the laws of the State of Florida. Venue for any legal action arising under this Agreement shall be St. Johns County, Florida.

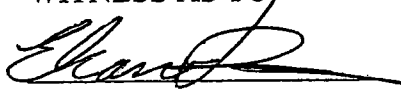
IN WITNESS WHEREOF, the parties have set their hands and seals as of the _____ day of _____, 2004.

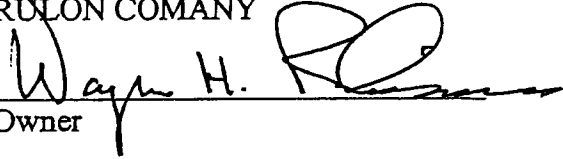
ST. JOHNS COUNTY
BOARD OF COUNTY COMMISSIONERS

BY: 
County Administrator


ATTEST: CHERYL STRICKLAND, CLERK

BY: 
Deputy Clerk

WITNESS AS TO:


RULON COMANY

Owner

ELEANOR ROBISON

WAYNE H. ROBISON

A RESOLUTION BY THE BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY, FLORIDA TO AUTHORIZE THE COUNTY ADMINISTRATOR TO EXECUTE THE ECONOMIC DEVELOPMENT AGENCY CONTRACT WITH RULON COMPANY ON BEHALF OF ST. JOHNS COUNTY, AND PROVIDING FOR AN EFFECTIVE DATE.

RECITALS BY THE BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY, FLORIDA as follows:

WHEREAS, Rulon Company submitted an application to the Economic Development Agency requesting business incentives be considered; and

WHEREAS, The Economic Development Agency prepared a written report and presented same to the Board of County Commissioners on May 4, 2004; and

WHEREAS, The Board of County Commissioners approved the incentive calculation for \$152,424 and directed the County Attorney's office to prepare a contract; and

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY, FLORIDA as follows:

Section 1. The above Recitals are incorporated by reference into the body of this Resolution, and such Recitals are adopted as Findings of Fact.

Section 2. The Board of County Commissioners of St. Johns County, Florida (Board) approve the Economic Development Agency Contract with Rulon Company.

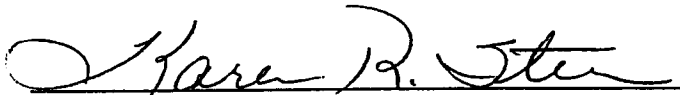
Section 3. The Board of County Commissioners authorizes the County Administrator to execute the Economic Development Agency Contract with Rulon Company.

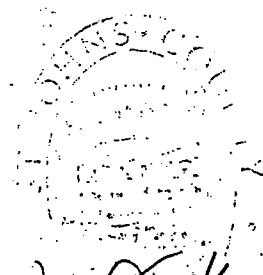
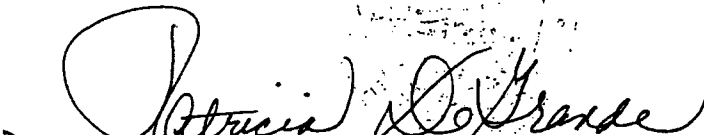
DULY ADOPTED BY THE GOVERNING BOARD OF ST. JOHNS COUNTY, FLORIDA this 25th day of May, 2004.

ATTEST:

Cheryl Strickland, Clerk

ST. JOHNS COUNTY
BOARD OF COUNTY COMMISSIONERS
ST. JOHNS COUNTY, FLORIDA


Chairman



Deputy Clerk

RENDITION DATE 05/27/04