

RESOLUTION NO. 2024 - 321

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY, FLORIDA, AUTHORIZING THE COUNTY ADMINISTRATOR, OR DESIGNEE, TO EXECUTE AN ECONOMIC DEVELOPMENT INCENTIVE AGREEMENT WITH PAVO, LLC 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, Pavo, LLC submitted an application to the St. Johns County Economic Development Agency (AGENCY) requesting business incentives be considered to construct a new 22,680 square foot speculative industrial/office building on parcel number 0270900041 in St. Johns County to lease space to prospective tenants; and

WHEREAS, the AGENCY prepared a written report and presented the request to the Board of County Commissioners (BOARD) on June 4, 2024; and

WHEREAS, the BOARD approved the incentive request for four (4) years ad valorem taxes on new real property improvements (general county portion) and up to 100% of impact fees and water/sewer connection fees collected by the County, with an incentive value estimated to be \$107,224; and

WHEREAS, the BOARD directed the County Attorney's office to prepare an Economic Development Incentive Agreement for this project; and

WHEREAS, the COUNTY has reviewed the terms, provisions, conditions and requirements of the proposed Economic Development Incentive Agreement (attached hereto and incorporated herein), and has determined that accepting the terms of the Economic Development Incentive 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 an agreement substantially in the same form as the attached Economic Development Incentive 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 6th day of August, 2024.

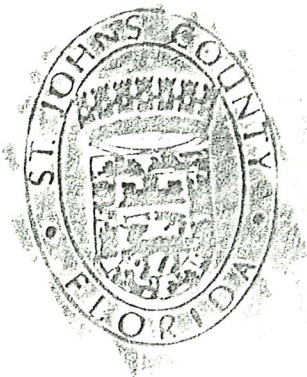
Rendition Date ~~_____~~ **AUG 09 2024**

BOARD OF COUNTY COMMISSIONERS OF
ST. JOHNS COUNTY, FLORIDA

By: _____
Sarah Arnold, Chair

ATTEST: BRANDON J. PATTY, CLERK
OF THE CIRCUIT COURT & COMPTROLLER

By: _____
Deputy Clerk



**ECONOMIC DEVELOPMENT INCENTIVE AGREEMENT
BETWEEN ST. JOHNS COUNTY, FLORIDA, AND
PAVO, LLC**

THIS ECONOMIC DEVELOPMENT INCENTIVE AGREEMENT (Agreement) is entered into between **ST. JOHNS COUNTY, FLORIDA** (the County), a political subdivision of the State of Florida, located at 500 San Sebastian View, St. Augustine, Florida, 32084 and **Pavo, LLC** (Pavo), a company authorized to do business in the state of Florida, whose primary place of business is located at **1390 Coffeen Avenue, Suite 1200, Sheridan, WY 82801**, this ____ day of _____, 2024.

RECITALS

WHEREAS, Section 125.045, Florida Statutes, declares that a public purpose is served when a county makes economic development incentives 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 incentives; 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 2014-30, adopted and implemented a St. Johns County Business Incentive Program, for the purpose of providing economic development grants and other incentives allowed by Florida law for private enterprises which meet the criteria established under the ordinance; and

WHEREAS, **Pavo** received a favorable recommendation for award of an Economic Development Incentive by the Board of County Commissioners; and

WHEREAS, **Pavo** is constructing a speculative industrial/office building totaling 22,680 square feet on parcel number 0270900041 within St. Johns County, Florida to provide available space for new and expanding businesses within St. Johns County; and

WHEREAS, in accordance with Ordinance 2014-30, **Pavo** submitted an application to the County for the award of an Economic Development Incentive, seeking incentives to reimburse up to one hundred percent (100%) of Impact Fees on shell construction and water/sewer connection fees paid on behalf of the project and reimbursement of one hundred percent (100%) of the general county portion of ad valorem taxes on capital improvements for four (4) years associated with the project; and

WHEREAS, in accordance with Ordinance 2014-30, the St. Johns County Economic Development Agency (Agency) has reviewed the application and issued a report evaluating the proposed enterprise.

NOW THEREFORE, the County and **Pavo** (the Parties), in consideration of the terms set forth below, agree as follows:

Section 1. Effect of Recitals.

The Recitals expressed above are incorporated by reference into the body of this agreement as a substantive part hereof, and such Recitals shall be adopted as findings of fact.

Section 2. Project Details.

The Project shall be restricted to the specific details contained in **Pavo's** Application for Economic Development Incentive, a copy of which is attached to this agreement as Exhibit A, which is incorporated into this agreement by reference.

Section 3. Duration.

This agreement shall be effective upon execution by both parties and shall terminate when the County submits the final payment of the County Economic Development Incentive to **Pavo**, or on September 30, 2032, whichever occurs first.

Section 4. Definitions.

Unless stated otherwise in this agreement, all terms that are defined in Ordinance 2014-30 shall have the same meaning as is set forth therein.

Section 5. Payment of Fees and Taxes Prior to Claim Submission.

Prior to any submission of claim by **Pavo** to the County for a County Economic Development Incentive payment, **Pavo** shall pay to the County a total amount equal to the general County portion of County ad valorem taxes and applicable impact fees for the project. It is expressly understood by the Parties that **Pavo** shall pay the total amount of County ad valorem taxes as shown on **Pavo's** tax bill prior to **Pavo** applying for, or receiving, any County Economic Development Incentive payment in any eligible County Fiscal Year.

Section 6. Authority of the Board to Review Records.

(a) The agency reserves the right to review the applicable financial records of **Pavo** relating to the capital investment contemplated under this agreement in order to determine the degree of **Pavo's** compliance with this agreement, as well as **Pavo's** compliance with the applicable provisions of Ordinance 2014-30, as may be amended from time to time.

(b) The agency shall maintain such financial records, data, information, correspondence and documents as confidential to the full extent permitted under Chapter 119, Florida Statutes consistent with the request of **Pavo** for such purpose.

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

(a) Economic Development Incentive payments shall be made pursuant to the requirements set forth in the St. Johns County Business Incentives Ordinance, as may be amended from time to time.

(b) For each fiscal year in which **Pavo** is eligible for an Economic Development Incentive payment, **Pavo** shall submit a claim to the County for such payment prior to the end of the fiscal year. Any claim made pursuant to this agreement shall comply with the requirements set forth in Ordinance 2014-30.

(c) If **Pavo** fails to timely submit a claim to the County for an Economic Development Incentive payment during any eligible fiscal year, then **Pavo** shall waive its right to such payment for that particular fiscal year. Any such waiver shall not affect **Pavo's** right to seek Economic Development Incentive payments in any other fiscal year during the term of this agreement.

(d) Upon written request by **Pavo**, the Board may consider and approve an untimely claim for an Economic Development Incentive payment. Such relief shall be granted no more than once during the term of this agreement. Nothing in this subsection shall create any obligation on the part of the Board to approve an untimely claim for an Economic Development Incentive payment.

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

(a) In order to remain eligible for County Economic Development Incentive payments, **Pavo** must abide by and comply with the provisions set forth in this agreement, any incorporated attachments or exhibits, any amendment to this agreement and any applicable provisions of Ordinance 2014-30.

(b) **Pavo** shall complete construction of the project and obtain a Certificate of Completion no later than September 30, 2025.

(c) Should the County determine that **Pavo** has failed to comply with the conditions set forth in Section 8(b) of this agreement, the County shall notify **Pavo** of such non-compliance no later than thirty (30) days after the County makes such a determination. **Pavo** shall have thirty (30) days from the date of the County's notification in which to submit to the County a written report that either sufficiently documents **Pavo's** compliance with the conditions set forth in the County's notification or sufficiently sets forth all corrective action to be taken by **Pavo** in order to come into compliance with the conditions set forth in Section 8(b) above.

(d) If **Pavo** fails to sufficiently establish its compliance with the conditions set forth above within thirty (30) days after notification of non-compliance or fails to provide a plan to cure approved by the County within such time, then the County may terminate this agreement without further notice to **Pavo**, and the parties shall be released from any further obligations under this agreement.

Section 9. Acknowledgment of Compliance as a Condition Precedent to Payment and Consequences for Failure to Comply.

(a) By executing this agreement, **Pavo** represents that it has obtained all licenses and other authorizations to do business in the state of Florida and in St. Johns County. **Pavo** acknowledges that obtaining such licenses and authorizations is a condition precedent to receiving any County Economic Development Incentive Payment. Failure to maintain such licenses and authorizations shall result in **Pavo** losing its eligibility to receive future Economic Development Incentive Payments for the duration of the non-compliance.

(b) By executing this agreement, **Pavo** acknowledges that compliance with all terms of this agreement shall be a condition precedent to **Pavo** receiving any County Economic Development Incentive payment. Failure to comply with the terms of this agreement shall result in **Pavo** losing its eligibility to receive future Economic Development Incentive Payments for the duration of the non-compliance.

Section 10. Notice Regarding Incentive Payments to Pavo.

(a) **Pavo acknowledges that the County's payment of incentive funds pursuant to this agreement is contingent upon the appropriation of sufficient funds for that purpose by the Board. Pursuant to the requirements of Section 129.07, Florida Statutes, payments made under this agreement shall not exceed the amount appropriated in the County's budget for such purpose in that fiscal year. Nothing in this agreement shall create any obligation on the part of the Board to appropriate funds for Economic Development Incentives during any given fiscal year.**

(b) If Economic Development Incentive funds are unavailable in a particular fiscal year, **Pavo** shall not receive additional incentive payments in a succeeding fiscal year in order to make up for such unavailability unless the Board authorizes such payment by resolution. If the Board authorizes additional payments pursuant to this subsection, the County and **Pavo** shall execute an amendment to this agreement, which shall incorporate the resolution authorizing the additional payments.

Section 11. Total Amount of County Economic Development Incentive; Re-Calculation of Total Amount Permitted.

(a) **Pavo** shall be eligible to receive incentive payments under this agreement in the following fiscal years:

- | | | | |
|-----|------|-----|------|
| (1) | 2027 | (4) | 2030 |
| (2) | 2028 | (5) | 2031 |
| (3) | 2029 | (6) | 2032 |

(b) Subject to the provisions of Ordinance 2014-30, the Business Incentive Program, and this agreement, the average incentive payment to be paid in each fiscal year is approximately eighteen thousand, four hundred and twenty-nine dollars (\$18,429). An economic development incentive calculation sheet is attached to this agreement as Exhibit B and is incorporated into this agreement by reference.

(c) Notwithstanding the provisions of subsection (b) above, **Pavo's** eligibility for Economic Development Incentive payments shall be calculated based on the standards set forth in Ordinance 2014-30, and Business Incentive Program guidelines. Incentive payments are tied to **Pavo's** ad valorem property tax assessments for the project and may fluctuate from year to year depending on **Pavo's** property values.

(d) Notwithstanding any other provision in this agreement, the maximum amount of Economic Development Incentive funds available to **Pavo** under this agreement is one hundred seven thousand, two hundred and twenty-four dollars (\$107,224). However, nothing in this subsection shall entitle **Pavo** to receive the maximum amount of funds if **Pavo** would not be otherwise entitled to the funds according to **Pavo's** incentive calculation.

Section 12. Notices.

All official notices to the County shall be delivered by hand (receipt of delivery required), reputable overnight courier, or certified mail, return-receipt requested with postage prepaid and shall be deemed delivered upon confirmed receipt to:

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

Any official notice sent to the County shall be copied to the Office of County Attorney:

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

All official notices to **Pavo** shall be delivered by hand (receipt of delivery required), reputable overnight courier or by certified mail, return-receipt requested with postage prepaid and shall be deemed delivered upon confirmed receipt to:

Traci Courchaine
Pavo, LLC
51 Ellis Street, Suite 103
St. Augustine, FL 32095-8549

Section 13. Timeframe for Pavo's Approval, Acceptance and Execution of this Agreement; Consequences for Failure to Comply.

(a) Upon approval of this agreement by the Board, the County Administrator shall execute two copies of the agreement and forward both copies to **Pavo**. **Pavo** shall execute both copies and shall return one copy to the County, retaining the second copy for its records, within thirty (30) days of the County Administrator's execution of the agreement.

(b) If **Pavo** fails to timely execute and deliver a copy of this agreement to the County within thirty (30) days of the County Administrator's execution of the agreement, and **Pavo** fails to apply to the County for an extension of time, the Board's approval of this agreement shall be automatically terminated and this agreement shall be rendered void.

(c) If **Pavo** is unable to return an executed copy of this agreement to the County within thirty (30) days of the County Administrator's execution of the agreement, **Pavo** may apply to the agency for a single extension not to exceed thirty (30) days.

Section 14. Amendments to this Agreement.

Both the County and **Pavo** acknowledge that this agreement constitutes the complete agreement and understanding of the parties. Except as otherwise provided in this agreement, any amendment to this agreement shall be in writing and shall be executed by duly authorized representatives of both the County and **Pavo**.

Section 15. Termination.

(a) This agreement may be terminated as provided in Section 8 of this document.

(b) The County may terminate this agreement if **Pavo** fails to comply with the terms of this agreement or the requirements of Ordinance 2014-30.

(c) Notice of termination of this agreement by either party shall be in writing and shall be delivered as provided in Section 12 of this agreement.

Section 16. Assignment.

Pavo may not assign or otherwise transfer its rights and duties under this agreement. Should **Pavo** assign or otherwise transfer its rights under this agreement, this agreement shall be automatically terminated. Nothing in this section shall prevent **Pavo** from assigning or otherwise transferring its rights and duties under this agreement to an affiliate, subsidiary, or parent company of **Pavo**.

Section 17. Public Records.

Pavo acknowledges that the County is subject to the provisions of the Public Records Act (Chapter 119, Florida Statutes). This agreement, and all documents associated with this agreement, are public records and shall be disclosed to any person who requests them to the extent that they do not fall within a statutory exemption to disclosure. Notwithstanding the foregoing, the County shall not disclose any information that is required to be kept confidential pursuant to Section 288.075, Florida Statutes, or any other provision of state or federal law, unless it is ordered to do so by a court of competent jurisdiction or a state or federal agency that is authorized to require disclosure of confidential information.

Section 18. 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 part of this agreement.

Section 19. Severability.

If any part or application of this agreement is declared unconstitutional, or otherwise invalid, for any reason by a court of competent jurisdiction, such part or application shall be severable and the remainder of the agreement shall remain in full force and effect.

Section 20. Authority to Execute.

Each party covenants that it has the lawful authority to enter into this agreement and has authorized the execution of this agreement by the signatories below.

[The remainder of this page is intentionally blank.]

IN WITNESS WHEREOF, the Parties have executed this agreement this _____ day of _____, 2024.

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

By: _____
Joy Andrews, County Administrator

**ATTEST: BRANDON J. PATTY, CLERK
OF THE CIRCUIT COURT & COMPTROLLER**

By: _____

COMPANY

By: _____
Name: _____
Title: _____

WITNESS

By: _____
Print: _____

EXHIBIT A
APPLICATION
[to be attached]



St. Johns County Economic Development Business Incentive Program Application

APPLICANT BUSINESS INFORMATION

- Business name: PAVO, LLC
- Does the business operate under any other name? Yes No
- If yes, list all business names associated with the business:

- Federal employer identification number: 93-4770752
- State sales tax registration number: Application submitted
- Current company headquarters address: 1390 Coffeen Ave., Ste 1200
City: Sheridan State: WY Zip: 82801
- Describe the primary and secondary business activities:
Commercial Real Estate Flex Industrial/Office Development

- Has the business and/or any associated businesses currently or recently (within the last five years) been in litigation? Yes No
If yes, please explain:

- Is your business owned or controlled by one of the following countries – China, Russia, Iran, North Korea, Cuba, Venezuela or Syria? Yes No
If yes, please explain:

PROJECT CONTACT INFORMATION (main point of contact for incentive request)

- Name: Traci Courchaine
- Title: Property Manager - Commerce Lake
- Address: 8051 Tamiami Trail, Ste. E6
- City: Sarasota State: FL Zip: 34243
- Work phone: 8643166403 Cell phone: 8643166403
- Email address: pavollcfl@gmail.com

BUSINESS CONTACT INFORMATION (if different from above)

- Name:
- Title:
- Address:
- City State: Zip:
- Work phone: Cell phone:
- Email address:



PROJECT INFORMATION

- Type of facility development: New Expansion Speculative
- If speculative space, what is the intended use?
Flex Industrial Office
- Will the company purchase/lease existing space? Yes No
- What is the estimated facility square footage under roof H/C? 22,680
- What date is construction projected to begin? 8/1/24
- What date will the facility be complete and operational? 9/30/25
- What is the parcel number and/or address (if identified)? 0270900041
- Is the property zoned to accommodate the proposed use? Yes No
If not, what zoning change is required? N/A
- Have any permits, applications and/or pre-applications been submitted within St. Johns County regarding this project? Yes No
If yes, please explain:

- How many full-time equivalent jobs new to St. Johns County are projected to be created as part of the project? N/A
- Provide the total number of existing full-time equivalent jobs that will be retained as part of the project. N/A
- Provide the type of new employment proposed and the average annual pay rate. Provide a list of positions and the wage rate for each position.
The employees of this type of tenant tend to have an equal mix of mid to upper level managers to industrial/tech workers.
- What is the 6-Digit NAICS code for the project's primary activities? N/A
- Are other locations outside of St. Johns County being considered for this project? Yes No
If yes, what other locations besides St. Johns County are being considered for this project?
Duval County, Clay County

- What advantages or incentives offered by these other locations are considered important in the relocation decision?
Larger population and less expensive land acquisition costs. They also offer similar incentive programs (REV Grant, HIPI and possibly the Downtown Preservation/Revitalization - Downtown Jacksonville).
- Please provide any additional internal or external competitive issues impacting the decision regarding the project's location.
We are intending to create a high-end property and construction costs in St. Johns county are very high at this point in time.. This particular lot has remained vacant for 25 years. It happens to be off the main road (IGP) and is hidden from view. Therefore our investment company needs to offer incentives to future tenants in order to get them to lease this property. Upon soil boring, this particular property is showing organic wastes (10 ft down) and mucky conditions. This may increase site prep costs substantially.
- What role will the incentives play in the decision to locate the project to St. Johns County?
This building is speculative. The grant will be required for the business plan to work to put this property in service.



- Will the applicant be applying for other local, state or federal grants and/or incentives? If yes, please define.
No

- Is the applicant or anyone associated with the project a relative or employer of any elected official, officer or employee of the County? Yes No
If yes, please specify:

- Capital investment values: \$5M+
Real property (land) 1,000,000
Real Property (building) 3,960,000
Other taxable improvements Tenant Buildouts
Tangible assets (equipment) Unknown

PROJECT DESCRIPTION

Provide a description of the proposed project explaining the desire to expand, locate, or build within St. Johns County and the economic benefits the project would provide to the community. 22,680 sq foot grade level spec space for industrial and office tenants. This building is speculative. The owner will not be moving in.

We want to provide an upscale office/warehouse mix for the offices and possible showroom/meeting needs.

This will help attract high tech "open floorplan" office tenants as well as industrial tenants looking for a central location within St. Johns County with quick access to I95.

Based on success of the first building, we plan to add a second, similar-sized building to the property.

DOCUMENTATION

Please submit the following documents with this completed application.

- **Site Map** – Map identifying the proposed location and property boundaries with an explanation of the possible transportation impacts.
- **Florida Department of State (Sunbiz.org) Business Documents**
(If applicable at the time the application is submitted).



CONFIDENTIALITY REQUEST

The company requires confidentiality in its requests for consideration of economic incentives. Yes No

Please note that if information about the project has already been made public (the project has been in the media or is being promoted/marketed), then the project is not eligible for a confidentiality request.

If the applicant answers "yes" with respect to requesting confidentiality in its request for consideration of economic incentives, then the following authorization is required:

The applicant authorizes the disclosure, and covenants to hold the County, and its officials and employees and the Public Agency and its members, attorney, and staff harmless and release them from any liability that they incur, should they or any of them disclose information or records that the applicant has requested be kept confidential in the manner, and to the extent that is set forth in Section 288.075, Florida Statutes, when such disclosure is later requested or authorized by the applicant, when such information and records are no longer exempt from disclosure under the provisions of Section 288.075, Florida Statutes, when such disclosure results from an order, requirement or request, by, or from, a court of competent jurisdiction, or a Florida agency or department, or when such disclosure is required or authorized to be disclosed by this Ordinance, as amended from time to time.

SIGNATURE

By signing this document, I certify that I am authorized to submit an application on behalf of the company.

Traci Courchaine/Property Manager - Commerce Lake Offices

2/15/24

Applicant Signature and Title

Date

APPLICATION SUBMITTAL

Please return this completed application with required documentation to srodgers@sjcfl.us. For additional information, call 904-209-0541 or visit www.sjcfl.us/economicdevelopment.



LEGEND	
⊕	BORING TYP
⊕	HAND AUGER TYP

SCHEMATIC DESIGN
SCALE: 1/8" = 1'-0" (IF PRINTED ON 24x36 SHEET)

SCHEMATIC DESIGN FOR
COMMERCE LAKE OFFICES

NSI PLANS

SOLID FOR

SHEET TITLE:

DRAWING BY: CHELSEA BAIL

EXHIBIT B

COUNTY ECONOMIC DEVELOPMENT INCENTIVE CALCULATION

[to be attached]

**ESTIMATE OF ECONOMIC DEVELOPMENT
INCENTIVE CALCULATION
PAVO, LLC**

Calculations based on County Ordinance 2014-30 and millage rates effective on October 1, 2023

Category: **Speculative Space**

POINTS AWARDED

Facility Size: 22,680 sq ft	2
Facility Type: Industrial/Office	2
Additional Consideration: Project located in area of county deemed deficient in a majority of school capacity	1
Total Points	5

The applicant scored 5 points under the Speculative Space Category. Therefore, this project is eligible for expedited permitting and an Economic Development Incentive equal to 100% of impact fees and water/sewer connection fees paid to the county and four (4) years ad valorem tax (general county portion) on capital improvements.

Total Value of Capital Improvements	3,960,000
Multiplied by County Millage rate	0.46537%
Annual Ad Valorem Tax (general county portion)	18,428.65
Multiplied by # Eligible Years	4
Ad Valorem Tax (general county portion) Estimate =	73,714.61

Total Square Footage	22,680
Impact Fee Category: Warehousing (includes buy down % to promote Economic Development)	22,680 (\$841 per 1,000 sq ft)
Impact Fee Estimate (100%) =	19,073.88

Water/Sewer Total Connection Fees Estimate (100%) = 14,435.98

TOTAL ESTIMATED INCENTIVE 107,224

Payout will begin when capital improvements are recognized on the tax roll. Annual installments will not exceed the annual general county portion of the ad valorem tax paid each year.

PAYOUT SCHEDULE

Total Maximum Possible Incentive:	107,224
Payout will consist of estimated annual installments of:	18,429

*The annual payment is based on the general county portion of the ad valorem taxes and tangible personal property taxes paid each year, which could fluctuate with increasing property values.

The total payout will not exceed the total incentive granted.

B. JOFFRION
CONSULTING
LLC



BETTER CALL BRANDI

To: Lex Morton Taylor III
From: Brandi L. Joffrion, Esq.
Date: June 22, 2024
Subject: Authority of John Bogart to Sign on Behalf of Orion32 LLC and Pavo, LLC

This memorandum addresses the authority of John Bogart to sign documents on behalf of Pavo, LLC and Orion32 LLC. Based on the review of the Operating Agreements for each company, it is confirmed that John Bogart possesses the necessary authority to execute documents and conduct transactions on behalf of both entities.

Authority under the Operating Agreements

Orion32 LLC

1. Manager-Managed LLC:

- According to Section 7.01 of the Operating Agreement of Orion32 LLC, the company is designated as a manager-managed LLC.
- In a manager-managed LLC, only designated managers have the authority to act on behalf of the company.

2. Designation of John Bogart as Manager:

- John Bogart is identified as a manager in the Operating Agreement.
- Section 7.03 grants the manager, John Bogart, the authority to sign documents and bind the company in all legal, financial, and business matters.
- The Agreement does not impose any specific limitations on the scope of John Bogart's authority as manager.

Pavo, LLC

1. Manager-Managed LLC:

- According to Section 6.01 of the Operating Agreement of Pavo, LLC, the company is designated as a manager-managed LLC.
- As a manager-managed LLC, all managers have the authority to act on behalf of the company unless explicitly restricted.

2. Authority of John Bogart:

- John Bogart is listed as a manager in the Operating Agreement.

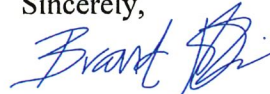
- There are no restrictions noted in the Agreement that limit his authority to sign documents or execute agreements on behalf of Pavo, LLC.
- Section 6.03 explicitly states that managers, including John Bogart, have full authority to bind the company in all transactions and agreements.

Conclusion

Based on the provisions of the Operating Agreements for Orion32 LLC and Pavo, LLC, it is evident that John Bogart is fully authorized to sign documents and conduct transactions on behalf of both companies. For Orion32 LLC, his authority is derived from his status as a manager of a manager-managed LLC. For Pavo, LLC, his authority is explicitly granted through his designation as a manager in a manager-managed LLC.

Should you require any further information or specific sections from the Operating Agreements, please do not hesitate to contact me.

Sincerely,



Brandi L. Joffrion, Esq.