

RESOLUTION NO. 2015 - 111

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY, FLORIDA, AUTHORIZING THE COUNTY ADMINISTRATOR, OR DESIGNEE, TO EXECUTE AN AMENDED ECONOMIC DEVELOPMENT GRANT AGREEMENT WITH MARSHALL REAL ESTATE, 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 Marshall Real Estate Development, Inc. (Marshall) entered into an Economic Development Grant Agreement (the Agreement) on April 12, 2007 providing economic development incentives for the development of two speculative buildings at 201 and 401 Marshall Circle in the Dobbs Road Office Warehouse development in St. Augustine, Florida (the Project); and

WHEREAS, the Agreement provided for up to 100% of Impact Fees associated with the Project for a maximum possible incentive of \$145,000 to be paid over a 10-year period, with eligibility for the first grant payment in 2009; and

WHEREAS, the duration of the Agreement runs from April 1, 2007 through September 30, 2018, with Marshall being required to complete the Project no later than September 30, 2008; and

WHEREAS, due to unfavorable economic conditions, Marshall was unable to timely meet its financial obligations as set forth in Section 13 of the Agreement; and

WHEREAS, Marshall submitted a timely request to the County seeking to amend the Agreement, providing for an extension to become eligible for incentives that were approved for completing the Project; and

WHEREAS, based upon review and consideration of said request, executing the First Amendment to the Agreement to extend the duration of the Agreement until September 30, 2024, and to provide for applicable ad valorem tax rebates as allowed by County Ordinance 2014-30 for a maximum possible incentive not to exceed \$66,417, serves the collective interests of both the County and Marshall.

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 his designee, is hereby authorized to execute an agreement substantially in the same form as the attached First Amended Economic Development Grant Agreement on behalf of the County for the purposes mentioned above.

SECTION 3. Correction of Errors.

To the extent that there are typographical 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.

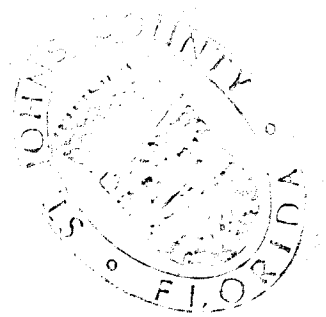
PASSED AND ADOPTED by the Board of Board of County Commissioners of St. Johns County, Florida this 21 day of April 2015.

BOARD OF COUNTY COMMISSIONERS OF ST.
JOHNS COUNTY, FLORIDA

By: 
Priscilla L. Bennett, Chair

ATTEST: Cheryl Strickland, Clerk

By: 
Deputy Clerk



RENDITION DATE 4/23/15

**FIRST AMENDED ECONOMIC DEVELOPMENT
GRANT AGREEMENT BETWEEN ST. JOHNS COUNTY, FLORIDA, AND
MARSHALL REAL ESTATE**

THIS FIRST AMENDMENT (First Amendment) to the Economic Development Grant Agreement (Agreement) approved by Resolution 2007-89, and executed April 12, 2007, 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 **Marshall Real Estate Development, Inc.** (Marshall), a Florida corporation, whose primary place of business is located **101 Marshall Circle, St. Augustine, Florida 32086.**

RECITALS

WHEREAS, the County and Marshall entered into the Agreement on April 12, 2007; and

WHEREAS, the duration of the Agreement is from April 1, 2007 through and including September 30, 2018; and

WHEREAS, due to unfavorable economic conditions, Marshall was unable to timely meet its financial obligations as set forth in Section 13 of the Agreement; and

WHEREAS, Marshall submitted a request to the County seeking to amend the Agreement to provide for an extension to become eligible for incentives that were approved for completing the project; and

WHEREAS, based upon review and consideration of said request, executing the First Amendment to the Agreement to extend the duration until September 30, 2024, and to provide for applicable ad valorem tax rebates as allowed by County Ordinance 2014-30, serves the collective interests of both the County and Marshall.

NOW THEREFORE, the County and Marshall (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. Project Details/Parameters.

Section 2 of the Agreement shall be amended in its entirety as follows:

Marshall's project is defined to include two buildings consisting of 45,000 square feet of speculative space that have been completed at 201 and 401 Marshall Circle

within the Dobbs Road Office Warehouse development, located along Dobbs Road in St. Augustine, Florida.

Section 3. Duration.

Section 4 of the Agreement shall be amended to extend the duration of the Agreement until September 30, 2024.

Section 4. Adjusted Total Amount of Economic Development Grant; Recalculation of Total Amount Permitted.

Section 18 of the Agreement shall be amended in its entirety as follows:

Under the formula set forth in County Ordinance 2014-30, and the terms and provisions noted in this Agreement, the maximum amount that Marshall is eligible to receive through one or more Grant Payments from the County is \$66,417 (sixty-six thousand four hundred seventeen dollars). In no circumstances will Marshall receive Grant Payments that exceed the maximum amount without express written approval by the Board.

Consistent with, and based upon, the methodology set forth in County Ordinance 2014-30 and all exhibits attached to and incorporated herein, the total amount of the Economic Development Grant payments represents the annual general County portion of ad valorem tax. It is expressly understood that Marshall is not eligible for or entitled to any Grant Payment until after it has paid all applicable fees and taxes associated with Marshall's Project. Such County fees and taxes include, but are not limited to: 1) Impact Fees; 2) Water Unit Connection Fees; 3) Sewer Unit Connection Fees; and 4) Ad Valorem Taxes.

It is expressly noted that the actual amount of the Economic Development Grant payments may fluctuate in any given County Fiscal Year based upon periodic changes in property values.

The Economic Development Grant payments shall be distributed to Marshall in 10 annual installments over a 10-year timeframe.

Section 5. Adjusted Eligible County Fiscal Years Under this Agreement.

Section 19 of the Agreement shall be amended in its entirety as follows:

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 6. Adjusted Amount of Grant Payment in each County Fiscal Year Under this Agreement.

Section 20 of the Agreement shall be amended in its entirety as follows:

As provided elsewhere in this Agreement and subject to Marshall's compliance with County Ordinance 2014-30, 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 \$6,468.

In any given eligible County Fiscal Year, the amount of an Economic Development Grant payment paid to Marshall may be adjusted to reflect a change in property values.

Notwithstanding any other provision contained in this Agreement or County Ordinance 2014-30, the maximum economic development incentive available in Economic Development Grant payments to Marshall shall not exceed \$66,417, unless otherwise approved by the Board.

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

Section 10 of the Agreement shall be amended in its entirety as follows:

It is expressly understood that County Impact Fees in the amount of \$22,740.88 (twenty-two thousand seven hundred forty dollars and eighty-eight cents) and County Water and Sewer Connection Fees in the amount of \$17,803.81 (seventeen thousand eight hundred three dollars and eighty-one cents) have been paid to the County by Marshall for this project.

Prior to any submission of claim by Marshall to the County for Economic Development Grant payment, Marshall shall pay to the County an amount equal to the general County portion of County ad valorem taxes for the Project. It is expressly understood by the parties that Marshall shall pay the total amount of County ad valorem taxes as shown on Marshall's tax bill prior to Marshall applying for, or receiving, any County Economic Development Grant payment in any eligible County Fiscal Year.

Section 8. Performance Conditions; Consequences of Non-Compliance.

Section 14 of the Agreement shall be amended in its entirety as follows:

Section 14. Conditions of Compliance; Consequence for Failure to Comply.

(a) In order to remain eligible for County Economic Development Grant payments, Marshall must abide by and comply with the provisions set forth in this Amended Agreement, any incorporated attachments/exhibits, any amendments hereto, and any applicable provisions of County Ordinance 2014-30.

(b) Should the Board determine that Marshall has failed to comply with the conditions noted above, the Board shall promptly notify Marshall of such non-compliance no later than 30 days after the Board makes such a determination. Marshall shall have 30 days from the date of the Board's notification in which to submit to the County a written report that sufficiently documents Marshall's compliance with the conditions set forth in the Board's notification or that sufficiently details all corrective action taken by Marshall in order to come into compliance with the conditions set forth above.

(c) If Marshall fails to sufficiently establish its compliance with the conditions set forth above within 30 days after notification of non-compliance, the County may terminate this Agreement with no further notice to Marshall and shall be released from any further obligations under this Agreement.

Section 9. Notices.

Section 21 of the Agreement shall be amended in its entirety as follows:

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

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

With a copy to the Office of County Attorney:

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

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

Marshall Real Estate
101 Marshall Circle
St. Augustine, Florida 32086

Section 10. Waiver of all Applicable Breaches Under this Agreement.

As of the date of this First Amendment is executed, all applicable breaches under the Agreement are hereby waived, including but not limited to Marshall's failure to complete the project by September 30, 2008, as referenced in Section 13 of the Agreement.

Section 11. Public Records

Marshall acknowledges that the County is subject to the provisions of the Public Records Act (Chapter 119, Florida Statutes). This Amendment and all associated documents 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 12. Severability.

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

Section 13. 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.

IN WITNESS WHEREOF, the parties have set their hand and seals as of the _____ day of _____, 2015.

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

By: _____
County Administrator

Legal Review by:

By: _____
Assistant County Attorney

ATTEST: CHERYL STRICKLAND, CLERK

By: _____

MARSHALL REAL ESTATE

By: _____

WITNESS AS TO:

By: _____

Print: _____

**ESTIMATE OF ECONOMIC DEVELOPMENT
GRANT CALCULATION
MARSHALL REAL ESTATE**

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

Category: **Speculative Space**

POINTS AWARDED

Facility Size: 45,000 sq. ft.		2
Facility Use: Industrial		2
Ownership term: Greater than 5 years		1
Total Points		5

The applicant scored 5.0 points under the Speculative Development 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.

Total Value of Capital Improvements	1,200,000
Multiplied by County Millage rate	0.53900%
Annual Ad Valorem Tax (general county portion)	6,468
Multiplied by # Eligible Years	4
Ad Valorem Tax (general county portion) Estimate =	25,872

Impact Fee Category: Warehouse
Impact Fees Paid = 22,740.88

Water/Sewer Total Unit Connection Fees Paid = 17,803.81

TOTAL ESTIMATED INCENTIVE 66,417

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:	66,417
Payout will consist of estimated annual installments of:	6,468

* The annual payment is based on the general county portion of the ad valorem taxes paid each year which could fluctuate with increasing property values. The total payout will not exceed the total incentive granted.

**ECONOMIC DEVELOPMENT
GRANT AGREEMENT**

THIS ECONOMIC DEVELOPMENT GRANT AGREEMENT ("Agreement") dated this 12th day of April, 2007, between St. Johns County, Florida ("County"), a political subdivision of the State of Florida, located at 4020 Lewis Speedway, St. Augustine, Florida, and **Marshall Real Estate Development, Inc.** ("Marshall") a Florida Corporation, located at 101 Marshall Circle, St. Augustine, Florida 32086.

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 Florida Statutes, "must be liberally construed in order to effectively carry out the purposes of this section" of Florida Statutes; and

WHEREAS, consistent with Section 125.045, Florida Statutes, St. Johns County, Florida, through **County 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 developers of speculative industrial/warehouse space) that meet both the criteria established under **County Ordinance 2006-99, as amended**, and receive the Board of County Commissioners' recommendation that an Economic Development Grant be awarded; and

WHEREAS, Marshall, on **April 25, 2006** submitted to the County an Application for an Economic Development Grant under the criteria, methodology, and rationale set forth in **County Ordinance 2006-99, as amended**; and

WHEREAS, the St. Johns County Public Economic Development Agency ("Public Agency") has reviewed Marshall's Submitted Application for an Economic Development under the criteria, methodology, and rationale set forth in **County Ordinance 2006-99, as amended**; and

WHEREAS, the Public Agency has issued a Report that evaluates Marshall's Submitted Application for an Economic Development Grant under the criteria, methodology, and rationale set forth in **County Ordinance 2006-99, as amended**.

I HEREBY CERTIFY THAT THIS DOCUMENT IS A TRUE AND CORRECT COPY AS APPEARS ON RECORD IN ST. JOHNS COUNTY, FLORIDA WITNESS MY HAND AND OFFICIAL SEAL THIS 13th DAY OF April 2007
CHERYL STRICKLAND, CLERK
Ex-Officio Clerk of the Board of County Commissioners

BY Tom Halterman D.C.



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

Section 1. Findings.

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

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

The details and/or parameters of Marshall's Project are contained in Marshall's Application for an Economic Development Grant, which was submitted to the County on April 25, 2006, and which is attached hereto, and incorporated herein.

Section 3. Expedited Processing of Permitting.

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

Section 4. Duration of Agreement.

The duration of this Agreement runs from April 1, 2007, through and including, September 30, 2018.

Section 5. Agreement May Not Be Assigned.

In light of the scope and rationale for this Agreement, Marshall may not assign, transfer, or sell any of the rights noted in this Agreement. Any attempt to assign, transfer, or sell any of the rights noted in this Agreement by Marshall, or an affiliate, subsidiary, or parent company of Marshall, is specifically prohibited. Should Marshall, or an affiliate, subsidiary, or parent company of Marshall assign, transfer, or sell any of the rights noted in this Agreement, such action, or attempted action, shall constitute an automatic termination of this Agreement, and will not require further notification to Marshall by the County, as to the automatic termination of this Agreement.

Section 6. Severability.

If any word, phrase, sentence, part, provision, subsection, section, article, exhibit, or other portion of this Agreement, or any application thereof to any person or circumstance is declared void, unconstitutional, or invalid for any reason, then such word, phrase, sentence, part, provision, subsection, section, article, exhibit, or other portion of this Agreement, or the 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 7. Definitions.

- a) *Board* means the Board of County Commissioners of St. Johns County, Florida.
- b) *County* means St. Johns County, a political subdivision of the State of Florida.
- c) *County Administrator* means the County Administrator of St. Johns County, and/or designees of the County Administrator.
- d) *County Fiscal Year* means and shall reference the period of 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 2006-99, 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* mean 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 number shall not include temporary construction jobs involved in the construction of facilities for the Project, or any jobs, which have previously been included in any application for tax refunds under Section 288.1045, or 288.106, Florida Statutes.
- g) *Grant Agreement* means a written agreement between the County and Marshall that establishes the details of an Economic Development Grant, and that is a pre-condition to Marshall being able to submit a claim for an Economic Development Grant Payment.
- h) *Program* means the St. Johns County Business Incentive Program, which is attached as an Exhibit to St. Johns County Ordinance 2006-99, as amended.
- i) *Project* means the creation of a new business within St. Johns County, or the relocation of a new business from outside the County, and/or the expansion of an existing business within the County, and/or development of speculative space for industrial or office use.
- j) *Public Agency* means the public economic development agency that is created by St. Johns County Ordinance 2006-99, as amended.

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

The Number of New Full-Time Equivalent Jobs was not a factor relied upon by the County with respect to entering into this Agreement. Consequently, the Total of New Full-Time Equivalent Jobs in the County shall not be considered a condition associated with Marshall submitting a claim for, or receiving, any County Grant Payment.

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

The average wage of the New Full-Time Equivalent Jobs was not a factor relied upon by the County with respect to entering into this Agreement. Consequently, the average wage of the

New Full-Time Equivalent Johns in the County shall not be considered a condition associated with Marshall submitting a claim for, or receiving, any County Grant Payment.

Section 10. Amount Paid by Marshall in Fees and/or Taxes Prior to Marshall Submitting a Claim for Grant Payment; Re-calculation of Fees and/or Taxes.

Unless re-calculated and/or adjusted, as noted elsewhere in this Section, then prior to the submission of any claim for Grant Payment by Marshall, or issuance of any Grant Payment by the County, Marshall will have paid to the County, an amount totaling \$144,912.00 (one hundred forty-four thousand, nine hundred twelve dollars), in County Impact Fees. It is expressly understood that such County Impact Fees will have been paid by Marshall prior to Marshall applying for, and/or receiving a County Grant Payment in any eligible County Fiscal Year.

Unless re-calculated and/or adjusted, as noted elsewhere in this Section, then prior to the submission of any claim for Grant Payment by Marshall, or issuance of any Grant Payment by the County, Marshall will have paid to the County, an amount totaling \$24,233.00 (twenty-four thousand, two hundred thirty-three dollars), in County Water Unit Connection Fees. It is expressly understood that such County Water Unit Connection Fees will have been paid by Marshall prior to Marshall applying for, and/or receiving a County Grant Payment in any eligible County Fiscal Year.

Unless recalculated and/or adjusted, as noted elsewhere in this Section, then prior to the submission of any claim for Grant Payment by Marshall, or issuance of any Grant Payment by the County, Marshall will have paid to the County, an amount totaling \$30,782.00 (thirty thousand, seven hundred eight-one dollars), in County Sewer Unit Connection Fees. It is expressly understood that such County Sewer Unit Connection Fees will have been paid by Marshall, prior to Marshall applying for, and/or receiving a County Grant Payment in any eligible County Fiscal Year.

Unless re-calculated and/or adjusted as noted elsewhere in this Section, then prior to the submission of any claim for Grant Payment by Marshall, or issuance of any Grant Payment by the County, Marshall will have paid to the County, an amount totaling \$7,512.00 (seven thousand, five hundred twelve dollars), in County Ad Valorem Taxes. The amount referenced totals the general County portion of County Ad Valorem Taxes paid by Marshall in one County Fiscal Year. Moreover, it is expressly understood that the above-referenced amount of County Ad Valorem Taxes (to the extent not adjusted by increasing property values) will have been paid by Marshall to the County, prior to Marshall applying for, and/or receiving a County Grant Payment in any eligible County Fiscal Year.

In order to accommodate changed circumstances regarding the nature and/or scope of the Project, the actual amount of fees and/or taxes paid by Marshall prior to submitting a claim for Grant Payment may be re-calculated and/or adjusted by the County, in order to reflect and/or account for such changed circumstances.

Section 11. Authority of Board to Review and Verify Financial and Personnel Records of Marshall in Order to Determine Degree of Compliance.

The Board (or where delegated, the Board's designee) specifically and explicitly reserves the right to review, inspect, and/or examine the financial and personnel records of Marshall, that are necessary and/or applicable, in order to determine the degree of Marshall's compliance with this Agreement, or any applicable term, condition, provision, or requirement contained in County Ordinance 2006-99, as amended.

Further, the Board (or where delegated, the Board's designee) specifically and explicitly reserves the right to review, inspect, and/or examine any, and all, data, correspondence, information, and documents of Marshall that are necessary and/or applicable, in order to determine the degree of Marshall's compliance with this Agreement, or any applicable term, condition, provision, or requirement contained in County Ordinance 2006-99, as amended.

Section 12. Date After Which Marshall May File a Claim for Grant Payment; Consequences of Not Timely Filing for a Grant Payment.

Consistent with County Ordinance 2006-99, as amended, the first Grant Payment will be available to Marshall, and may be distributed/issued to Marshall, during the County Fiscal Year that the capital investment/capital investments is/are recognized on the County's ad valorem tax roll.

For each County Fiscal Year that Marshall is eligible for a Grant Payment from the County, Marshall may file a claim for a Grant Payment at any time during that eligible County Fiscal Year.

Should Marshall not file a claim for a Grant Payment during an eligible County Fiscal Year, then Marshall shall have waived its right to such a Grant Payment for that particular eligible County Fiscal Year. Consequently, unless the Board specifically grants Special Relief, Marshall will not be entitled to a Grant Payment for that particular County Fiscal Year. A waiver by Marshall for a particular County Fiscal Year will not affect Marshall's ability to file for a Grant Payment in any other eligible County Fiscal Year.

Section 13. Marshall's Performance Conditions; Consequences of Non-Compliance.

In order to remain eligible for a Grant Payment, Marshall must abide by, and comply with, the provisions set forth in this Agreement, and any applicable provisions of County Ordinance 2006-99, as amended, including any attached and incorporated Exhibits. Moreover, Marshall must complete its Project no later than September 30, 2008.

Should the Board determine that Marshall is in non-compliance with any of the above-noted performance conditions, then the County Administrator, on behalf of the County, shall promptly notify (and in any event, no later than thirty (30) days after the Board makes such a determination of non-compliance) Marshall of such non-compliance. Thereafter, from the date of notification, Marshall will have an additional thirty (30) days in which to submit written

information that documents Marshall's compliance with the above-noted performance conditions, or documents that Marshall has taken such corrective action necessary, in order to once again comply with the above-noted performance conditions. Should Marshall remain in non-compliance thirty (30) days after notification from the County Administrator, then this Agreement may be terminated in the manner set forth elsewhere in this Agreement.

Section 14. Conditions Associated With Grant Payment(s) to Marshall.

No Grant Payment shall be made during any eligible County Fiscal Year unless, and until, Marshall submits a claim for Grant Payment, and the claim for Grant Payment is approved by the County Administrator in the manner set forth in County Ordinance 2006-99, as amended.

Marshall may submit a claim for a scheduled Grant Payment only once each County Fiscal Year, unless the County Administrator determines that a second or third claim is necessary and appropriate.

Marshall shall submit a claim for Grant Payment to the County Administrator.

As noted elsewhere in this Agreement, the claim for Grant Payment submitted by Marshall must be filed during the eligible County Fiscal Year.

If not already provided, then Marshall's first claim for Grant Payment shall contain Marshall's authorization to deliver this Agreement to the County Administrator and to disclose the contents of this Agreement to the public.

The claim for Grant Payment submitted by Marshall must include a copy of all receipts, or relevant data or documentation related to the achievement of each applicable performance condition specified in this Agreement.

The amount requested by Marshall as a Grant Payment, may not exceed the amount specified in this Agreement for the particular eligible County Fiscal Year.

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

Upon the County Administrator's approval of Marshall's claim for Grant Payment, the County shall process such claim, and after such processing, the County shall issue a check to Marshall in the amount of the approved Grant Payment.

Section 15. Acknowledgment by Marshall that Compliance with Terms and Conditions of Agreement is Condition Precedent to Receipt of Grant Payment; Consequences of Marshall Failing to Comply.

By executing this Agreement, Marshall understands, agrees, and acknowledges that compliance with all applicable terms, conditions, provisions, and requirements of this Agreement is a condition precedent to Marshall receiving one or more Grant Payments from the County.

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

Section 16. Required Notice Concerning Grant Payment to Marshall.

Pursuant to County Ordinance 2006-99, as amended, the following notice is included in this Agreement:

This 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 grant payment is conditioned on, and subject to, specific annual appropriations by the Board of County Commissioners of St. Johns County of monies sufficient to pay the grant payment due that year.

Section 17. Effect of Shortfall and/or Unavailability of Funds to Pay Grant Payment.

It is specifically noted that if grant funds are not available in one or more County Fiscal Years years, Marshall is not entitled to receive one or more County Grant Payments in a succeeding County Fiscal Year, in order to make-up for the shortfall and/or unavailability in grant funds, unless the Board specifically, and expressly, authorizes such County Grant Payments by County Resolution, which will also be noted in an amendment to this Agreement.

Section 18. Total Amount of County Economic Development Grant; Re-calculation of Total Amount Permitted.

Consistent with, and based on, the methodology noted in County Ordinance 2006-99, as amended, and including Exhibits, the total amount of the County Economic Development Grant available to Marshall is \$145,000.00 (one-hundred forty-five thousand dollars).

Consistent with, and based on, the methodology noted in County Ordinance 2006-99, as amended, and including Exhibits, the total amount of the County Economic Development Grant (which is referred to throughout this Agreement as the County Grant Payment) represents the annual general County portion of the ad valorem tax, and the annual tangible personal property tax (if applicable).

The actual amount of the County Grant Payment, however, may fluctuate in any given year, due to periodic increases in property assessments).

The County Grant Payment will be issued/distributed to Marshall in 10 in annual installments over a 10-year timeframe.

Section 19. Eligible County Fiscal Years Under this Agreement.

For purposes of this Agreement, the following represent the eligible County Fiscal Years: 1) 2009; 2) 2010; 3) 2011; 4) 2012; 5) 2013; 6) 2014; 7) 2015; 8) 2016; 9) 2017; and 10) 2018.

Section 20. Amount of Grant Payment in Each Eligible County Fiscal Year.

If all the conditions set forth in this Agreement, and/or County Ordinance 2006-99, as amended, are met by Marshall, then Marshall may receive a County Grant Payment in the amount of \$7,512.00 (seven thousand, five hundred twelve dollars) in each eligible County Fiscal Year.

In any given eligible County Fiscal Year the amount of a County Grant Payment paid to Marshall may be adjusted to reflect an increase in property values.

Nevertheless, it is expressly noted that the total amount that Marshall may receive in the form of one or more County Grant Payments shall not exceed \$145,000.00 (one hundred forty-five thousand dollars), which amount represents the maximum incentive, unless the Board approves an amendment to the maximum incentive.

Section 21. Furnishing Notices to County and Marshall.

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

County Administrator
4020 Lewis Speedway
St. Augustine, Florida 32084

With a copy to Attorney for the Public Agency:

County Attorney
4020 Lewis Speedway
St. Augustine, Florida 32084

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

Marshall Real Estate Development, Inc.
101 Marshall Circle
St. Augustine, Florida 32086

All correspondence, not classified and defined as Official Notices, may be delivered, disseminated, and/or submitted by any means acceptable to both parties, specifically including, faxing, e-mailing, or text messaging.

Section 22. Timeframe for Required Approval, Acceptance, and Execution of this Agreement by Marshall; Consequences of Failure to Timely Execute this Agreement by Marshall.

Consistent with County Ordinance 2006-99, as amended Marshall has thirty (30) days from the date that this Agreement is approved by the Board, in which to execute and deliver two (2) copies of this Agreement to the Public Agency.

Consistent with County Ordinance 2006-99, as amended in the event that Marshall does not execute and deliver two (2) copies of this Agreement within the thirty (30) day timeframe noted above, the effect of such failure on the part of Marshall shall result in the automatic termination of the Board's approval of this Agreement. Consequently, upon the occurrence of such circumstances, this Agreement shall be deemed rejected by the Board, and therefore, void, and having no further effect. Moreover, upon the occurrence of such circumstances, neither the County, nor the Board is required to give/deliver any notice, official or otherwise, of such rejection on the part of Marshall.

Section 23. Amendments to this Agreement.

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

Further, both the County and Marshall 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 Marshall.

Section 24. Termination of Agreement.

A) This Agreement is automatically terminated should Marshall fail to abide by, or comply with, any term, condition, provision, or requirement stated in this Agreement, or in any authorized and executed Amendment to this Agreement, for which adherence to, or compliance with, is mandated (under County Ordinance 2006-99, as amended, this Agreement, or Amendment to this Agreement).

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

Section 25. Governing Law/Venue.

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

IN WITNESS WHEREOF, the parties have set their hands and seals as of the 12th day of April, 2007.

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

BY: [Signature]
County Administrator

ATTEST: CHERYL STRICKLAND, CLERK

BY: [Signature]
Deputy Clerk

MARSHALL REAL ESTATE DEVELOPMENT, INC.

BY: [Signature]

WITNESS AS TO:

[Signature]

Karen Johnson

OR

CORPORATE SEAL

**ST. JOHNS COUNTY
ECONOMIC DEVELOPMENT INCENTIVE APPLICATION**

Applicant's name: Marshall Real Estate Dev., inc.

Federal Employer Identification Number: 59-3559520

State Sales Tax Registration Number: _____

Current Company Headquarters and address: 101 Marshall Circle
St. Augustine, FL 32086

Primary Contact Person: Robert Marshall

Primary Contact Person Title: President

Primary Contact Person Address: 318 Marsh Point Circle
St. Augustine, FL 32080

Contact Person Phone: (business): (904) 540-1493

Contact Person Cell: (904) 540-1493

Contact Person Fax: 904-460-0726

Contact Person E-mail: _____

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

If 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 that is locating to St. Johns County, Florida is engaged in:

Speculative Space

Type of Facility Development

X new ___ expansion

Date construction is projected to begin:

July 2006

Date facility will be complete and operational:

July 2007

Estimated Square Footage of Facility Under Roof H/C:

50,580

Number of full-time employees to be employed:

N/A

Total number of full-time employees currently employed by the applicant in the county:

N/A

4-digit SIC Code for all activities included in the project:

An explanation of the type of employment proposed and the average annual pay rate:

N/A

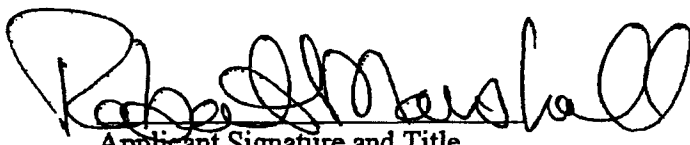
Total amount of economic development grant requested (to be completed in coordination with the economic development agency in accordance with section 8, paragraph 8 of the Incentive Ordinance):

Capital Investment Values:	Real Property	<u>200,000.00</u>
	Facility Value	<u>\$1,524,530.00</u>
	Infrastructure to be public	<u>None</u>
	Infrastructure private	<u>\$350,000.00</u>
	Tangible assets	<u>N/A</u>

Description of the proposed project explaining the desire to locate or expand within St. Johns County. 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:

Due to the lack of Warehouse/office space [3/26/06 article St. Augustine Record]
There is a need to expand the Facility on Debbs Road, However Rents have
not kept pace with the steep rise in construction cost over the
past few years. This increases the financial risk of such a project
 Submit a Site Plan: the County Economic Development Grant will reduce the
Risk and make the Project viable.

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


 Applicant Signature and Title
 Robert Marshall
 President

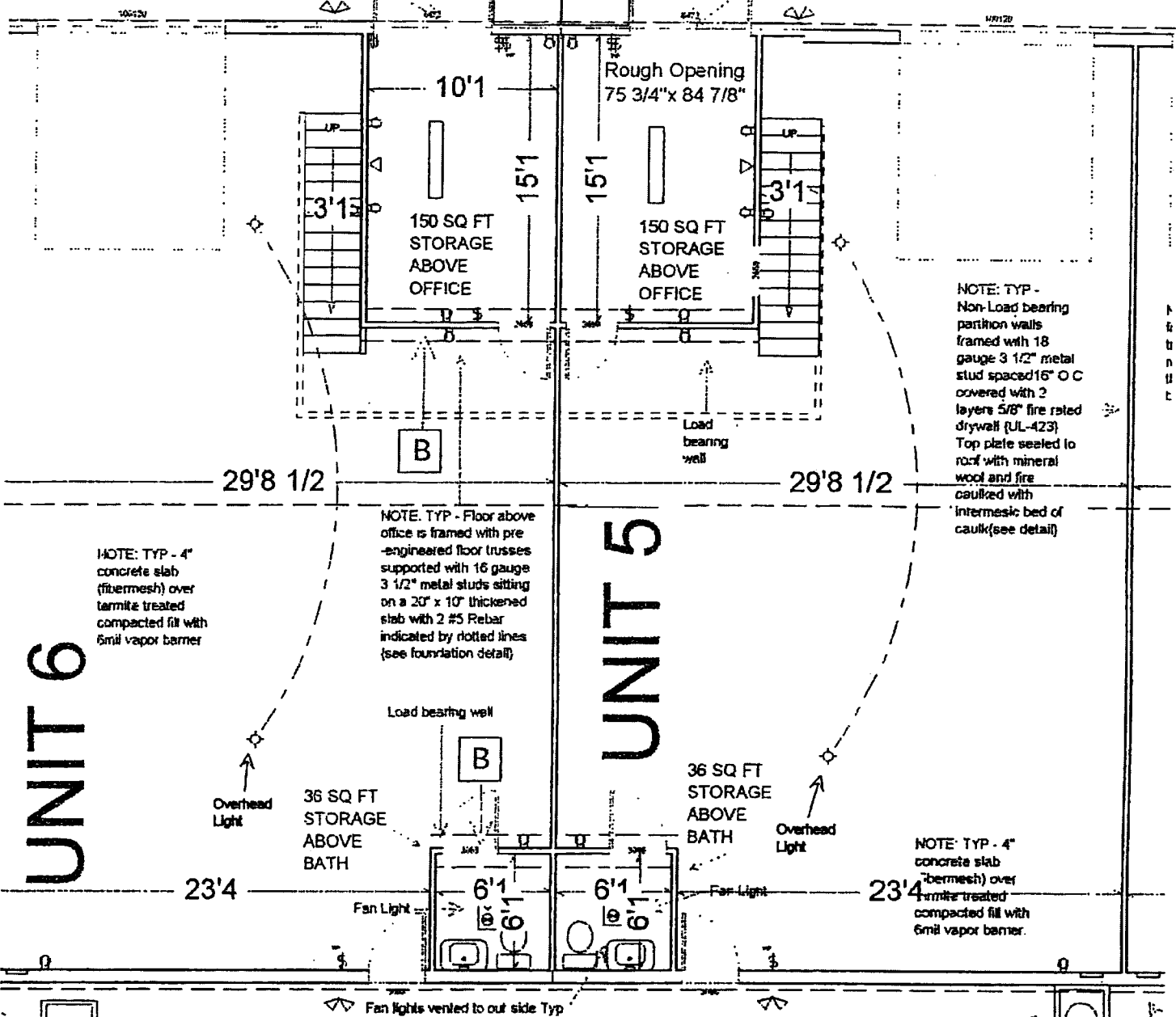
4/25/06
 Date

trusses supported with 16 gauge 3 1/2" metal studs supported by exterior footing. (see foundation detail)

Wall Mounted A/C

Wall Mounted A/C

trusses supported with 16 gauge 3 1/2" metal studs supported by exterior footing. (see foundation detail)



NOTE: TYP - Non-Load bearing partition walls framed with 18 gauge 3 1/2" metal stud spaced 16" O C covered with 2 layers 5/8" fire rated drywall (UL-423) Top plate sealed to roof with mineral wool and fire caulked with intermesh bed of caulk (see detail)

NOTE: TYP - 4" concrete slab (fitermesh) over termite treated compacted fill with 5mil vapor barrier

NOTE: TYP - Floor above office is framed with pre-engineered floor trusses supported with 16 gauge 3 1/2" metal studs sitting on a 20" x 10" thickened slab with 2 #5 Rebar indicated by dotted lines (see foundation detail)

NOTE: TYP - 4" concrete slab (bermesh) over termite treated compacted fill with 6mil vapor barrier.

AREA CALCULATIONS	
FIRST FLOOR	
OFFICE AREA	150 SQ FT
BATH AREA	36 SQ FT
WAREHOUSE AREA	1,314 SQ FT
TOTAL FIRST FLOOR	1,500 SQ FT
SECOND FLOOR	
LOFT STORAGE OVER OFFICE AREA	150 SQ FT
LOFT STORAGE OVER BATH AREA	36 SQ FT
TOTAL SECOND FLOOR AREA	186 SQ FT
TOTAL AREA PER UNIT	1,686 SQ FT
TOTAL AREA BUILDING ONE	16,860 SQ FT
TOTAL AREA BUILDING TWO	33,720 SQ FT
TOTAL AREA	50,580 SQ FT

Electrical Panel

A/C Compressor

Et

RESOLUTION NO. 2007- 89

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

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

WHEREAS, Marshall Real Estate Development, Inc. submitted an application to the Economic Development Agency requesting business incentives be considered; and

WHEREAS, The Economic Development Agency prepared a written report and presented same to the Board of County Commissioners on February 6, 2007; and

WHEREAS, The Board of County Commissioners approved the incentive calculation not to exceed \$145,000 and directed the County Attorney's office to prepare an agreement; and

WHEREAS, Each County Commissioner confirms that the attached Economic Development Grant Agreement does not accrue to his/her personal benefit, and that in the County Commissioners' professional judgment, the Economic Development Grant Agreement is necessary to attract the proposed project; and

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

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


Section 2. The Board of County Commissioners of St. Johns County, Florida (Board) approves the Economic Development Agency Contract with Marshall Real Estate Development, Inc.

Section 3. The Board of County Commissioners authorizes the County Administrator to execute the Economic Development Agency Contract with Marshall Real Estate Development, Inc.

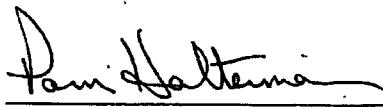
DULY ADOPTED BY THE GOVERNING BOARD OF ST. JOHNS COUNTY, FLORIDA this 20th day of March, 2007.

ATTEST:

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



Chairman



Clerk

RENDITION DATE 3/21/07

