

**RESOLUTION NO. 2024-399**

**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 INCENTIVE AGREEMENT WITH RULON COMPANY, NOW RULON INTERNATIONAL, INC., 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 Rulon Company, now Rulon International, Inc. (Rulon) entered into an Economic Development Grant Agreement (the Agreement) on May 31<sup>st</sup>, 2018, providing economic development incentives to construct a building expansion totaling approximately 27,000 square feet at 2000 Ring Way, St. Augustine, Florida (the Project) (Building A); and

**WHEREAS**, the duration of the Agreement runs from May 31<sup>st</sup>, 2018, through September 30, 2026; and

**WHEREAS**, Rulon submitted an application for the St. Johns County Business Incentive Program on June 25<sup>th</sup>, 2024 for the expansion of its operations at a facility located at 3935 Inman Road, St. Augustine, Florida (Building B); and

**WHEREAS**, the expansion of the Rulon would create fifteen (15) new jobs in St. Johns County which is in excess of their original commitments to the County and otherwise qualifies Rulon for potential additional incentives; and

**WHEREAS**, based upon review and consideration of said application and the continued economic value the Rulon has created in St. Johns County, executing the First Amendment to the Agreement as referenced above serves the collective interests of both the County and Rulon International.

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

**SECTION 1. Incorporation of Recitals.**

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

**SECTION 2. Authorization to Execute.**

The County Administrator, or their designee, is hereby authorized to execute an agreement substantially in the same form as the attached First Amended 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 or administrative errors or omissions that do not change the tone, tenor, or context of this Resolution, this Resolution may be revised without subsequent approval of the Board of County Commissioners.

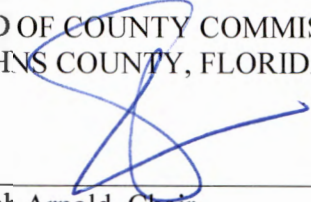
**SECTION 4. Effective Date.**

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

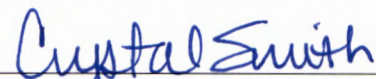
**PASSED AND ADOPTED** by the Board of Board of County Commissioners of St. Johns County, Florida this 17th day of September, 2024.

Rendition Date SEP 17 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



**FIRST AMENDMENT ECONOMIC DEVELOPMENT  
INCENTIVE AGREEMENT BETWEEN ST. JOHNS COUNTY, FLORIDA,  
AND RULON COMPANY, NOW RULON INTERNATIONAL, INC.**

**THIS FIRST AMENDMENT (First Amendment) to the Economic Development Incentive Agreement** (Agreement) approved by Resolution 2018-142, and executed May 15<sup>th</sup>, 2019, by and 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 **Rulon Company**, now Rulon International, Inc. (Rulon), a Florida corporation authorized to do business in the state of Florida, whose primary place of business is located at **2000 Ring Way, St. Augustine, Florida, 32092**.

**RECITALS**

**WHEREAS**, the County and Rulon entered into an Economic Development Incentive Agreement (the Agreement) on May 31<sup>st</sup>, 2018, providing economic development incentives to construct a building expansion totaling approximately 27,000 square feet at 2000 Ring Way, St. Augustine, Florida (Building A); and

**WHEREAS**, the duration of the Agreement runs from May 31<sup>st</sup>, 2018, through September 30, 2026; and

**WHEREAS**, Rulon submitted an application for the St. Johns County Business Incentive Program on June 25<sup>th</sup>, 2024 for the expansion of its operations at a facility located at 3935 Inman Road, St. Augustine, Florida (Building B); and

**WHEREAS**, the Building B expansion of Rulon would create fifteen (15) new jobs in St. Johns County which is in excess of their original commitments to the County and otherwise qualifies Rulon for potential additional incentives; and

**WHEREAS**, based upon review and consideration of said application and the continued economic value Rulon has created in St. Johns County, executing the First Amendment to the Agreement as referenced above serves the collective interests of both the County and Rulon.

**NOW THEREFORE**, the County and Rulon (the Parties), in consideration of, the mutual covenants and conditions set forth below, 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. Amendments to the Agreement.**

- A. Section 2 of the Agreement shall be amended to change the project details to include both buildings to receive incentives.

**Section 2. Project Details.**

The Project shall be restricted to the specific details contained in Rulon’s Application for Economic Development Grant for Building A, a copy of which is attached to this agreement as *Exhibit A*, and a New Job Phasing Schedule through December 31, 2020, a copy of which is attached to this agreement as *Exhibit B*, which is incorporated into this agreement as reference.

By the Amendment dated \_\_\_\_\_, the Project shall also be restricted to the specific details contained in Rulon’s Application for Economic Development Grant for Building B, a copy of which is attached to this amendment as *Exhibit D*, a New Job Phasing Schedule through June 30, 2025, a copy of which is attached to this amendment as *Exhibit E*, which is incorporated into this amendment as reference.

- B. Section 3 of the Agreement shall be amended to change the termination date of the Agreement to when the County submits the final payment of the County Economic Development Grant to Rulon or on September 30, 2030, whichever occurs first as follows:

**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 Grant to Rulon, or on September 30, ~~2026~~ 2030, whichever occurs first.

- C. Section 5 of the Agreement shall be amended to change the new full-time equivalent jobs to incorporate both buildings.

**Section 5. Total Number of New Full-Time Equivalent Jobs.**

(a) Rulon represents that it will provide at least twenty (20) new full-time equivalent jobs in St. Johns County as a result of the project (**Building A**), in addition to the 139 full-time jobs that exist in St. Johns County as of March 23, 2018 per *Exhibit A in the original agreement*. The new full-time equivalent jobs are to be created by December 31, 2020, at the latest. Subsequent new full-time equivalent jobs anticipated to be created shall be defined in *Exhibits A and B of the original agreement*.

(b) Rulon represents that it will provide at least fifteen (15) new full-time equivalent jobs in St. Johns County as a result of the project (**Building B**) per Exhibit D in this amendment, in addition to the jobs outlined above in section 5(a). The new full-time equivalent jobs are to be created by June 30, 2025, at the latest.

- D. Section 10 of the Agreement shall be amended to add a date of occupancy for Building B.

**Section 10. Conditions of Compliance, Consequence for Failure to Comply.**

(c) Rulon shall complete construction of the project (**Building A**) and occupy the building by June 30, 2019. Rulon shall occupy the project (**Building B**) by August 19, 2024.



E. Section 13(a) of the Agreement shall be amended to change the fiscal years that Rulon is eligible to receive grant payments to:

(a) Rulon shall be eligible to receive grant payments under this Agreement in the following fiscal years:

- |          |           |
|----------|-----------|
| (1) 2020 | (7) 2026  |
| (2) 2021 | (8) 2027  |
| (3) 2022 | (9) 2028  |
| (4) 2023 | (10) 2029 |
| (5) 2024 | (11) 2030 |
| (6) 2025 |           |

F. Section 13(b) of the Agreement shall be amended to include the average grant payments for fiscal years 2027 through 2030, as determined by a grant calculation sheet attached to this amendment as **Exhibit A**;

(b) Subject to the provisions of Ordinance 2014-30, the Business Incentive Program, and this agreement, the average grant payment to be paid in ~~each fiscal year~~ fiscal years 2020 through 2026 is approximately \$23,970 for Building A; and the average grant payment to be paid in fiscal years 2027 through 2030 is approximately \$39,742 for Building B. An economic development grant calculation sheet is attached to this amendment as Exhibit C and is incorporated into this amendment by reference.

G. Section 13(c) shall be amended to clarify the source of incentive rebates for fiscal years 2027 through 2030:

(c) Notwithstanding the provisions of subsection (b) above, Rulon'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. ~~Grant~~ Incentive payments for fiscal years 2020-2026 are tied to Rulon's ad valorem and tangible personal property tax assessments for ~~the project~~ Building A. Incentive payments for fiscal years 2027-2030 are tied to Rulon's ad valorem and tangible personal property tax assessments for Building B. The total amount rebated may fluctuate from year to year depending on Rulon's property values.

H. Section 13(d) of the Agreement shall be amended to set a base improvement taxable value for Building B;

(d) For purposes of determining net-new ad valorem improvement taxable value as it pertains to this agreement, it is hereby recognized that net-new ad valorem improvement taxable value of Building A shall be in addition to the total improvement taxable value of \$3,981,208, consisting of building and extra feature values, excluding land value, assessed on account #027870-0100 owned by Rulon for the 2017 tax year; and, for purposes of determining net-

new ad valorem improvement taxable value as it pertains to this agreement, it is hereby recognized that net-new ad valorem improvement taxable value of the property located at Building B shall be in addition to the total improvement taxable value of \$3,927,664, consisting of building and extra feature values, excluding land value, assessed on account # 0865200060 owned by Rulon for the 2024 tax year.

- I. Section 13(f) of the Agreement shall be amended to adjust the maximum amount of Economic Development Incentive funds available to Rulon:

Notwithstanding any other provision in this agreement, the maximum amount of Economic Development Incentive funds available to Rulon under this agreement is ~~\$129,238~~ \$288,205. However, nothing in this subsection shall entitle Rulon to receive the maximum amount of funds if Rulon would not be otherwise entitled to the funds according to Rulon's incentive calculation.

**Section 3. Severability.**

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

**Section 4. Effect of Agreement Amendment.**

With the exception of the amendments and revisions noted in this First Amendment, the Agreement remains in full force and effect.

*{The remainder of this page was intentionally left blank. Signatures to follow.}*

**IN WITNESS WHEREOF**, the parties have set their hand and seals as of the \_\_\_\_\_  
day of \_\_\_\_\_, 2024.

ST. JOHNS COUNTY, FLORIDA  
BOARD OF COUNTY COMMISSIONERS

By: \_\_\_\_\_  
Joy Andrews,  
County Administrator

Legal Review by:

By: \_\_\_\_\_  
Office of the County Attorney

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

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

Rulon International, Inc.

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

WITNESS AS TO:

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

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

EXHIBIT D  
APPLICATION  
[to be attached]





## St. Johns County Economic Development Business Incentive Program Application

### APPLICANT BUSINESS INFORMATION

- Business name: Rulon Company
- Does the business operate under any other name?  Yes  No
- If yes, list all business names associated with the business:  
Rulon International, Inc.
- Federal employer identification number: 58-2337657
- State sales tax registration number: 65-5013532571-0
- Current company headquarters address: 2000 Ring Way  
City: St Augustine State: Florida Zip: 32092
- Describe the primary and secondary business activities:  
Design, manufacture, and sales of wood acoustical ceiling and wall systems
- 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: Caleb Diffell
- Title: CFO
- Address: 2000 Ring Wan
- City: St Augustine State: FL Zip: 32092
- Work phone: 904 584-1400 Cell phone:
- Email address: cdiffell@rulonco.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?
  
- Will the company purchase/lease existing space?  Yes  No
- What is the estimated facility square footage under roof H/C? 72,831 (46,515 A/C)
- What date is construction projected to begin? Existing
- What date will the facility be complete and operational? 7/02/2024
- What is the parcel number and/or address (if identified)? 3935 Inman Rd, St Augustine, FL 32084
- Is the property zoned to accommodate the proposed use?  Yes  No  
If not, what zoning change is required?
- 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? 15
- Provide the total number of existing full-time equivalent jobs that will be retained as part of the project. 184
- 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.  
1 Manager \$70K, 1 Driver 48K, 3 Admin 65K, 10 Production line workers 48K
- What is the 6-Digit NAICS code for the project's primary activities? 321211
- 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?  
Warehouse facilities in Clay and Duval Counties
  
- What advantages or incentives offered by these other locations are considered important in the relocation decision?  
Purchase price and lease rate advantages
  
- Please provide any additional internal or external competitive issues impacting the decision regarding the project's location.  
Distance from main operation plant and transportation corridors
  
- What role will the incentives play in the decision to locate the project to St. Johns County?  
Overall cost factor of expansion



- 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:  
Real property (land) 10,600,000 (land and building)  
Real Property (building)  
Other taxable improvements  
Tangible assets (equipment) 2,000,000 in additional equipment

### 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.

The purpose of the project is to facilitate the continuing growth of our business. We have already outgrown our current facility and require additional space to accommodate our current volume and enable continued growth.

We will use the additional facilities to both store our raw material inventory and add additional production capacity.

We prefer to keep our expansion in St. Johns County due to proximity to our main facility and corporate headquarters.

### 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.

Applicant Signature and Title *Caleb Diffell* Chief Financial Officer Date 6/25/2024

### APPLICATION SUBMITTAL

Please return this completed application with required documentation to [ecodev@sjcfl.us](mailto:ecodev@sjcfl.us). For additional information, call 904-209-0560 or visit [www.sjcfl.us/economicdevelopment](http://www.sjcfl.us/economicdevelopment).

**ESTIMATE OF ECONOMIC DEVELOPMENT  
INCENTIVE CALCULATION  
RULON INTERNATIONAL**

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

Category:	Existing Industry	
Total Value of Capital Expenditure		10,467,500 *final sale price per Property Appraiser
Base Building Value		3,635,084
Extra Features Value		292,580
Multiplied by County Millage Rate		0.46537%
Annual Ad Valorem Tax (general county portion)		30,434.43
Multiplied by # Eligible Years		4
<b>Ad Valorem Tax (general county portion) Estimate =</b>		<b>121,737.74</b>
Total Estimated Value of New Tangible Assets		2,000,000
Multiplied by County Millage Rate		0.46537%
Annual New Tangible Business Personal Property Tax (general county portion)		9,307.40
Multiplied by # Eligible Years		4
<b>Total Tangible Business Personal Property Tax (general county portion) Estimate =</b>		<b>37,229.60</b>
<b>TOTAL ESTIMATED INCENTIVE</b>		<b>158,967</b>

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:**

<b>Total Maximum Possible Incentive:</b>	<b>158,967</b>
<b>Payout will consist of estimated annual installments of:</b>	<b>39,742</b>

\*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 approved.



EXHIBIT E  
BUILDING B JOB PHASING SCHEDULE  
[to be attached]

## **EXHIBIT E**

### **RULON COMPANY**

#### **BUILDING B JOB PHASING SCHEDULE**

3rd Quarter 2024 (ending September 30, 2024)	2 New Jobs
4th Quarter 2024 (ending December 31, 2024)	3 New Jobs
1st Quarter 2025 (ending March 31, 2025)	5 New Jobs
2nd Quarter 2025 (ending June 30, 2025)	<u>5 New Jobs</u>
Total by 2nd Quarter 2025	15 New Jobs

Res 2018-142

## ECONOMIC DEVELOPMENT GRANT AGREEMENT

**THIS ECONOMIC DEVELOPMENT GRANT 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 **Rulon Company (RULON)**, a Georgia corporation authorized to do business in the state of Florida, whose primary place of business is located at 2000 Ring Way, St. Augustine, Florida 32092, this 31<sup>st</sup> day of May, 2018.

### 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 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**, **RULON** received a favorable recommendation for award of an Economic Development Grant by the Board of County Commissioners; and

**WHEREAS**, **RULON** anticipates creating 20 new jobs at an average wage of at least \$40,500; and

**WHEREAS**, **RULON** is constructing a building expansion totaling approximately 27,000 square feet at their facility located at 2000 Ring Way, St. Augustine, Florida; and

**WHEREAS**, in accordance with Ordinance 2014-30, **RULON** submitted an application to the County for the award of an Economic Development Grant, seeking incentives to reimburse up to one hundred percent (100%) of Impact Fees collected by St. Johns County and certain utility connection fees for capital improvement associated with

the project and reimbursement of one hundred percent (100%) of the general county portion of ad valorem taxes on new capital improvements and net-new tangible personal property 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 **RULON** (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 **RULON's** Application for Economic Development Grant, a copy of which is attached to this agreement as Exhibit A, and a New Job Phasing Schedule through December 31, 2020, a copy of which is attached to this agreement as Exhibit B, 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 Grant to **RULON**, or on September 30, 2026, 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. Total Number of New Full-Time Equivalent Jobs.**

(a) **RULON** represents that it will provide at least 20 new full-time equivalent jobs in St. Johns County as a result of the project, in addition to the 139 full-time jobs that exist in St. Johns County as of March 23, 2018 per Exhibit A. The new full-time equivalent jobs are to be created by December 31, 2020, at the latest. Subsequent new full-time equivalent jobs anticipated to be created shall be defined in Exhibits A and B.

(b) RULON's representation of the number of new full-time equivalent jobs that will be created by the project was a factor relied upon by the County with respect to entering into this agreement. Therefore, once RULON fulfills its full-time equivalent jobs requirement as set forth in subsection (a) above, it shall be required to maintain at least that many full-time equivalent jobs in the County in order to maintain its eligibility to receive Economic Development Grant funds pursuant to this agreement.

**Section 6. Average Wage of Full-Time Equivalent Jobs.**

(a) RULON represents that it will provide wages at an average of at least \$40,500 in the aggregate for the new full-time equivalent jobs created in St. Johns County as a result of the project. Wages shall include all monetary compensation to employees such as salaries, bonuses and commissions, exclusive of benefits. The average wage of \$40,500 for the new full-time equivalent jobs is to be provided for each year a grant payment is requested. For the purpose of calculating average wages under this section, the term "new full-time equivalent jobs" shall mean those jobs identified in Exhibits A and B to this agreement. The wages for any jobs created in addition to the new full-time equivalent jobs shall not be included in the calculation of average wages, provided that RULON creates and maintains the new full-time equivalent jobs at the average wage provided in this section.

(b) RULON's representation of the average wage of the new full-time equivalent jobs was a factor relied upon by the County with respect to entering into this agreement. Therefore, once RULON fulfills its full-time equivalent jobs requirement as set forth in Section 5 of this agreement, the average wage of the new full-time equivalent jobs in the County shall be considered a condition associated with RULON's eligibility to receive County Economic Development Grant funds.

**Section 7. Payment of Fees and Taxes Prior to Claim Submission.**

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

**Section 8. Authority of the Agency to Review Records.**

(a) The Agency reserves the right to review the applicable financial and personnel records of RULON relating to the capital investment and new full-time equivalent jobs contemplated under this agreement in order to determine the degree of RULON's compliance with this agreement, as well as RULON'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 and personnel records, data, information, correspondence and documents as confidential to the full extent permitted under Chapter 119, Florida Statutes, consistent with the request of RULON for such purpose. RULON shall label any records provided to the County that contain trade secrets or proprietary information prior to such records being provided to the County.

**Section 9. Timely Filed Claims; Consequences for Failure to File Timely Claims.**

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

(d) Upon written request by RULON, the Board may consider and approve an untimely claim for an Economic Development Grant 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 Grant payment.

**Section 10. Conditions of Compliance; Consequence for Failure to Comply.**

(a) In order to remain eligible for County Economic Development Grant payments, RULON 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) RULON shall complete construction of the project and occupy the building by June 30, 2019.

(c) Should the County determine that RULON has failed to comply with the conditions set forth in Sections 5, 6, or 10(b) of this agreement, the County shall notify RULON of such non-compliance no later than 30 days after the County makes such a determination, RULON shall have 30 days from the date of the County's notification in which to submit to the County a written report that either sufficiently documents RULON's compliance with the conditions set forth in the County's notification or

sufficiently sets forth all corrective action to be taken by RULON in order to come into compliance with the conditions set forth in Sections 5, 6, or 10(b) above.

(d) If RULON fails to sufficiently establish its compliance with the conditions set forth above within 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 RULON, and the parties shall be released from any further obligations under this agreement.

**Section 11. Acknowledgment of Compliance as a Condition Precedent to Payment and Consequences for Failure to Comply.**

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

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

**Section 12. Notice Regarding Grant Payments to RULON.**

(a) RULON acknowledges that the County's payment of grant 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 Grants during any given fiscal year.

(b) If Economic Development Grant funds are unavailable in a particular fiscal year, RULON shall not receive additional grant 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 RULON shall execute an amendment to this agreement, which shall incorporate the resolution authorizing the additional payments.

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

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

- |     |      |     |      |
|-----|------|-----|------|
| (1) | 2020 | (5) | 2024 |
| (2) | 2021 | (6) | 2025 |
| (3) | 2022 | (7) | 2026 |
| (4) | 2023 |     |      |

(b) Subject to the provisions of Ordinance 2014-30, the Business Incentive Program, and this agreement, the average grant payment to be paid in each fiscal year is approximately \$129,238. An economic development grant calculation sheet is attached to this agreement as Exhibit C and is incorporated into this agreement by reference.

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

(d) For purposes of determining net-new ad valorem improvement taxable value as it pertains to this agreement, it is hereby recognized that net-new ad valorem improvement taxable value shall be in addition to the total improvement taxable value of \$3,981,208, consisting of building and extra feature values, excluding land value, assessed on account # 027870-0100 owned by **RULON** for the 2017 tax year.

(e) For purposes of determining net-new tangible personal property taxable value as it pertains to this agreement, it is hereby recognized that net-new tangible personal property taxable value shall be in addition to the total taxable value of \$1,672,473 inclusive of the standard \$25,000 exemptions assessed on account # 036048-0000 owned by **RULON** for the 2017 tax year.

(f) Notwithstanding any other provision in this agreement, the maximum amount of Economic Development Grant funds available to **RULON** under this agreement is \$129,238. However, nothing in this subsection shall entitle **RULON** to receive the maximum amount of funds if **RULON** would not be otherwise entitled to the funds according to **RULON's** grant calculation.

#### **Section 14. 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 Director  
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 **RULON** 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:

**Rulon Company**  
2000 Ring Way  
St. Augustine, FL 32084

**Section 15. Timeframe for RULON'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 **RULON**. **RULON** shall execute both copies and shall return one copy to the County, retaining the second copy for its records, within 30 days of the County Administrator's execution of the agreement.

(b) If **RULON** fails to timely execute and deliver a copy of this agreement to the County within 30 days of the County Administrator's execution of the agreement, and 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 **RULON** is unable to return an executed copy of this agreement to the County within 30 days of the County Administrator's execution of the agreement, **RULON** may apply to the County for a single extension not to exceed 30 days.

**Section 16. Amendments to this Agreement.**

Both the County and **RULON** 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 **RULON**.

**Section 17. Termination.**

- (a) This agreement may be terminated as provided in Section 10 of this document.
- (b) The County may terminate this agreement if RULON 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 14 of this agreement.

**Section 18. Assignment.**

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

**Section 19. Public Records.**

RULON 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 20. 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 21. 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 22. 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.



IN WITNESS WHEREOF, the Parties have executed this agreement this 31<sup>st</sup> day of May, 2018.

LEGALLY SUFFICIENT  
[Signature]  
Name  
Date: 5/18/18

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

By: [Signature]  
County Administrator 5/21/18

**ATTEST: HUNTER S. CONRAD, CLERK**

By: Pam Salterano

**COMPANY**

By: Way H. Robison  
Name: WAYNE H. ROBISON  
Title: PRESIDENT / CEO

**WITNESS:**

By: [Signature]  
Print: Brian J. Tuttle



EXHIBIT A  
APPLICATION  
[to be attached]

EXHIBIT B  
NEW JOB PHASING SCHEDULE  
[to be attached]

EXHIBIT C

COUNTY ECONOMIC DEVELOPMENT GRANT CALCULATION

[to be attached]



**St. Johns County  
Economic Development  
Business Incentive Program  
Grant Application**

Applicant's Name:

Federal Employer Identification Number:

State Sales Tax Registration Number:

Current Company Headquarters:

Address

City  State  Zip Code

Primary Contact Person:

Primary Contact Person Title:

Address

City  State  Zip Code

Business Phone Number  Fax Number

Cell Number  E-mail

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

If the applicant answers "Yes" with respect to requesting confidentiality in its request for consideration on 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.**



Description of the primary and secondary business activities the company is engaged in:

Design and manufacture of non-structural beams, custom wood ceiling and wall panels, including panels with significant acoustical properties. Also distribution of engineered polymer ceiling panels.

Type of Facility Development:  new  expansion  speculative

If speculative space, what is the intended use: n/a

Will the company purchase or lease existing space?  Yes  No

Estimated Square Footage of Facility Under Roof H/C: add'l 27,000 s.f.

Date construction is projected to begin: April 2018

Date facility will be complete and operational: December 2018

Is the property zoned to accommodate proposed use?  Yes  No

If not, what zoning change is required? n/a

Number of new full time employees: min. 20

Total number of existing full time employees: 139

6-digit NAICS Code for primary activities of the project: 321999

Will the applicant be applying for other local, State, or Federal grants and/or incentives? If so, please define:

Not anticipated

An explanation of the type of employment proposed and the average annual pay rate (please provide a list of positions and the wage rate for each position):

Production workers at beginning ave. pay rate of \$13.00-\$16.00/hour  
Production supervisors at approximately \$20.00/hour  
Project engineers and managers at \$50,000-\$70,000

Capital Investment Values:

Real Property (Land) n/a

Real Property (Building) \$2,500,000

Other taxable improvements \$1,200,000

Tangible assets (Equipment) \$1,000,000

Description of the proposed project explaining the desire to expand, locate or build within St. Johns County and economic benefits the project would provide to the community. Please provide a brief statement explaining the role that the County's Economic Development Grant will play in the decision of the applicant to locate or expand its business in the County:

The project is necessary to enable expansion of production from one existing shift to include a full second shift in order to accommodate sales growth the company is generating currently and for the future. In addition to providing additional taxes to the County, the project will create additional full-time jobs to be filled primarily by St. Johns County residents. The County's Economic Development Grant will enable Rulon to move forward on the project and to expedite its completion.

Submit a Site Plan:

Location map identifying the proposed location and property boundaries with an explanation of the possible transportation impacts.

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

  
Applicant Signature and Title

03/23/2018

Date



## RULON INTERNATIONAL

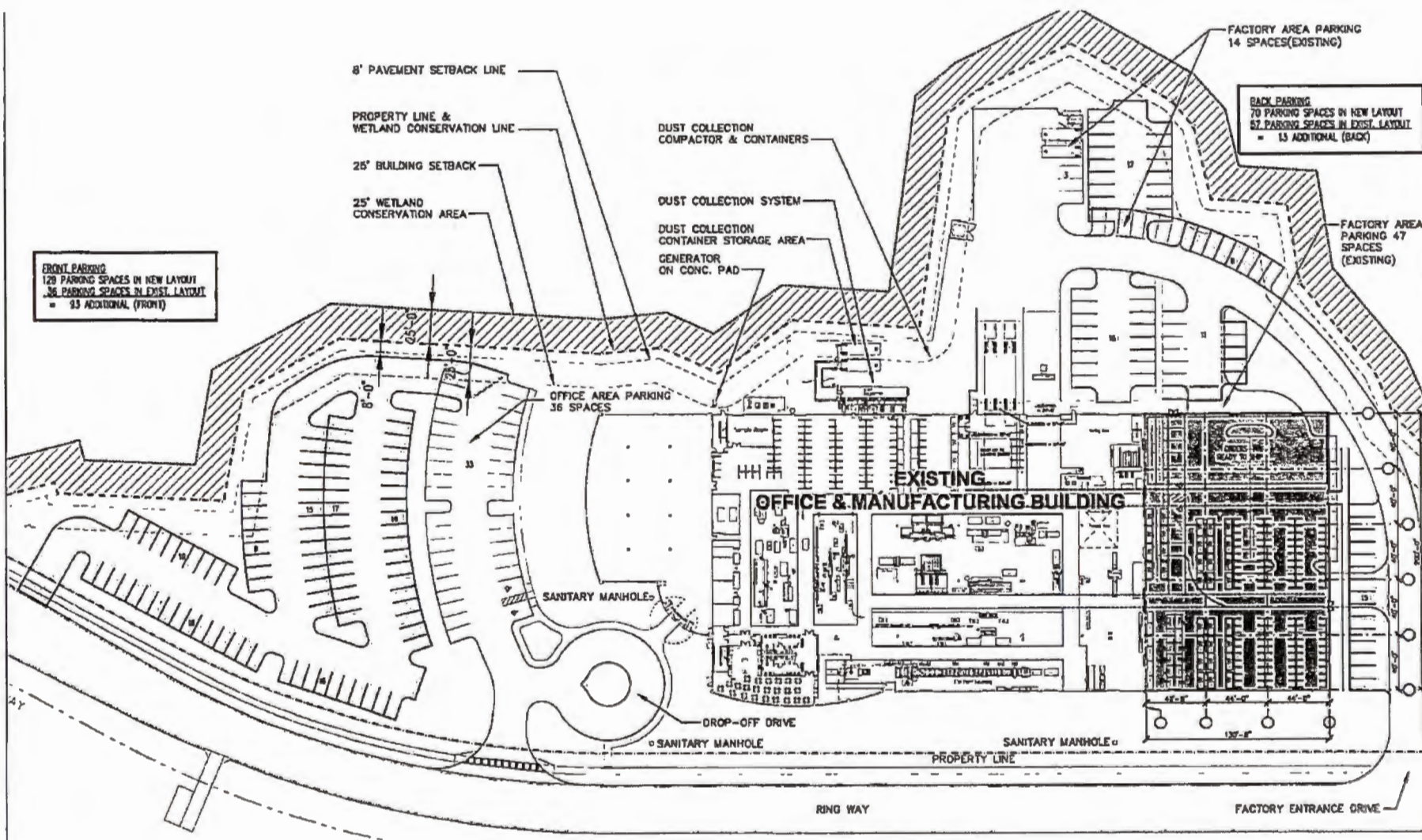
Rulon Company, also trading as Rulon International, has been designing and manufacturing custom wood ceiling and wall panels for well over 30 years. Rulon primarily services North America, Latin America, Europe, and the Middle East, engineering, manufacturing and delivering the finest suspended wood ceiling, acoustical wood wall systems, non-structural beams and engineered polymer ceiling and canopy systems. Incorporated since 1976, Rulon has grown to be the leading custom wood ceiling and acoustical wood wall manufacturer in the world, operating since early 2006 from our 85,000 square foot state-of-the-art corporate headquarters and manufacturing facility in beautiful St. Augustine, Florida.

Rulon works closely with architects and designers from initial design of their systems to the final installation by the contractors. Our in-house architects and engineers help discriminating architects, designers and ceiling contractors by enhancing their projects with the natural beauty of a wood ceiling, acoustical wood wall system or the long lasting durability of a Endure engineered polymer ceiling and canopy systems. Our long history of success owes to an unrelenting commitment to excellence in both product quality and customer service.

Suspended Wood Ceilings, Acoustical Wood Wall Systems, Engineered Polymer Ceiling and Canopy Systems

[www.rulonco.com](http://www.rulonco.com) • [info@rulonco.com](mailto:info@rulonco.com) • 2000 Ring Way, St Augustine, FL 32092 • 1-800-227-8566 • Ph: 904-584-1400 • Fax: 904-584-1499





**FRONT PARKING**  
 128 PARKING SPACES IN NEW LAYOUT  
 36 PARKING SPACES IN EXIST. LAYOUT  
 = 93 ADDITIONAL (FRONT)

**BACK PARKING**  
 70 PARKING SPACES IN NEW LAYOUT  
 67 PARKING SPACES IN EXIST. LAYOUT  
 = 13 ADDITIONAL (BACK)

# 3-BAY EXPANSION (26,560 SF)

 **ARCHITECTURAL SITE PLAN - 3 BAY EXPANSION**  
 SCALE: 1/32" = 1'-0"

0 15' 32' 64'  
 SCALE: 1/32" = 1'-0"

GALE HILL ENGINEERING INC.  
 940 HURRICANE CENTER DRIVE, SUITE 1  
 JACKSONVILLE, FLORIDA 32217  
 Tel: 904-396-0244  
 email: info@glehillengineering.com  
 No. 14581  
**C. M. HILL**  
 CERTIFICATE OF AUTHORIZATION

**RULON CORPORATION**  
**HEADQUARTERS - EXPANSION**  
 WORLD COMMERCE CENTER  
 PROPOSAL PHASE  
 ST. AUGUSTINE, FLORIDA

DATE	ISSUE/REVISION

**ARCHITECTURAL**  
**SITE PLAN**  
**3 BAY**  
**EXPANSION**

A-1

**EXHIBIT B**

**RULON COMPANY**

**NEW JOB PHASING SCHEDULE THROUGH 2020**

4 <sup>th</sup> Quarter 2019 (ending December 31)	10 New Jobs
4 <sup>th</sup> Quarter 2020 (ending December 31)	<u>10 New Jobs</u>
Total by 4 <sup>th</sup> Quarter 2020	20 New Jobs



**ESTIMATE OF ECONOMIC DEVELOPMENT  
GRANT CALCULATION  
RULON INTERNATIONAL**

Calculations based on County Ordinance 2014-30 and millage rates effective on October 1, 2017

<b>Category:</b>	<b>Existing Industry</b>
 <b>POINTS AWARDED</b>	
Target Industry: Corporate Headquarters/ Manufacturing	2
Facility Size: 27,000 sq. ft. addition	2
Job Creation: 20 net-new positions	1.5
Wages: \$40,500	<u>0.5</u>
<b>Total Points</b>	<b>6</b>

The applicant scored 6 points under the Existing Industry Category. Therefore, this project is eligible for Expedited Permitting and an Economic Development Grant equal to 100% of fees paid to the county (Impact, Water and Sewer) and four (4) year's Ad Valorem tax (general county portion) on capital improvements and tangible personal property.

Total Value of Capital Improvements	3,700,000
Multiplied by County Millage rate	<u>0.51000%</u>
Annual Ad Valorem Tax (general county portion)	18,870
Multiplied by # Eligible Years	<u>4</u>
<b>Ad Valorem Tax (general county portion) Estimate =</b>	<b><u>75,480</u></b>

Total Estimated Value of New Tangible Assets	1,000,000
Multiplied by County Millage rate	<u>0.51000%</u>
Annual new tangible business personal property tax (general county portion)	5,100
Multiplied by # Eligible Years	<u>4</u>
<b>Total tangible business personal property tax (general county portion)</b>	<b><u>20,400</u></b>

Total Square Footage	27,000	
Impact Fee Category: Warehousing	27,000 (\$1,095 per 1000 sq ft)	<u>29,565</u>
<b>Impact Fee Estimate =</b>		<b>29,565</b>

**Water/Sewer Total Unit Connection Fees Estimate = 3,793**

**TOTAL ESTIMATED INCENTIVE 129,238**

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:**

<b>Total Maximum Possible Incentive:</b>	<b>129,238</b>
<b>Payout will consist of estimated annual installments of:</b>	<b>23,970</b>

\* 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.

RESOLUTION NO. 2018 - 142

**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 RULON COMPANY 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, RULON COMPANY (RULON) submitted an application to the St. Johns County Economic Development Agency (AGENCY) requesting business incentives be considered to construct a new +/- 27,000 square foot expansion to their existing building at 2000 Ring Way in St. Johns County to expand its corporate headquarters and manufacturing facility; and**

**WHEREAS, RULON anticipates creating 20 new jobs at an average wage of \$40,500, in addition to maintaining their 139 existing employees within St. Johns County; and**

**WHEREAS, the AGENCY prepared a written report and presented the request to the Board of County Commissioners (BOARD) on April 17, 2018; and**

**WHEREAS, the BOARD approved the incentive request for four (4) years ad valorem taxes on new real property improvements and net-new tangible personal property (general county portion) and up to 100% of fees collected by the County (impact fees and water/sewer connection fees), with an incentive value estimated to be \$129,238; and**

**WHEREAS, the BOARD directed the County Attorney's office to prepare an Economic Development Grant Agreement for this project; 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 an agreement substantially in the same form as the attached 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 15 day of May 2018.

BOARD OF COUNTY COMMISSIONERS OF ST.  
JOHNS COUNTY, FLORIDA

By: Henry Dean  
Henry Dean, Chair

ATTEST: Hunter S. Conrad, Clerk

By: Sam Halterman  
Deputy Clerk

RENDITION DATE 5/17/18

