

RESOLUTION NO. 2012 - 126

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

**RECITALS**

**WHEREAS**, Jacksonville Medical Center Development LLP (APPLICANT) submitted an application to the St. Johns County Economic Development Agency (AGENCY) requesting business incentives be considered to construct 41,000+/- square foot of speculative space, to ultimately be used as Medical Office/Full Service Emergency Department Project to be sponsored by Memorial Hospital, whose parent company is HCA; and

**WHEREAS**, the AGENCY prepared a written report and presented the request to the Board of County Commissioners (BOARD) on April 3, 2012; and

**WHEREAS**, the BOARD approved the incentive request for up to 100% of Impact Fees and Water/Sewer Unit Connection Fees and four years of Ad Valorem Taxes (general county portion) on capital improvements to be constructed for the emergency department and up to 50% of Impact Fees and Water/Sewer Unit Connection Fees and two years of Ad Valorem Taxes (general county portion) on capital improvements to be constructed for the medical office with a total value of incentive not to exceed \$284,000; and

**WHEREAS**, the BOARD directed the County Attorney's office to prepare an Economic Development Grant Agreement; and

**WHEREAS**, the COUNTY has reviewed the terms, provisions, conditions and requirements of the proposed Economic Development Grant Agreement (attached hereto and incorporated herein), and has determined that accepting the terms of the Economic Development Grant Agreement, and executing said Agreement will serve the interests of the COUNTY.

**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 the Economic Development Grant Agreement on behalf of the County for the purposes mentioned above.

**SECTION 3. Correction of Errors.**

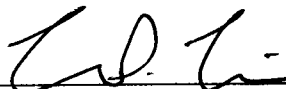
To the extent that there are typographical and/or administrative errors and/or omissions that do not change the tone, tenor, or context of this Resolution, then this Resolution may be revised without subsequent approval of the Board of County Commissioners.

**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 17<sup>th</sup> day of April 2012.

BOARD OF COUNTY COMMISSIONERS OF ST.  
JOHNS COUNTY, FLORIDA

By:   
Mark P. Miner, Chair

ATTEST: Cheryl Strickland, Clerk

By:   
Deputy Clerk

RENDITION DATE 4/19/12



## **ECONOMIC DEVELOPMENT GRANT AGREEMENT**

**THIS 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 **Jacksonville Medical Center Development LLC**, whose primary place of business is located at **8870 N. Himes Avenue, Suite 414, Tampa, Florida 33614**.

### **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**, Section 125.045, Florida Statutes, expressly notes that such section of the Florida Statutes, “must be liberally construed in order to effectively carry out the purposes of this section” of the Florida Statutes; and

**WHEREAS**, consistent with Section 125.045, Florida Statutes, St. Johns County, pursuant to Ordinance 2006-99, *as amended*, adopted and implemented a St. Johns County Business Incentive Program, for the purpose of providing economic development grants for private enterprises (including new industry) which meets the criteria established under Ordinance 2006-99, *as amended*, and receives favorable recommendation for award of an Economic Development Grant by the Board of County Commissioners; and

**WHEREAS**, **Jacksonville Medical Center Development LLC**, seeks to construct forty thousand, one hundred square foot (41,000 sq. ft.) speculative space, to ultimately be used for medical office/full service emergency room department, near Race Track Road in St. Johns County, Florida; and

**WHEREAS**, in accordance with Ordinance 2006-99, *as amended*, **Jacksonville Medical Center Development LLC**, submitted to the County an application for the award of an Economic Development Grant, seeking incentives to reimburse up to one hundred percent of Impact Fees and certain utility connection fees for capital improvement associated with the project; and

**WHEREAS**, in accordance with Ordinance 2006-99, *as amended*, the St. Johns County Economic Development Agency (“Agency”) reviewed the application and issued a report evaluating the proposed enterprise.

**NOW THEREFORE**, the County and **Jacksonville Medical Center Development LLC**, (collectively “Parties”) hereto for, and in consideration of, the mutual covenants and conditions hereinafter set forth, do hereby agree as follows:

**Section 1. Effect of Recitals.**

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

**Section 2. Project Details/Parameters.**

The Project shall be restricted to the specific details and/or parameters contained in **Jacksonville Medical Center Development’s**, Application for Economic Development Grant (“Application”), which was submitted to the County on March 19, 2012, attached hereto and incorporated herein by this reference.

**Section 3. Duration.**

This Agreement shall be effective from \_\_\_\_\_, 20\_\_\_\_, until 11:59 p.m., Eastern Standard Time, \_\_\_\_\_, 20\_\_\_\_.

**Section 4. Definitions.**

The following terms shall be defined as follows:

- 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 authorized designees of the County Administrator.
- d) *County Fiscal Year* means and shall reference the period time from October 1 of one calendar year, up to and including September 30 of the following calendar year.
- e) *County Ordinance 2006-99* means St. Johns County Ordinance 2006-88. *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.
- f) *Full-time Equivalent Jobs* means full-time equivalent positions, as such terms are consistent with terms used by the Florida Department of Labor and Employment Security, and the United States Department of Labor for purposes of unemployment compensation tax administration, and employment estimation, resulting directly for a Project in the County. This term shall no include temporary construction jobs involved in construction of facilities for the Project,

or any jobs which have previously been included in any application for tax refunds under Sections 228.1045 and/or 288.106, Florida Statutes.

- g) *Grant Agreement* means a written agreement between the County and **Jacksonville Medical Center Development LLC**, that establishes the details of an Economic Development Grant, and this is a pre-condition to **Jacksonville Medical Center Development LLC**, being able to submit a claim for an Economic Development Grant Payment.
- h) *Program* means the St. Johns County Business Incentive Program, in accordance with County Ordinance 2006-99, *as amended*.
- i) *Project* means the creation of a new business within St. Johns County, Florida, or the relocation of a new business from outside the St. Johns County, Florida, and/or the expansion of an existing business within St. Johns County, Florida, and/or development of speculative space for industrial or office use.
- j) *Public Agency* means the Public Economic Development Agency that is created by County Ordinance 2006-99, *as amended*.

#### **Section 5. Payment Fees and/or Taxes Prior to Claim Submission.**

Prior to any submission of claim by **Jacksonville Medical Center Development LLC**, to the County for Economic Development Grant payment(s), **Jacksonville Medical Center Development LLC**, shall pay to the County a total amount equal to the general County Ad Valorem Taxes. It is expressly understood by the parties that the total amount of County Ad Valorem Taxes (to the extent not adjusted by increased property values) shall be paid by **Jacksonville Medical Center Development LLC**, prior to **Jacksonville Medical Center Development LLC**, applying for, and/or receiving any County Economic Development Grant payment(s) in any eligible County Fiscal Year.

#### **Section 6. Authority of the Board to Review, Verify Records.**

(a) The Board (or when duly authorized, the Board's designee) specifically and explicitly reserves the right to review, inspect, examine and verify the financial and personnel records of **Jacksonville Medical Center Development LLC's** in order to determine the degree of **Jacksonville Medical Center Development LLC's** compliance with this Agreement, as well as **Jacksonville Medical Center Development LLC's** compliance with County Ordinance 2006-99, *as amended*.

(b) The Board (or when duly authorized, the Board's designee) further specifically and explicitly reserves the right to review, inspect, examine and verify any and all data, information, correspondence and documents, regardless of form or format, of **Jacksonville Medical Center Development LLC's** in order to determine the degree of **Jacksonville Medical Center Development LLC's** compliance with this Agreement, as well as **Jacksonville Medical Center Development LLC's** compliance with County Ordinance 2006-99, *as amended*.

**Section 7. Timely Filed Claims; Consequences for Failure to File Timely Claims.**

(a) In accordance with County Ordinance 2006-99, *as amended*, the first County Economic Development Grant payment shall be available to **Jacksonville Medical Center Development LLC**, and may be distributed, during the eligible County Fiscal Year in which the requisite capital investment/capital investments is/are recognized on the County's Ad Valorem Tax roll.

(b) For each County Fiscal Year in which **Jacksonville Medical Center Development LLC**, is eligible for an Economic Development Grant payment by the County, **Jacksonville Medical Center Development LLC**, shall submit a claim to the County for such payment by prior to the end of that particular County Fiscal Year.

(c) In the event **Jacksonville Medical Center Development LLC**, fails to timely submit a claim to the County for Economic Development Grant payment during any eligible County Fiscal Year, then **Jacksonville Medical Center Development LLC**, shall waive its right to such payment for that particular eligible County Fiscal Year. Any such waiver during any particular County Fiscal Year shall not affect **Jacksonville Medical Center Development LLC's** ability or right to seek County Economic Grant payments in any other particular County Fiscal Year.

(d) Upon written request by **Jacksonville Medical Center Development LLC**, the Board, at its sole discretion, may grant Special Relief to **Jacksonville Medical Center Development LLC**, to consider and approve an untimely claim for County Economic Development Grant payment in an eligible County fiscal year. Such Special Relief shall be granted no more than once during the term of this Agreement.

**Section 8. Conditions of Compliance; Consequence for Failure to Comply.**

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

(b) Jacksonville Medical Center Development LLC, must complete the Project by no later than 11:59 p.m., Eastern Standard Time, **April 17, 2016**, in compliance with all applicable laws, rules, regulations, orders, polices, approvals and authorizations of the Local, State and Federal governments.

(c) Should the Board determine that **Jacksonville Medical Center Development LLC**, has failed to comply with the conditions noted above, then the Board shall promptly notify **Jacksonville Medical Center Development LLC**, 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, **Jacksonville Medical Center Development LLC**, shall be

granted thirty (30) days in which to submit to the County a written report that sufficiently documents **Jacksonville Medical Center Development LLC's** compliance with the conditions set forth above, or that sufficiently details all corrective action taken by **Jacksonville Medical Center Development LLC**, in order to come into compliance with the conditions set forth above.

- (d) In the event that **Jacksonville Medical Center Development LLC**, 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 **Jacksonville Medical Center Development LLC**, and shall be released from any further obligations as provided herein.

**Section 9. Conditions Associated with Economic Development Grant Payment(s).**

- (a) **Jacksonville Medical Center Development LLC**, shall submit each Claim for Economic Development Grant Payment to the County Administrator.
- (b) As noted elsewhere in this Agreement, each Claim for Economic Development Grant Payment must be filed during the eligible County Fiscal Year.
- (c) Each Claim for Economic Development Grant Payment shall include a copy of all receipts or other relevant data and/or documentation related to the achievement of each applicable performance condition specified in this Agreement.
- (d) The amount requested by **Jacksonville Medical Center Development LLC**, in each Claim for Economic Development Grant Payment shall not exceed the amount specified in this Agreement for the eligible County Fiscal Year.
- (e) The first Claim for Economic Development Grant Payment by **Jacksonville Medical Center Development LLC**, shall include **Jacksonville Medical Center Development LLC's** authorization to deliver this Agreement to the County Administrator and to disclose the contents of this Agreement to the public.
- (f) Upon receipt of each Claim for Economic Development Grant Payment by **Jacksonville Medical Center Development LLC**, the County Administrator shall review, evaluate and determine: (1) if **Jacksonville Medical Center Development LLC**, has met and complied with all applicable terms and conditions of this Agreement; and (2) if the Board has appropriated adequate funds necessary to make the Economic Development Grant Payment. Upon determination that **Jacksonville Medical Center Development LLC**, has complied with the terms and conditions of this Agreement, and that the Board has appropriated adequate funding, the County Administrator shall approve each Claim for Economic Development Grant Payment.

- (g) Upon approval by the County Administrator, a check shall be made payable to **Jacksonville Medical Center Development LLC**, in the amount of the approved Claim for Economic Development Grant Payment.
- (h) No Economic Development Grant payment shall be made unless, and until, **Jacksonville Medical Center Development LLC**, submits a Claim for Economic Development Grant Payment, and such claim is approved by the County Administrator in the manner set forth in County Ordinance 2006-99, *as amended*.

**Section 10. Acknowledgment of Compliance as a Condition Precedent to Payment and Consequences for Failure to Comply.**

- (a) By executing this Agreement, **Jacksonville Medical Center Development LLC**, hereby acknowledges, understands and agrees that compliance with all applicable terms, conditions, provisions and requirements contained in this Agreement shall be a condition precedent to **Jacksonville Medical Center Development LLC**, receiving any Economic Development Grant Payment(s).
- (b) By executing this Agreement, **Jacksonville Medical Center Development LLC**, further acknowledges, understands and agrees that failure by **Jacksonville Medical Center Development LLC**, to comply with all applicable terms, conditions, provisions and requirements contained in this Agreement shall result in **Jacksonville Medical Center Development LLC**, losing its eligibility to receive Economic Development Grant Payment(s) in the County Fiscal Year of such non-compliance.

**Section 11. Requisite Notice Regarding Grant Payment(s) to Jacksonville Medical Center Development LLC.**

Pursuant to County Ordinance 2006-99, *as amended*, the following notice is set forth, and incorporated herein:

**This Economic Development Grant Agreement is neither a general obligation of St. Johns County, nor is it backed by the full faith and credit of St. Johns County. Payment of each Economic Development Grant Payment is conditioned upon, and subject to, specific annual appropriations by the Board of County Commissioners of St. Johns County of monies sufficient to pay the Economic Development Grant Payment(s) due that year.**

**Section 12. Effect of Short Fall and/or Unavailability of Funds.**

- (a) The County makes no express commitment to provide Economic Development Grant funds any given County Fiscal Year. Moreover, it is expressly noted that



**Jacksonville Medical Center Development LLC**, cannot demand that the County provide any such funds in any given County Fiscal Year.

- (b) It is specifically noted that if Economic Development Grant Funds are unavailable in one or more County Fiscal Years, **Jacksonville Medical Center Development LLC**, is not entitled to receive one or more Economic Development Grants payments in a succeeding County Fiscal Year in order to make up such short-fall and/or unavailability of funds, unless the Board specifically and expressly authorizes such payment by County Resolution (which shall also be noted in an amendment to this Agreement).

**Section 13. Total Amount of Economic Development Grant; Re-calculation of Total Amount Permitted.**

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, and the annual tangible person property tax (if applicable).

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.

The Economic Development Grant payment(s) shall be distributed to **Jacksonville Medical Center Development LLC**, over a maximum period of up to ten (10) years.

**Section 14. Eligible County Fiscal Years.**

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

- |     |      |      |      |
|-----|------|------|------|
| (1) | 2015 | (6)  | 2020 |
| (2) | 2016 | (7)  | 2021 |
| (3) | 2017 | (8)  | 2022 |
| (4) | 2018 | (9)  | 2023 |
| (5) | 2019 | (10) | 2024 |

**Section 15. Economic Development Grant Payment(s) for Each Eligible Fiscal Year.**

- (a) As provided elsewhere in this Agreement and subject to **Jacksonville Medical Center Development LLC'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 is estimated to be an average of approximately \$52,900.

- (b) In any given eligible County Fiscal Year, the amount of an Economic Development Grant payment paid to **Jacksonville Medical Center Development LLC**, may be adjusted to reflect an increase in property values.
- (c) 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 **Jacksonville Medical Center Development LLC**, shall not exceed \$284,000, unless otherwise approved by the Board.

**Section 16. Notices.**

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 **Jacksonville Medical Center Development LLC**, shall be delivered either by hand (receipt of delivery required), or by certified mail to:

**Jacksonville Medical Center Development LLC**  
**8870 N. Himes Avenue**  
**Suite 414**  
**Tampa, Florida 33614**

**Section 17. Timeframe for Jacksonville Medical Center Development LLC's Approval, Acceptance and Execution of this Agreement; Consequences for Failure to Comply.**

- (a) Consistent with County Ordinance 2006-99, *as amended*, **Jacksonville Medical Center Development LLC**, shall, within thirty (30) days of the date that this Agreement is approved by the Board, execute and deliver two (2) copies of this Agreement to the Public Agency.
- (b) Consistent with County Ordinance 2006-99, *as amended*, in the event that **Jacksonville Medical Center Development LLC**, fails to timely execute and

deliver two (2) copies of this Agreement to the Public Agency within the thirty (30) day time frame set forth above, the effect of such failure on the part of **Jacksonville Medical Center Development LLC**, shall result in the automatic termination of the Board's Approval of this Agreement.

- (c) The automatic termination as set forth above shall be deemed a rejection of this Agreement by the Board, and shall therefore render this Agreement null, void and having no further effect. Upon the occurrence of such circumstances, neither the County nor the Board shall be required to provide **Jacksonville Medical Center Development LLC**, any notice, official or otherwise of such rejection of the Agreement.

#### **Section 18. Amendments to this Agreement.**

Both the County and **Jacksonville Medical Center Development LLC**, acknowledge that this Agreement constitutes the complete agreement and understanding of the parties.

Further, both the County and **Jacksonville Medical Center Development LLC**, 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 **Jacksonville Medical Center Development LLC**.

#### **Section 19. Termination.**

This Agreement is automatically terminated should **Jacksonville Medical Center Development LLC**, fail to abide by or comply with any term, condition, provision or requirement stated in this Agreement, including any amendments hereto, for which adherence to or compliance with is mandated or required (under County Ordinance 2006-99, *as amended*, or this Agreement and any amendment hereto).

This Agreement may be terminated by the County should the Board determine that **Jacksonville Medical Center Development LLC**, is not in compliance with or adhering to any term, condition, provision or requirement of this Agreement (and any amendment hereto) that is necessary for **Jacksonville Medical Center Development LLC**, to maintain its eligibility to receive Economic Development Grant payment(s) in any County Fiscal Year for the Duration of this Agreement.

#### **Section 20. Expedited Processing of Local Permits and Licenses.**

To the extent necessary, and in accordance with local, state and federal law, the County Administrator may, upon written request by **Jacksonville Medical Center Development LLC**, direct County staff to expedite the County's permitting/licensing process in order to facilitate progress of the Project as specifically described in the Application.

**Section 21. Assignment.**

In light of the scope and rationale for this Agreement, **Jacksonville Medical Center Development LLC**, may not assign, transfer or sell any rights noted in this Agreement. Any attempts to assign, transfer or sell any rights noted in this Agreement by **Jacksonville Medical Center Development LLC**, or any affiliate, subsidiary or parent company of **Jacksonville Medical Center Development LLC**, is strictly prohibited. Should **Jacksonville Medical Center Development LLC**, or any affiliate, subsidiary or parent company of **Jacksonville Medical Center Development LLC**, assign, transfer or sell any rights noted in this Agreement, such action or attempted action shall constitute cause for automatic termination of this Agreement with no further notice to **Jacksonville Medical Center Development LLC**.

**Section 22. Access to Records.**

The access to, disclosure, non-disclosure, or exemption of records, data, documents, and/or materials, associated with this Agreement shall be subject to the applicable provisions of the Florida Public Records Law (Chapter 119, Florida Statutes), and other applicable State or Federal law. Access to such public records, may not be blocked, thwarted, and/or hindered by placing the public records in the possession of a third party, or an unaffiliated party.

**Section 23. Captions.**

The captions and headings in this Agreement are for convenience only and do not define, limit, or describe the scope or intent of any Articles or Sections of the Lease.

**Section 24. Severability.**

If any word, phrase, sentence, part, provision, section, subsection, article exhibit or other portion of this Agreement, 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 Agreement, 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 25. Authority to Execute.**

Each party covenants to the other party that it has the lawful authority to enter into this Agreement and has authorized the execution of this Agreement by the party's authorized representative.

**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: \_\_\_\_\_  
Assistant County Attorney

**ATTEST: CHERYL STRICKLAND, CLERK**

By: \_\_\_\_\_

**JACKSONVILLE MEDICAL CENTER  
DEVELOPMENT LLC**

By: \_\_\_\_\_

**WITNESS AS TO:**

By: \_\_\_\_\_

Print: \_\_\_\_\_