

RESOLUTION NO. 2012 - 10

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY, FLORIDA, AUTHORIZING THE COUNTY ADMINISTRATOR, OR DESIGNEE, TO EXECUTE AN AMENDED ECONOMIC DEVELOPMENT GRANT AGREEMENT WITH R&D DEVELOPMENT, ON BEHALF OF ST. JOHNS COUNTY; PROVIDING FOR THE EFFECT OF RECITALS; PROVIDING FOR THE CORRECTION OF ERRORS; AND PROVIDING AN EFFECTIVE DATE.

RECITALS

WHEREAS, the County and **R&D Development** entered into the an Economic Development Grant Agreement (attached and incorporated herein) on January 24, 2006 providing economic development incentives for the development of a speculative building totaling 7,500 square feet of space on lot 1 in the Davis Industrial Park (PROJECT) in St. Augustine, Florida; and;

WHEREAS, the duration of the Agreement runs from January 24, 2006 through and including September 30, 2011; and

WHEREAS, due to unfavorable economic conditions, **R&D Development** was unable to timely meet its financial obligations as specifically set forth in Section 11(A) of the Agreement; and

WHEREAS, **R & D Development** submitted a timely request to the County seeking to amend the Agreement, providing for a three-year extension and further providing for applicable *ad valorem* tax rebates during such time; and

WHEREAS, based upon review and consideration of said request, executing the First Amendment to the Agreement to extend the duration until September 30, 2014, and to provide for applicable *ad valorem* tax rebates serves the collective interests of both the County and **R&D Development**.

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

SECTION 1. Incorporation of Recitals.

The Recitals expressed above are incorporated by reference into the body of this Resolution, and such Recitals are hereby adopted as findings of fact.

SECTION 2. Authorization to Execute.

The County Administrator, or designee, is hereby authorized to execute an Amended Economic Development Grant Agreement on behalf of the County for the purposes mentioned above.

SECTION 3. Correction of Errors.


To the extent that there are typographical and/or administrative errors and/or omissions that do not change the tone, tenor, or context of this Resolution, then this Resolution may be revised without subsequent approval of the Board of County Commissioners.

SECTION 4. Effective Date.

This Resolution shall be effective upon execution by the Chair of the Board of County Commissioners.

PASSED AND ADOPTED by the Board of Board of County Commissioners of St. Johns County, Florida this 17th day of January 2012.

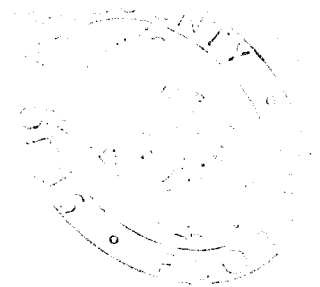
BOARD OF COUNTY COMMISSIONERS OF ST.
JOHNS COUNTY, FLORIDA

By: 
Mark Miner, Chair

ATTEST: Cheryl Strickland, Clerk

By: 
Deputy Clerk

RENDITION DATE 1/19/12



**FIRST AMENDED ECONOMIC DEVELOPMENT
GRANT AGREEMENT BETWEEN ST. JOHNS COUNTY,
FLORIDA, AND R&D DEVELOPMENT (LOT 1)**

THIS FIRST AMENDMENT (First Amendment) to the January 24, 2006 Economic Development Grant Agreement ("Agreement") dated this _____ day of _____, 2012, by and between St. Johns County Florida, a political subdivision of the State of Florida, located at 500 San Sebastian View, St. Augustine, Florida, 32084 and **R&D Development** whose primary place of business is located **3289 Kings Road South, St. Augustine, Florida 32086.**

RECITALS

WHEREAS, the County and **R&D Development** entered into the Agreement (attached and incorporated herein) on January 24, 2006; and

WHEREAS, the duration of the Agreement is from January 24, 2006 through and including September 30, 2011; and

WHEREAS, due to unfavorable economic conditions, **R&D Development** was unable to timely meet its financial obligations as specifically set forth in Section 11(A) of the Agreement; and

WHEREAS, **R & D Development** submitted a timely request to the County seeking to amend the Agreement, providing for a three-year extension and further providing for applicable *Ad valorem* tax rebates during such time; and

WHEREAS, based upon review and consideration of said request, executing the First Amendment to the Agreement to extend the duration until September 30, 2014, and to provide for applicable *Ad valorem* tax rebates serves the collective interests of both the County and **R&D Development**.

NOW THEREFORE, the County and **R&D Development** (collectively "Parties") hereto for, and in consideration of, the mutual covenants and conditions hereinafter set forth, do hereby agree to amend the Agreement as follows:

Section 1. Effect of Recitals.

The Recitals expressed above are incorporated by reference into the body of the Agreement, and such Recitals shall be adopted as findings of fact.

Section 2. Project Details/Parameters.

Section 2 of the Agreement shall be amended to replace the existing language in its entirety as follows:

The details and/or parameters of R&D Development's project is defined to include a building consisting of 7,500 square feet of speculative space that has been completed on Lot 1 within the Davis Industrial Park, located along Northwood Drive in St. Augustine, Florida.

Section 3. Duration.

Section 4 of the Agreement shall be amended to extend the Duration of the Agreement until 11:59 p.m., Eastern Standard Time, **September 30, 2014.**

Section 4. Adjusted Maximum Amount of Grant Payment.

Section 10 of the Agreement shall be amended to replace the existing language in its entirety as follows:

Under the formula set forth in County Ordinance 2006-99, *as amended*, and the terms and provisions noted in this Agreement, the maximum amount that R&D Development is eligible to receive through one or more Grant Payments from the County is \$11,835 (eleven thousand, eight hundred thirty-five dollars). In no circumstances however, will R&D Development receive Grant Payments that exceed in total, \$11,835 (eleven thousand, eight hundred thirty-five dollars), without express written approval by the Board.

Section 5. Adjusted Total Amount of Economic Development Grant; Recalculation of Total Amount Permitted.

Section 11 of the Agreement shall be amended to replace the existing language in its entirety as follows:

- (a) **Consistent with, and based upon, the methodology set forth in County Ordinance 2006-99, *as amended*, and all Exhibits attached to and incorporated herein, the total amount of the Economic Development Grant payment(s) (which is referenced throughout this Agreement) represents the annual general County portion of *ad valorem* tax. It is expressly understood that R&D Development is not eligible or entitled to any Grant Payment until after it has paid all applicable fees and/or taxes associated with R&D Development's Project. Such County fees and/or taxes include, but are not limited to: 1) Impact Fees; 2) Water Unit Connection Fees; 3) Sewer Unit Connection Fees; and 4) *Ad Valorem Taxes*.**

- (b) It is expressly noted that the actual amount of the Economic Development Grant payment(s) may fluctuate in any given County Fiscal Year based upon periodic increases in property values.
- (c) The Economic Development Grant payment(s) shall be distributed to R&D Development in three annual installments over a three-year timeframe.

For purposes of this Agreement, the following represent eligible County Fiscal Years:

- (1) 2012
- (2) 2013
- (3) 2014

- (d) As provided elsewhere in this Agreement and subject to R&D Development's compliance with County Ordinance 2006-99, *as amended*, and the terms and conditions of this Agreement, the amount of Economic Development Grant Payment(s) for each eligible County Fiscal Year shall be \$1,726.
- (e) In any given eligible County Fiscal Year, the amount of an Economic Development Grant payment paid to R&D Development may be adjusted to reflect an increase in property values.
- (f) Notwithstanding any other provision contained in this Agreement and/or County Ordinance 2006-99, *as amended*, the maximum economic development incentive available in Economic Development Grant payment(s) to R&D Development shall not exceed \$11,478, unless otherwise approved by the Board.

Section 6. Payment of Fees and/or Taxes Prior to Claim Submission.

Sections 12, 13, 14 and 15 of the Agreement shall be stricken in their entirety and shall be replaced with the following:

Section 12. Adjusted Payment of Fees and/or Taxes Prior to Claim Submission.

Prior to any submission of claim by R&D Development to the County for Economic Development Grant payment(s), R&D Development shall pay to the County an amount totaling \$5,250 (five thousand, two hundred fifty dollars) in County Impact Fees. It is expressly understood that such County Impact Fees will have been paid by R&D Development prior to R&D Development applying for, and/or receiving a County Grant Payment in any eligible County Fiscal Year.

Prior to any submission of claim by R&D Development to the County for Economic Development Grant payment(s), R&D Development shall pay to the County an amount totaling \$1,400 (one thousand, four hundred dollars) in County Water and Sewer Connection Fees. It is expressly understood that such County Water and Sewer Connection Fees will have been paid by R&D Development prior to R&D Development applying for, and/or receiving a County Grant Payment in any eligible County Fiscal Year.

Prior to any submission of claim by R&D Development to the County for Economic Development Grant payment(s), R&D Development shall pay to the County an amount totaling \$1,726 (one thousand, seven hundred twenty-six dollars) in County *ad valorem* Taxes for Tax Years 2011, 2012 and 2013. The amount referenced totals the general County portion of County *Ad valorem* Taxes paid by R&D Development in one County Fiscal Year. Moreover, it is expressly understood by the parties that the referenced amount of County *Ad valorem* Taxes (to the extent not adjusted by increased property values) shall be paid by R&D Development prior to R&D Development applying for, and/or receiving any County Economic Development Grant payment(s) in any eligible County Fiscal Year.

Section 7. Performance Conditions; Consequences of Non-Compliance.

Section 18 of the Agreement shall be amended to replace the existing language in its entirety as follows:

Section 18. Conditions of Compliance; Consequence for Failure to Comply.

In order to remain eligible for County Economic Development Grant payment(s), R&D Development must abide by and comply with the provisions set forth in this Amended Agreement, any incorporated attachments/exhibits, any amendments hereto and any applicable provisions of County Ordinance 2006-99, *as amended*.

(a) Should the Board determine that R&D Development has failed to comply with the conditions noted above, then the Board shall promptly notify R&D Development of such non-compliance (and in any event, no later than thirty (30) days after the Board makes such a determination of non-compliance). Upon the date of such notification, R&D Development shall be granted thirty (30) days in which to submit to the County a written report that sufficiently documents R&D Development's compliance with the conditions set forth above, or that sufficiently details all corrective action taken by R&D

Development in order to come into compliance with the conditions set forth above.

(b) In the event that R&D Development fails to sufficiently establish its compliance with the conditions set forth above within thirty (30) days after notification of non-compliance, then the County may terminate this Agreement with no further notice to R&D Development and shall be released from any further obligations as provided herein.

Section 8. Notices.

Section 22 of the Agreement shall be amended to replace the existing language in its entirety as follows:

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

**St. Johns County Economic Development Director
500 San Sebastian View
St. Augustine, Florida 32084**

With a copy to the Office of County Attorney:

**Office of County Attorney
500 San Sebastian View
St. Augustine, Florida 32084**

All Official Notices to R&D Development shall be delivered either by hand (receipt of delivery required), or by certified mail to:

**R&D Development
3289 Kings Road South
St. Augustine, Florida 32086**

Section 9. Severability.

If any word, phrase, sentence, part, provision, section, subsection, article exhibit or other portion of this Amendment, or any application thereof, to any person or circumstance is declared void, unconstitutional, or otherwise invalid for any reason by a court of competent jurisdiction, then such word, phrase, sentence, part, provision, section, subsection, article exhibit or other portion of this Amendment, or proscribed application thereof, shall be severable and all applications thereof not having been declared void, unconstitutional or invalid shall remain in full force and effect.

Section 10. Effect of Agreement Amendment.

With the exception of the amendments and revisions noted in this First Amendment, in all other respects, the Agreement remains in full force and effect. As for such amendments and revisions noted in this First Amendment, such amendments and revisions, have been incorporated in to the Agreement, and shall have full force, and effect.

IN WITNESS WHEREOF, the parties have set their hand and seals as of the _____ day of _____, 2012.

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

By: _____
County Administrator

Legal Review by:

By: _____
Assistant County Attorney

ATTEST: CHERYL STRICKLAND, CLERK

By: _____

R&D DEVELOPMENT

By: _____

WITNESS AS TO:

By: _____

Print: _____