Redevelopment Agreement

among

The City of Jacksonville,

The Downtown Investment Authority,

and

Jacksonville Properties I, LLC

REDEVELOPMENT AGREEMENT

This **REDEVELOPMENT AGREEMENT** (this "Agreement") is made this ___ day of _____, 2024 (the "Effective Date"), between the **CITY OF JACKSONVILLE**, a municipal corporation and a political subdivision of the State of Florida, (the "City"), the **DOWNTOWN INVESTMENT AUTHORITY**, a community redevelopment agency on behalf of the City of Jacksonville (the "DIA") and **JACKSONVILLE PROPERTIES I, LLC,** a Delaware limited liability company (the "Developer").

Recitals

WHEREAS, the DIA and the Developer previously entered into that certain Economic Agreement dated May 19, 2021 (the "Original EDA"), for the purpose of facilitating the construction of a mixed-use, residential apartment complex on that certain real property located generally at 930 E. Adams Street, Jacksonville, Florida 32202 (previously identified as 102 & 128 A. Philip Randolph Boulevard) as more particularly described on **Exhibit A** attached hereto (the "Project Parcel"), through a Market Rate Multi-Family Housing Recapture Enhanced Value grant, all as more particularly described in the Original EDA;

WHEREAS, the Developer was nearing completion on the mixed-use, residential apartment complex on the site located principally at the Project Parcel before the development was largely destroyed by a tragic fire in January 2024;

WHEREAS, the Developer responded quickly to damage caused by the fire and initiated rapid demolition of the affected structure to minimize risk to the public and to minimize business disruption to the surrounding business community, stadium, arena, and public parking structures, and incurred additional cost in taking the quick response measures;

WHEREAS, the Developer wishes to move forward with redevelopment of the mixed-use rental apartment facility proposed to include 247 residential rental units and more than 7,400 square feet of retail space, despite significantly higher construction and financing costs;

WHEREAS, the Original EDA, including any other documents or agreements executed by the DIA in connection therewith, are hereby terminated as of the Effective Date, and the DIA has no further obligations thereunder, and Developer agrees to execute any additional documentation as necessary to effect the termination of the same; and

WHEREAS, the Developer has requested the City and the DIA to provide new incentives to redevelop the Project Parcel from its blighted state and make a positive contribution to the market rate housing, workforce housing, and retail/food and beverage operations goals established for Downtown Jacksonville in accordance with the DIA BID Plan, all as more particularly set forth in this Agreement; and

WHEREAS, the City agrees to assume the obligations of the DIA to pay the REV Grant in accordance with this Agreement in the event of the expiration or termination of Downtown Northbank

Community Redevelopment Area TIF (the "Northbank CRA") during the term of the REV Grant as set forth herein, all as more fully described below in Article 4;

NOW THEREFORE, in consideration of the sum of Ten Dollars ($10.00) and other good and valuable consideration, the receipt of which is hereby acknowledged, the City, the DIA and the Developer hereby covenant and agree as follows:

Article 1.
PRELIMINARY STATEMENTS

1.1 **The Project.**

The foregoing recitals are true and correct and are hereby incorporated herein by this reference. The Developer proposes to construct a mixed-use, residential apartment complex primarily on the Project Parcel, which is owned by 102 A PHILIP RANDOLPH BLVD GROUND OWNER LLC, a Delaware limited liability company and has been leased to the Developer pursuant to a long-term ground lease. The improvements described on **Exhibit B** attached hereto and the obligations of the Developer under this Agreement are collectively referred to herein as the "Project". The Project includes, without limitation, the construction of a minimum of 240-unit multi-family apartment project, a structured parking facility with a minimum of 280 parking spaces, and a minimum of 7,400 square feet of retail/restaurant/lounge space (of which 4,700 square feet shall be on the ground floor) on the Project Parcel. The Project is expected to represent an estimated total Capital Investment of $79,123,500 by or on behalf of the Developer.

1.2 **Authority.**

The DIA Board has authorized execution of this Agreement pursuant to DIA Resolution 2024-06-01 (the "DIA Resolution"), and the City Council has authorized the execution of this Agreement pursuant to Ordinance 2024-___-E.

1.3 **City/DIA Determination.**

(a) The City has determined that the Project is consistent with the goals of the City in that the Project will, among other things:

(i) increase capital investment in Downtown Jacksonville;

(ii) generate significant new ad valorem taxes, including significant new tax revenues for the public school system;

(iii) help meet the overall community goal of residential and business development and growth in Downtown Jacksonville; and

(iv) promote and encourage private Capital Investment of approximately $79,123,500.

(b) The DIA has determined that the Project is consistent with its BID Plan goals.

1.4 **Coordination by DIA.**

The City and the DIA hereby designate the Chief Executive Officer of the DIA to be the Project Coordinator who will, on behalf of the DIA and the City, coordinate with the Developer and administer this Agreement according to the terms and conditions contained herein and in the Exhibit(s) attached hereto and made a part hereof. It shall be the responsibility of the Developer to coordinate all Project related activities and all matters under this Agreement with the designated Project Coordinator, unless otherwise stated herein.

1.5 **Maximum Indebtedness.**

The maximum indebtedness of the City and the DIA for all fees, reimbursable items or other costs pursuant to this Agreement shall not exceed the total sum of FIFTEEN MILLION FOUR HUNDRED FIFTY THOUSAND AND NO/100 DOLLARS ($15,450,000.00).

1.6 **Availability of Funds.**

Notwithstanding anything to the contrary herein, the City's and the DIA's obligations under this Agreement are contingent upon availability of lawfully appropriated funds for their respective obligations under this Agreement.

Article 2.
DEFINITIONS

As used in this Agreement, the following terms shall have the meaning set opposite each:

2.1 **Base Year.**

The base year for purposes of this Agreement shall be the 2020 tax year.

2.2 **Capital Investment.**

Money invested by a developer to purchase items that may normally be capitalized by a developer in the normal conduct of its business to design, construct and develop a project, including land acquisition costs, whether direct or indirect.

2.3 **City.**

The City of Jacksonville, Florida, a municipal corporation and a political subdivision of the State of Florida.

2.4 **Commencement of Construction.**

The terms "Commence" or "Commenced" or "Commencing" Construction as used herein when referencing the Improvements or any portion thereof means the date when Developer submits documentation in form and substance acceptable to the DIA that it (i) has obtained all federal, state or local permits and approvals as required for the Completion of the Improvements or otherwise as necessary for the demolition of the existing improvements and construction of the Improvements, (ii) has obtained and closed on all necessary funding for the construction and Completion of the Project,

and (iii) has begun physical, material construction (e.g., site demolition, land clearing, utility installation, or such other evidence of commencement of construction as may be approved by the DIA in its reasonable discretion) of the Improvements on an ongoing basis.

2.5 **DIA Board.**

The community redevelopment area board, and the governing body of the Authority created by ordinance to manage Downtown economic development, as the same shall be from time to time constituted, charged with the duty of governing the DIA CRA and such other duties as set forth in Chapter 55, City of Jacksonville *Ordinance Code*.

2.6 **Improvements.**

All of the improvements that are incorporated into the Project on the Project Parcel, as detailed in Section 1.1 hereof and **Exhibit B** attached hereto.

2.7 **Substantial Completion.**

"Substantially Completed", "Substantial Completion" or "Completion" means that all permits have been finalized, a certificate of substantial completion has been issued by the contractor and verified by the architect of record, and the applicable Improvements are available for use in accordance with their intended purpose; subject to commercially reasonable punch list items, completion of tenant improvements and similar items.

Other capitalized terms not defined in this Article shall have the meanings assigned to them elsewhere in this Agreement.

Article 3.
APPROVALS; PERFORMANCE SCHEDULES

3.1 **Performance Schedule.**

The City, the DIA and the Developer have jointly established the following dates for the performance of Developer's obligations under this Agreement (the "Performance Schedule"):

> Commencement of Construction of the Improvements – on or before the date that is six (6) months from the Effective Date of this Agreement, subject to delays caused by Force Majeure. The Developer shall provide written notice to the DIA of the actual date of Commencement of Construction (the "Commencement Date").
>
> Completion of Construction of the Improvements – on or before the date that is twenty-four (24) months from the Commencement Date, subject to delays caused by Force Majeure (the "Completion of Construction Date").

The DIA, the City and the Developer have approved this Performance Schedule. By the execution hereof, and subject to the terms of this Agreement, the Developer hereby agrees to undertake and complete the Project in accordance with this Agreement and the Performance Schedule, and to comply with all of its obligations set forth herein. The CEO of the DIA shall have the authority to extend

this Performance Schedule for up to six (6) months for good cause shown by the Developer, in the CEO's sole discretion.

3.2 **Approval of Agreement.**

By the execution hereof, the parties certify as follows:

(a) Developer represents, warrants and certifies to the City and DIA that:

(i) the execution and delivery hereof has been approved by all parties whose approval is required under the terms of the governing documents creating the particular Developer entity;

(ii) this Agreement does not violate any of the terms or conditions of such governing documents and the Agreement is binding upon the Developer and enforceable against it in accordance with its terms;

(iii) the person or persons executing this Agreement on behalf of the Developer are duly authorized and fully empowered to execute the same for and on behalf of the Developer;

(iv) the Developer is duly authorized to transact business in the State of Florida and has received all necessary permits and authorizations required by appropriate governmental agencies as a condition to doing business in the State of Florida;

(v) the Developer, its business operations, and each person or entity composing the Developer are in compliance with all federal, state and local laws; and

(vi) the Developer is not owned or controlled by the government of a foreign country of concern as defined in Section 288.0071, Florida Statutes, and the Developer is not an entity that is a partnership, association, corporation, organization, or other combination of persons organized under the laws of or having its principal place of business in a foreign country of concern, or a subsidiary of such entity.

(b) The DIA certifies that the execution and delivery hereof is binding upon the DIA to the extent provided herein and enforceable against it in accordance with its terms.

Article 4.
MULTI-FAMILY HOUSING REV GRANT

4.1 **Multi-Family Housing Recaptured Enhanced Value Program; Amount.**

Subject to the terms and conditions of this Agreement, the DIA shall make a Multi-Family Housing Recaptured Enhanced Value grant ("REV Grant") to the Developer, in a total amount not to exceed $11,450,000, partially payable beginning in the first year following the Completion of Construction of the Project and Improvements at the Project Parcel and its inclusion on the City of Jacksonville tax rolls at full assessed value (the "Initial Year") and ending on the earlier of (i) 20 years thereafter, but not later than 2047, or (ii) upon the expiration or earlier termination of the Northbank

CRA, unless the City agrees to assume the obligations of the Northbank CRA (as applicable, the "Final Year"), all as more fully described below in this Article 4.

4.2 **Payments of REV Grant.**

The REV Grant shall be paid by the DIA to the Developer by check, in annual installments determined in accordance with Section 4.3, due and payable on or before May 15 of each calendar year, commencing May 15 of the Initial Year and ending May 15 of the Final Year, or when the maximum amount of the REV Grant shall have been paid to the Developer, whichever occurs first. The DIA shall have no liability for any REV Grant in excess of the amount stated in Section 4.1 or after payment of the final installment due May 15 of the Final Year, and, except as expressly provided in this Agreement, the REV Grant payments as determined pursuant to Section 4.3 shall not be subject to reduction or repayment.

4.3 **Determination of Annual Installments of REV Grant.**

The amount of each annual installment of the REV Grant shall be the sum which is equal to 75% of the "Annual Project Revenues" (as defined and determined in this Section 4.3) actually received by the DIA during the twelve (12) month period ended April 1 preceding the due date of such annual installment. For the purposes of this Agreement, "Annual Project Revenues" means the amount of all municipal and county ad valorem taxes, exclusive of any amount from any debt service millage or Business Improvement District ("BID") millage, actually paid by any taxpayer for that tax year (net of any discount pursuant to Section 197.162, Florida Statutes, or any successor provision, actually taken by the taxpayer) during such period with respect to all real property and tangible personal property comprising the Project, with tangible personal property ad valorem based on a maximum valuation of $739,650 during any period of REV Grant payment calculation, less the amount of all municipal and county ad valorem taxes that would have been levied or imposed on the Project using the assessed value for the Base Year, which for the purpose of this Agreement shall be $1,166,465, exclusive of any debt service millage. The foregoing references to ad valorem taxes shall be deemed to include any other municipal or county taxes, or other municipal or county fees or charges in the nature of or in lieu of taxes, that may hereafter be levied or imposed on the Developer with respect to real property or tangible personal property comprising the Project, in lieu of or in substitution for the aforesaid taxes and which are levied or imposed for general municipal or county purposes or shall be available for the City's general fund, but not including stormwater or garbage fees or assessments.

By April 1 of each calendar year, commencing April 1 of the Initial Year and ending April 1 of the Final Year, Developer shall give written notice to the DIA of the amount of county ad valorem taxes paid during the preceding twelve (12) month period ending April 1, quantified by real property and tangible personal property amounts. If, by April 1 of any year, the Developer has failed to give notice of taxes paid during the preceding twelve (12) month period, the Developer shall not be eligible for a REV Grant payment for that year. Provided, however, that if the Developer provides timely notice in future years, the Developer shall be eligible for a REV Grant payment based on the Annual Projected Revenues in such future year's notice.

Except as provided below, within thirty (30) days of receipt of said notice, DIA shall provide Developer with a calculation as to the annual REV Grant. If the Developer does not give written notice to the DIA of its objection to the DIA's calculation within thirty (30) days after its receipt thereof, the DIA's calculation shall be considered acceptable. Except as provided below, the DIA shall make

payment of the REV Grant by the later of May 15th of each calendar year or thirty (30) days after DIA's receipt of notification by the Developer that it is in agreement with the DIA's annual calculation. In the event of a disagreement as to the calculation, the DIA shall make payment of the amount not in dispute and the parties shall negotiate in good faith any disputed amount.

The foregoing dates for the DIA to provide the REV Grant calculation and make the REV Grant payment shall be extended if on either of such dates the Developer has a pending proceeding before the City Value Adjustment Board, Circuit Court, or otherwise that could change the amount of the Annual Project Revenues that Developer was obligated to pay for that tax year and upon which the REV Grant payment would be based. In that event, the date that the DIA is required to provide the REV Grant calculation to Developer shall be extended until 30 days after the date that Developer notifies the DIA that any such proceeding has been finally resolved (including any appeals) and any adjustment to the Annual Project Revenues for that tax year has been made and paid. Such notice shall include (i) a copy of any final order or final judgment or other evidence of the resolution of such proceeding that sets forth any change to the assessed value of the Property upon which the Annual Project Revenues are based for that tax year, and (ii) the amount of the adjusted Annual Project Revenues paid by the Developer.

4.4 **Conditions Precedent.**

(a) Notwithstanding anything in this Agreement to the contrary, as a condition precedent to the DIA's obligation to pay any portion of the REV Grant to the Developer, the Developer shall have satisfied each of the following conditions precedent:

(i) The Developer shall provide evidence and documentation to the DIA sufficient to demonstrate a minimum Capital Investment in the Project of at least $68,321,400 (the "Minimum Capital Investment"), subject to adjustment as set forth in Section 4.4(b) below, as determined by the DIA in its reasonable discretion. For these purposes, the Minimal Capital Investment shall exclude expenditures incurred for land acquisition, clubhouse and common area furniture, fixtures and equipment; environmental due diligence and reporting; accounting, legal, and consulting fees; market study and appraisal fees; site amenities; retail tenant improvements; brokerage fees; lease up, budget, title and recording, real estate taxes during construction; developer fees; loan fees; construction interest, debt consultation fee, operating deficit reserve, ground lease costs and similar soft costs, all as determined by the DIA in its sole discretion.

(ii) The Developer shall provide evidence and documentation sufficient to demonstrate a minimum Equity Contribution of at least $29,531,683 (the "Minimum Equity Contribution"), subject to adjustment as set forth in Section 4.4(b) below, as determined by the DIA in its reasonable discretion.

(b) The DIA may, in its sole discretion, reduce the Minimum Capital Investment and Minimum Equity Contribution by a total cumulative amount of up to 10% and in such event the Multi-family REV Grant shall be proportionately reduced as determined by the DIA in its sole discretion.

4.5 **Non-Foreign Entity Affidavit.**

Notwithstanding anything in this Agreement to the contrary, as a condition precedent to the DIA's and the City's obligations under this Agreement including, without limitation, any obligation to pay any portion of the REV Grant to the Developer, the Developer shall have provided to the City an executed and notarized non-foreign entity affidavit in form and substance satisfactory to the DIA and the City and substantially in the form attached as **Exhibit D** hereto (the "Non-Foreign Entity Affidavit").

4.6 **Further disclaimer.**

The REV Grant shall not be deemed to constitute a debt, liability, or obligation of the City, DIA or of the State of Florida or any political subdivision thereof within the meaning of any constitutional or statutory limitation, or a pledge of the faith and credit or taxing power of the City, DIA or of the State of Florida or any political subdivision thereof, but shall be payable solely from the funds provided therefor in this Article 4. The DIA shall not be obligated to pay the REV Grant or any installment thereof except from the non-ad valorem revenues or other legally available funds provided for that purpose, and neither the faith and credit nor the taxing power of the City, DIA or of the State of Florida or any political subdivision thereof is pledged to the payment of the REV Grant or any installment thereof. The Developer, or any person, firm or entity claiming by, through or under the Developer, or any other person whomsoever, shall never have any right, directly or indirectly, to compel the exercise of the ad valorem taxing power of the City, DIA or of the State of Florida or any political subdivision thereof for the payment of the REV Grant or any installment of either.

Article 5.
WORKFORCE HOUSING COMPLETION GRANT

5.1 **Workforce Housing Completion Grant; Amount.**

Subject to the terms and conditions of this Agreement, the Developer shall be eligible for a Workforce Housing Completion Grant in an amount not to exceed $3,000,000 (the "WFH Completion Grant"); provided that, the City's obligation to make the WFH Completion Grant, is subject to the satisfaction of each of the conditions precedent set forth in Section 5.2(b) in the DIA's sole discretion.

5.2 **Disbursement of Workforce Housing Completion Grant.**

(a) The WFH Completion Grant shall be made within thirty (30) days after the date that each of the conditions precedent set forth in Section 5.2(b) have been satisfied by the Developer.

(b) The City's obligation to make WFH Completion Grant is conditioned upon the satisfaction of each of the following conditions precedent:

(i) The Developer shall submit to the DIA a completed written disbursement request in a form acceptable to the DIA certifying and describing in detail acceptable to the DIA the satisfaction of each of the conditions set forth in this Section 5.2(b), attaching all relevant documentation.

(ii) The Developer shall have recorded a Land Use Restrictive Agreement (the "LURA") in the public records of Duval County, Florida, in form and substance consistent with the DIA Resolution and approved by the DIA in its sole but reasonable discretion, which sets forth the maximum rents for the workforce housing for a term of thirty (30) years, including not less than (1) fifteen (15) 2-bedroom units, and (2) seventy (70) 1-bedroom units, and such rent maximums shall follow the limits set forth by the Florida Housing Finance Corporation (FHFC) for 120% Area Median Income (AMI) for Jacksonville, Duval County, Florida as may be adjusted annually although such rents do not require downward adjustment for existing tenants in any year where AMI levels fall, while rents for any new resident tenant will be established at the prevailing rate for any such year. The LURA shall be executed by the Developer and joined by all owners of the Project Parcel and may not be unilaterally released by Developer or any such owner but is subject to release following a foreclosure of the leasehold interest of the Developer by a superior lienholder.

(iii) All property taxes on the Project Parcel must be current.

(iv) No Event of Default with respect to the Developer's obligations under this Agreement or an event which, with the giving of notice or the passage of time, or both, would constitute an Event of Default with respect to the Developer's obligations under this Agreement, has occurred or is continuing.

(v) The Developer shall furnish to the DIA a certificate of occupancy or its equivalent and such other permits and/or certificates (including a certificate of substantial completion issued by the contractor and certified by the architect of record) as shall be required to establish to the DIA's satisfaction that the Hotel Improvements have been properly Completed and are not subject to any material violations or uncorrected conditions noted or filed in any City department.

(vi) The Developer shall submit to the DIA a proper contractor's final affidavit and full and complete releases of liens from each contractor, subcontractor and supplier, or other proof satisfactory to the DIA, confirming that final payment has been made for all materials supplied and labor furnished in connection with the Hotel Improvements or that, in the event of a dispute in any amount owed, such amount is properly bonded off pursuant to Florida law so that it will not become a lien on the Project Parcel.

(vii) The Improvements shall have been Substantially Completed in all respects in accordance with **Exhibit B** attached hereto, as verified by a final inspection report satisfactory to the DIA, certifying that the Improvements have been constructed in a good and workmanlike manner and are in satisfactory condition. In the event the DIA determines that there is a deficiency with the Improvements the DIA reserves the right to require that an escrow be established in an amount satisfactory to the DIA to remedy such deficiency.

(viii) The Developer must submit to a "post-work" inspection by the Planning and Development Department or consultant to examine the Developer's compliance

with previously approved building permits. Once the Planning and Development Department has completed this "post-work" inspection and is satisfied that the Developer has met the obligations of this Agreement, then the Planning and Development Department will send correspondence to the DIA informing of the same.

(ix) The Developer shall take all action necessary to have any mechanic's and materialmen's liens, judgment liens or other liens or encumbrances filed against the Project Parcel (other than any consensual mortgage) released or transferred to bond within ten days of the date The Developer receives notice of the filing of such liens or encumbrances. If any such lien or encumbrance is filed, the City shall not be required to make any disbursement of any grant funds until such lien or encumbrance is bonded over or removed and the City receives a copy of the recorded release. The City shall not be obligated to disburse any of the grant funds to the Developer if, in the reasonable opinion of the City, any such disbursement or the Project or Project Parcel would be subject to a mechanic's or materialmen's lien or any other lien or encumbrance other than inchoate construction liens. The Developer shall be fully and solely responsible for compliance in all respects whatsoever with the applicable mechanic's and materialmen's lien laws.

(x) The Developer shall have provided to the DIA a Non-Foreign Entity Affidavit.

(xi) The Developer shall have provided to the DIA, in form and substance reasonably satisfactory to the DIA, any such other document, instrument, information, agreement or certificate the DIA may reasonably require related to the construction or completion of the Improvements or this Agreement.

5.3 **No Warranty by City or DIA.**

Nothing contained in this Agreement or any other document attached hereto or contemplated hereby shall constitute or create any duty on or warranty by the City or DIA regarding (a) the proper application by the Developer of the WFH Completion Grant funds; or (b) any other matter not expressly set forth herein. Developer acknowledges that it has not relied and will not rely upon any experience, awareness or expertise of the City, or any City representative, regarding the aforesaid matters.

5.4 **Further disclaimer.**

The WFH Completion Grant shall not be deemed to constitute a debt, liability, or obligation of the City, the DIA, or of the State of Florida or any political subdivision thereof within the meaning of any constitutional or statutory limitation, or a pledge of the faith and credit or taxing power of the City or of the State of Florida or any political subdivision thereof, but shall be payable solely from the funds provided therefor in this Article 5. The City shall not be obligated to pay the WFH Completion Grant or any disbursement thereof except from the non-ad valorem revenues or other legally available funds provided for that purpose, and neither the faith and credit nor the taxing power of the City or of the State of Florida or any political subdivision thereof is pledged to the payment of the WFH Completion Grant or any disbursement thereof. The Developer, and any person, firm or entity claiming by, through or under the Developer, or any other person whomsoever, shall never have any right, directly or indirectly,

to compel the exercise of the ad valorem taxing power of the City or of the State of Florida or any political subdivision thereof for the payment of the WFH Completion Grant or any disbursement thereof.

Article 6.
EMERGENCY RAPID RESPONSE GRANT

6.1 **Emergency Rapid Response Grant; Amount.**

Subject to the terms and conditions of this Agreement, the Developer shall be eligible for an Emergency Rapid Response Grant in an amount not to exceed $1,000,000 (the "ERR Grant"); provided that, the City's obligation to make the ERR Grant, is subject to the satisfaction of each of the conditions precedent set forth in Section 6.2(b) in the DIA's sole discretion.

6.2 **Disbursement of Emergency Rapid Response Grant.**

(a) The ERR Grant shall be made within thirty (30) days after the date that each of the conditions precedent set forth in Section 6.2(b) have been satisfied by the Developer.

(b) The City's obligation to make the ERR Grant is conditioned upon the satisfaction of each of the following conditions precedent:

(i) The Developer shall submit to the DIA a completed written disbursement request in a form acceptable to the DIA certifying and describing in detail acceptable to the DIA the satisfaction of each of the conditions set forth in this Section 6.2(b), attaching all relevant documentation.

(ii) The Developer shall have provided satisfactory evidence to the DIA that the Developer has obtained and closed on all necessary funding for the construction and Completion of the Improvements.

(iii) All property taxes on the Project Parcel must be current.

(iv) No Event of Default with respect to the Developer's obligations under this Agreement or an event which, with the giving of notice or the passage of time, or both, would constitute an Event of Default with respect to the Developer's obligations under this Agreement, has occurred or is continuing.

(v) The Developer shall have provided to the DIA a Non-Foreign Entity Affidavit.

(vi) The Developer shall have provided to the DIA, in form and substance reasonably satisfactory to the DIA, any such other document, instrument, information, agreement or certificate the DIA may reasonably require related to the construction or completion of the Improvements or this Agreement.

6.3 **No Warranty by City or DIA.**

Nothing contained in this Agreement or any other document attached hereto or contemplated hereby shall constitute or create any duty on or warranty by the City or DIA regarding (a) the proper application by the Developer of the ERR Grant funds; or (b) any other matter not expressly set forth herein. Developer acknowledges that it has not relied and will not rely upon any experience, awareness or expertise of the City, or any City representative, regarding the aforesaid matters.

6.4 **Further disclaimer.**

The ERR Grant shall not be deemed to constitute a debt, liability, or obligation of the City, the DIA, or of the State of Florida or any political subdivision thereof within the meaning of any constitutional or statutory limitation, or a pledge of the faith and credit or taxing power of the City or of the State of Florida or any political subdivision thereof, but shall be payable solely from the funds provided therefor in this Article 6. The City shall not be obligated to pay the ERR Grant or any disbursement thereof except from the non-ad valorem revenues or other legally available funds provided for that purpose, and neither the faith and credit nor the taxing power of the City or of the State of Florida or any political subdivision thereof is pledged to the payment of the ERR Grant or any disbursement thereof. The Developer, and any person, firm or entity claiming by, through or under the Developer, or any other person whomsoever, shall never have any right, directly or indirectly, to compel the exercise of the ad valorem taxing power of the City or of the State of Florida or any political subdivision thereof for the payment of the ERR Grant or any disbursement thereof.

Article 7.
THE DEVELOPMENT

7.1 **Scope of Development.**

(a) The Developer shall construct and develop or cause to be constructed and developed, in substantial compliance with the times set forth in the Performance Schedule, all Improvements which the Developer is obligated to construct and develop under the Performance Schedule and this Agreement.

(b) The Developer shall construct all Improvements in accordance with all applicable building and permitting codes.

7.2 **Cost of Development.**

Except as otherwise set forth in this Agreement, the Developer shall pay the cost of constructing and developing the Improvements at no cost to the DIA.

7.3 **Approval by Other Governmental Agencies.**

All of the parties' respective rights and obligations under this Agreement are subject to and conditioned upon approval of the Project and all Project Documents by such other governmental agencies, whether state, local or federal, as have jurisdiction and may be required or entitled to approve them. Notwithstanding any provision of this Agreement to the contrary, the DIA does not guarantee

approval of this Agreement or any aspect of the Project by any government authorities and agencies that are independent of the DIA.

7.4 **Authority of DIA to Monitor Compliance.**

During all periods of design and construction, the CEO of the DIA or the CEO's designee shall have the authority to monitor compliance by the Developer with the provisions of this Agreement and the Project Documents. Insofar as practicable, the DIA shall coordinate such monitoring and supervising activity with those undertaken by the City so as to minimize duplicate activity. To that end, during the period of construction and with prior notice to the Developer, representatives of the City and DIA shall have the right of access to the Project Parcel and to every structure on the Project Parcel during normal construction hours; provided, however, that the DIA shall perform any such monitoring and supervising activity in a manner so as not to delay the progress of construction. In addition, any DIA or City personnel shall sign in with the Developer's General Contractor prior to performing any such monitoring and supervising activity and shall at all times comply with the Developer's General Contractor's instructions regarding matters relating to site safety.

7.5 **Timing of Completion.**

The Project Improvements shall be completed substantially in accordance with the terms of this Agreement and the Performance Schedule.

7.6 **Construction and Operation Management.**

Except as otherwise expressly provided herein, the Developer shall have discretion and control, free from interference, interruption or disturbance, in all matters relating to the management, development, redevelopment, construction and operation of the Project, provided that the same shall, in any event, conform to and comply with the terms and conditions of this Agreement, and all applicable state and local laws, ordinances and regulations (including without limitation, applicable zoning, subdivision, building and fire codes). The Developer's discretion, control and authority with respect thereto shall include, without limitation, the following matters:

(a) the construction and design of the Project, subject to the express terms and conditions of this Agreement;

(b) the selection, approval, hiring and discharge of engineers, architects, contractors, subcontractors, professionals and other third parties (collectively the "Vendors") on such terms and conditions as the Developer deems appropriate; provided however, that to the extent that the DIA furnishes to the Developer the names and identities of Jacksonville-based Vendors, and to the extent that Developer has the need to enter into contracts with Vendors outside of persons employed by Developer or companies affiliated with or controlled by Developer or its principals, then Developer agrees to include all such Jacksonville-based Vendors in the process established by Developer for obtaining bids for any of the Improvements;

(c) the negotiation and execution of contracts, agreements, easements and other documents with third parties, in form and substance satisfactory to Developer; and

(d) the preparation of such budgets, cost estimates, financial projections, statements, information, and reports as the Developer deems appropriate.

Article 8.
JSEB PROGRAM

8.1 **Jacksonville Small and Emerging Businesses (JSEB) Program.**

The Developer, in further recognition of and consideration for the public funds provided to assist the Developer pursuant to this Agreement, hereby acknowledges the importance of affording to small and emerging vendors and contractors the full and reasonable opportunity to provide materials and services. Therefore, the Developer hereby agrees as follows:

(a) The Developer shall obtain from the City's Procurement Division the list of certified Jacksonville Small and Emerging Businesses ("JSEB"), and shall exercise good faith, in accordance with Municipal Ordinance Code Sections 126.608 et seq., to enter into contracts with City certified JSEBs to provide materials or services in an aggregate amount of not less than $3,090,000.00 which amount represents 20% of the City's and DIA's maximum contribution to the Project with respect to the development activities or operations of the Project over the term of this Agreement.

(b) The Developer shall submit JSEB report(s) regarding the Developer's actual use of City certified JSEBs on the Project, (i) on the date of any request for DIA funds which are payable prior to the Completion of Construction, (ii) upon Completion of Construction. The form of the report to be used for the purposes of this section is attached hereto as **Exhibit C** (the "JSEB REPORTING FORM").

Article 9.
REPORTING; SITE VISITS

9.1 **Reporting.**

On an annual basis, and prior to March 1 each year this Agreement is in effect, the Developer shall submit reports to the DIA regarding all activities affecting the implementation of this Agreement, including a narrative summary of progress on the Project, and documentation verifying compliance with the recorded LURA in a form acceptable to the DIA and any other department of the City of Jacksonville as may be required. Developer shall also submit to the DIA its notice of ad valorem taxes paid as set forth in Section 4.3 hereof.

The Developer's obligation to submit such reports shall continue until the Developer has complied with all of the terms of this Agreement concerning the construction and Substantial Completion of the Project, and for the term of the REV Grant. Within thirty (30) days following the request of the DIA, the Developer shall provide the DIA with additional information requested by the DIA.

9.2 **Site Visits.**

For so long as the City or the DIA has any payment obligations to Developer pursuant to this Agreement, Developer shall permit representatives from the DIA and other designated personnel, to

monitor compliance by Developer with the provisions of this Agreement, including but not limited to income verification and any other qualifications of workforce housing tenants. With prior notice to Developer, representatives of DIA shall have the right to tour the Project and access Developer's records and employees related to the Project and this Agreement, during normal business hours, provided, however, that Developer shall have the right to have a representative of Developer present during any such inspection.

Article 10.
DEFAULTS AND REMEDIES

10.1 **General.**

A default shall consist of the breach of any covenant, agreement, representation, provision, or warranty contained in (i) this Agreement (including, but not limited to, any failure to meet the reporting requirements described herein), (ii) the documents executed in connection with the Agreement and any other agreement between the DIA and the Developer related to the Project, or (iii) any document provided to the City or the DIA relating to the Project (collectively, the "Documents"). A default shall also exist if any event occurs or information becomes known which, in the reasonable judgment of the DIA, makes untrue, incorrect or misleading in any material respect any statement or information contained in any of the documents described in clauses (i) – (iii) above or causes such document to contain an untrue, incorrect or misleading statement of material fact or to omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

If any such default or breach occurs under this Agreement, the City and the DIA may refuse to pay any portion of the REV Grant, the WFH Completion Grant and the ERR Grant and additionally, may at any time or from time to time proceed to protect and enforce all rights available to the City and the DIA under this Agreement by suit in equity, action at law or by any other appropriate proceeding whether for specific performance of any covenant or agreement contained in this Agreement, or damages, or other relief, or proceed to take any action authorized or permitted under applicable laws or regulations, including, but not limited to, terminating this Agreement. The City and the DIA shall not act upon a default until it has given the Developer written notice of the default and fifteen (15) business days within which to cure the default; provided, however, that the City and the DIA may withhold any portion of the REV Grant, the WFH Completion Grant and the ERR Grant immediately upon the occurrence of a default and throughout any notice or cure period. However, if any default cannot reasonably be cured within the initial fifteen (15) business days, Developer shall have a total of forty-five (45) days in which to cure such default, so long as Developer has commenced such cure within the initial fifteen (15) day period and is diligently proceeding to cure such default. Notwithstanding the foregoing, Developer shall immediately and automatically be in default, and neither the City nor the DIA shall be required to give Developer any notice or opportunity to cure such default (and thus the City and the DIA shall immediately be entitled to act upon such default), upon the occurrence of any of the following:

(a) The entry of a decree or order by a court having jurisdiction in the premises adjudging the Developer or any guarantor ("Guarantor") of Developer's obligations hereunder or under the Documents, a bankrupt or insolvent, or approving as properly filed a petition seeking reorganization, arrangement, adjustment or composition of or in respect of the Developer or Guarantor under the United States Bankruptcy Code or any other applicable federal or

state law, or appointing a receiver, liquidator, custodian, assignee, or sequestrator (or other similar official) of the Developer or Guarantor or of any substantial part of its property, or ordering the winding up or liquidation of its affairs, and the continuance of any such decree or order unstayed and in effect for a period of 90 consecutive days; and

(b) The institution by Developer or Guarantor of proceedings to be adjudicated a bankrupt or insolvent, or the consent by it to the institution of bankruptcy or insolvency proceedings against it, or the filing by it of a petition or answer or consent seeking reorganization or relief under the United States Bankruptcy Code or any other similar applicable federal or state law, or the consent by it to the filing of any such petition or to the appointment of a receiver, liquidator, custodian, assignee, trustee or sequestrator (or other similar official) of the Developer or Guarantor or of any substantial part of its property, or the making by it of an assignment for the benefit of creditors, or the admission by it in writing of its inability to pay its debts generally as they become due.

10.2 **Specific Defaults.**

Additionally, for any of the specific events of default described in this Section 10.2 below, the parties agree that the City's and DIA's damages recoverable from the Developer shall include, but not be limited to, the following:

(a) in the event reporting requirements are not met in the time period specified in Article 9 of this Agreement, the DIA will be entitled to withhold the annual installment of the REV Grant for any year during which any reporting requirements are not met.

(b) in the event the Developer does not adhere to all of the terms and conditions found in the Downtown Development Review Board approval letter dated May 21, 2020, the DIA will be entitled to withhold the annual installment of the REV Grant for any year during which the Developer fails to so adhere.

(c) if, within thirty (30) months of the Effective Date except as provided for herein, the Developer fails to invest at least $68,321,400 of private funding in the Project, the REV Grant and the WFH Completion Grant will be proportionately reduced. If, within thirty (30) months of the Effective Date except as provided for herein, the Developer fails to invest at least $61,489,260 of private funding in the Project, the REV Grant and the WFH Completion Grant will be terminated and the Developer shall repay the DIA the entire amount of the REV Grant and the WFH Completion Grant that has been previously paid to the Developer, if any.

(d) in the event that the Developer fails to Substantially Complete the Improvements in accordance with the Performance Schedule, the Developer shall repay the City the entire amount of the ERR Grant that has been previously paid to the Developer.

The maximum combined repayment due under this Section 10.2 shall not exceed the total amount of the REV Grant, the WFH Completion Grant and the ERR Grant actually paid to the Developer under this Agreement.

10.3 **Performance Schedule Default.**

In the event the Developer fails to Complete the Improvements in accordance with the Performance Schedule, the City and DIA shall not be obligated to pay any portion of the REV Grant or the WFH Completion Grant to the Developer.

Article 11.
GENERAL PROVISIONS

11.1 **Non-liability of DIA Officials.**

No member, official or employee of the DIA or the City shall be personally liable to the Developer or to any Person with whom the Developer shall have entered into any contract, or to any other Person, in the event of any default or breach by the DIA or City, or for any amount which may become due to the Developer or any other Person under the terms of this Agreement.

11.2 **Force Majeure.**

No party to this Agreement shall be deemed in default hereunder where such a default is based on a delay in performance as a result of war, insurrection, strikes, lockouts, riots, floods, earthquakes, fires, casualty, acts of God, acts of public enemy, epidemic, pandemic, quarantine restrictions, freight embargo, shortage of labor or materials, interruption of utilities service, lack of transportation, severe weather and other acts or failures beyond the control or without the control of any party; provided, however, that the extension of time granted for any delay caused by any of the foregoing shall not exceed the actual period of such delay, and in no event shall any of the foregoing excuse any financial liability of a party.

11.3 **Offset.**

The DIA and the City shall have the right to offset any amount owed by Developer under or in connection with this Agreement against any payments owed by DIA or the City under this Agreement. Such offsets shall be in addition to any other rights or remedies available under this Agreement and applicable law.

11.4 **Notices.**

All notices to be given hereunder shall be in writing and personally delivered or sent by registered or certified mail, return receipt requested, or delivered by an air courier service utilizing return receipts to the parties at the following addresses (or to such other or further addresses as the parties may designate by like notice similarly sent) and such notices shall be deemed given and received for all purposes under this Agreement three (3) business days after the date same are deposited in the United States mail if sent by registered or certified mail, or the date actually received if sent by personal delivery or air courier service, except that notice of a change in address shall be effective only upon receipt.

(a) the DIA/City:

Downtown Investment Authority
117 West Duval Street, Suite 310
Jacksonville, Florida 32202
Attn: Chief Executive Officer

With a copy to:

City of Jacksonville
Office of the General Counsel
City Hall-St. James Building
117 West Duval Street, Suite 480
Jacksonville, Florida 32202

(b) The Developer:

Jacksonville Properties I, LLC
c/o RISE Properties, LLC
129 N Patterson St
Valdosta, GA 31601
Attn: Gregory Hunter

With a copy to:

Coleman Talley LLP
109 S. Ashley Street
Valdosta, GA 31601
Attn: Justin S. Scott

With a copy to:

102 A Philip Randolph Blvd Ground Owner LLC
c/o Safehold Inc.
1114 Sixth Avenue
Floor 39
New York, NY 10036
Attn: Chief Legal Officer

11.5 **Time.**

Time is of the essence in the performance by any party of its obligations hereunder.

11.6 **Entire Agreement.**

This Agreement constitutes the entire understanding and agreement between the parties and supersedes all prior negotiations and agreements between them with respect to all or any of the matters contained herein.

11.7 **Amendment.**

This Agreement may be amended by the parties hereto only upon the execution of a written amendment or modification signed by the parties. Notwithstanding the foregoing, the Chief Executive Officer of the DIA is authorized on behalf of the DIA and the City to approve, in his or her sole discretion, any "technical" changes to this Agreement. Such "technical" changes include without limitation non-material modifications to legal descriptions and surveys, ingress and egress, easements and rights of way, and design standards, as long as such modifications do not involve any increased financial obligation or liability to the DIA or the City.

11.8 **Waivers.**

Except as otherwise provided herein, all waivers, amendments or modifications of this Agreement must be in writing and signed by all parties. Any failures or delays by any party in insisting upon strict performance of the provisions hereof or asserting any of its rights and remedies as to any default shall not constitute a waiver of any other default or of any such rights or remedies. Except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the parties hereto are cumulative, and the exercise by any party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by any other party.

11.9 **Indemnification.**

Developer shall indemnify, hold harmless and defend the DIA and the City, and each of its respective directors, officers, officials, members, agents, representatives and employees, from and against, without limitation, any loss, claim, suit, action, damage, injury, liability, fine, penalty, cost, and expense of whatsoever kind or nature (including without limitation court, investigation and defense costs and reasonable expert and attorneys' fees and costs) related to any suits and actions of any kind brought against the DIA or the City or other damages or losses incurred or sustained, or claimed to have been incurred or sustained, by any person or persons arising out of or in connection with: (i) any breach of any representation or warranty of Developer contained or provided in connection with this Agreement; (ii) any breach or violation of any covenant or other obligation or duty of Developer under this Agreement or under applicable law; (iii) any negligent act, error or omission, recklessness or intentionally wrongful conduct on the part of Developer or those under its control that causes injury (whether mental or corporeal) to persons (including death) or damage to property, whether arising out of or incidental to Developer's performance under this Agreement or relating to the Project, except to the extent caused by the sole negligence of the DIA or the City or those for whom the DIA or the City is responsible. Nothing contained in this paragraph shall be construed as a waiver, expansion or alteration of the City's or the DIA's sovereign immunity beyond the limitations stated in Section 768.28, Florida Statutes.

This indemnification shall survive the expiration or termination (for any reason) of this Agreement and remain in full force and effect. The scope and terms of the indemnity obligations herein described are separate and apart from, and shall not be limited by any insurance provided pursuant to this Agreement or otherwise.

11.10 **Severability.**

The invalidity, illegality or unenforceability of any one or more of the provisions of this Agreement shall not affect any other provisions of this Agreement, but this Agreement will be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

11.11 **Compliance with State and Other Laws.**

In the performance of this Agreement, the Developer must comply with any and all applicable federal, state and local laws, rules and regulations, as the same exist and may be amended from time to time. Such laws, rules and regulations include, but are not limited to, Chapter 119, Florida Statutes (the Public Records Act) and Section 286.011, Florida Statutes, (the Florida Sunshine Law). If any of the obligations of this Agreement are to be performed by a subcontractor, the provisions of this Section shall be incorporated into and become a part of the subcontract.

11.12 **Non-Discrimination Provisions.**

In conformity with the requirements of Section 126.404, *Ordinance Code*, the Developer represents that it has adopted and will maintain a policy of non-discrimination against employees or applicants for employment on account of race, religion, sex, color, national origin, age or handicap, in all areas of employment relations, throughout the term of this Agreement. The Developer agrees that, on written request, it will permit reasonable access to its records of employment, employment advertisement, application forms and other pertinent data and records, by the Executive Director of the Human Rights Commission, or successor agency or commission, for the purpose of investigation to ascertain compliance with the nondiscrimination provisions of this Chapter 126, Part 4 of the *Ordinance Code, provided however*, that the Developer shall not be required to produce for inspection records covering periods of time more than one (1) year prior to the day and year first above written. The Developer agrees that, if any of its obligations to be provided pursuant to this Agreement are to be performed by a subcontractor, the provisions of this Section 11.12 shall be incorporated into and become a part of the subcontract.

11.13 **Contingent Fees Prohibited.**

In conformity with Section 126.306, *Ordinance Code*, the Developer warrants that it has not employed or retained any company or person, other than a bona fide employee working solely for the Developer, to solicit or secure this Agreement, and that it has not paid or agreed to pay any person, company, corporation, individual or firm, other than a bona fide employee working solely for the Developer, any fee, commission, percentage, gift, or any other consideration, contingent upon or resulting from the award or making of this Agreement. For the breach or violation of these provisions, the DIA and the City shall have the right to terminate this Agreement without liability and, at its discretion, to deduct from the contract price, or otherwise recover, the full amount of such fee, commission, percentage, gift or consideration.

11.14 **Ethics.**

The Developer represents that it has reviewed the provisions of the Jacksonville Ethics Code, as codified in Chapter 602, *Ordinance Code*, and the provisions of the Jacksonville Purchasing Code, as codified in Chapter 126, *Ordinance Code*.

11.15 **Conflict of Interest.**

The parties will follow the provisions of Section 126.110, *Ordinance Code* with respect to required disclosures by public officials who have or acquire a financial interest in a bid or contract with the DIA or the City, to the extent the parties are aware of the same.

11.16 **Public Entity Crimes Notice.**

In conformity with the requirements of Section 126.104, *Ordinance Code* and Section 287.133, Florida Statutes, the Parties agree as follows:

The parties are aware and understand that a person or affiliate who has been placed on the State of Florida Convicted Vendor List, following a conviction for a public entity crime, may not submit a bid on a contract to provide any goods or services to a public entity; may not submit a bid on a contract with a public entity for the construction or repair of a public building or public work; may not submit bids on leases of real property to a public entity; may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity; and may not transact business with any public entity, in excess of $35,000.00, for a period of thirty-six (36) months from the date of being placed on the Convicted Vendor List.

11.17 **Survival.**

Any obligations and duties that by their nature extend beyond the expiration or termination of this Agreement shall survive the expiration or termination of this Agreement and remain in effect. Without limiting the foregoing, all obligations for the payment of fees or other sums accruing up to the expiration or termination of this Agreement and all provisions relating to the DIA's or the City's right to conduct an audit shall survive the expiration or termination of this Agreement.

11.18 **Incorporation by Reference.**

All exhibits and other attachments to this Agreement that are referenced in this Agreement are by this reference made a part hereof and are incorporated herein.

11.19 **Order of Precedence.**

In the event of any conflict between or among the provisions of this Agreement and those of any exhibit attached hereto or of any amendment, the priority, in decreasing order of precedence shall be: 1) any fully executed amendment; 2) provisions in this Agreement; and 3) exhibits to this Agreement.

11.20 **Counterparts.**

This Agreement may be executed in several counterparts, each of which shall be deemed an original, and all of such counterparts together shall constitute one and the same instrument.

11.21 **Independent Contractor.**

In the performance of this Agreement, the Developer will be acting in the capacity of an independent contractor and not as an agent, employee, partner, joint venturer or association of the City or the DIA. The Developer and its employees or agents shall be solely responsible for the means, method, technique, sequences and procedures utilized by the Developer in the performance of this Agreement.

11.22 **Retention of Records/Audit**

The Developer agrees:

(a) To establish and maintain books, records and documents (including electronic storage media) sufficient to reflect all income and expenditures of funds provided by the City or the DIA under this Agreement.

(b) To retain, at its Jacksonville Office, all client records, financial records, supporting documents, statistical records, and any other documents (including electronic storage media) pertinent to this Agreement for a period of six (6) years after completion of the date of final payment by the City and the DIA under this Agreement, including auditable records pertaining to jobs filled by third-party employers. If an audit has been initiated and audit findings have not been resolved at the end of six (6) years, the records shall be retained until resolution of the audit findings or any litigation which may be based on the terms of this Agreement, at no additional cost to the City or the DIA.

(c) To retain, at its Jacksonville Office, all workforce housing tenant records supporting documents, statistical records, and any other documents (including electronic storage media) pertinent to this Agreement for a period of six (6) years after fulfillment of the 30-year LURA compliance period.

(d) Upon demand, at no additional cost to the City or the DIA, to facilitate the duplication and transfer of any records or documents during the required retention period.

(e) To assure that these records shall be subject at all reasonable times to inspection, review, copying, or audit by personnel duly authorized by the City and the DIA, including but not limited to the City Council auditors, in its Jacksonville Office.

(f) At all reasonable times for as long as records are maintained, to allow persons duly authorized by the City or the DIA, including but not limited to the City Council auditors, full access to and the right to examine any of the Developer's contracts and related records and documents, regardless of the form in which kept.

(g) To ensure that all related party transactions are disclosed to the City and the DIA.

(h) To include the aforementioned audit, inspections, investigations and record keeping requirements in all subcontracts and assignments of this Agreement.

(i) To permit persons duly authorized by the City or the DIA, including but not limited to the City Council auditors, to inspect and copy any records, papers, documents, facilities,

goods and services of the Developer which are relevant to this Agreement, and to interview any employees and subcontractor employees of the Developer to assure the City and the DIA of the satisfactory performance of the terms and conditions of this Agreement. Following such review, the City or the DIA will deliver to the Developer a written report of its findings and request for development by the Developer of a corrective action plan where appropriate. The Developer hereby agrees to timely correct all deficiencies identified in the corrective action plan.

(j) If the result of any audit by the City or DIA establishes that the amount of private Capital Investment has been overstated by five percent (5%) or more, the entire expense of the audit shall be borne by the Developer.

(k) Additional monies due as a result of any audit or annual reconciliation shall be paid within thirty (30) days of date of the City or the DIA's invoice.

(l) Should the annual reconciliation or any audit reveal that the Developer has overstated the amount of Capital Investment, and the Developer does not make restitution within thirty (30) days from the date of receipt of written notice from the City or the DIA, then, in addition to any other remedies available to the City or the DIA, the City or the DIA may terminate this Agreement, solely at its option, by written notice to the Developer.

11.23 **Non-merger.**

None of the terms, covenants, agreements or conditions set forth in this Agreement shall be deemed to be merged with any deed conveying title to the Project Parcel.

11.24 **Exemption of DIA.**

Neither this Agreement nor the obligations imposed upon the City or the DIA hereunder shall be or constitute an indebtedness of the City or the DIA within the meaning of any constitutional, statutory or charter provisions requiring the City to levy ad valorem taxes nor a lien upon any properties of the City or the DIA. Payment or disbursement by the City or the DIA of any loan or grant amount hereunder is subject to the availability of lawfully appropriated funds. If funds are not available pursuant to a lawful appropriation thereof by the City Council and/or the DIA Board as applicable, this Agreement shall be void and the City and the DIA shall have no further obligations hereunder.

11.25 **Parties to Agreement; Successors and Assigns.**

This is an agreement solely between the City, the DIA and Developer. The execution and delivery hereof shall not be deemed to confer any rights or privileges on any person not a party hereto. This Agreement shall be binding upon Developer and Developer's successors and assigns, and shall inure to the benefit of the City and the DIA and their respective successors and assigns. However, Developer shall not assign, transfer or encumber its rights or obligations hereunder or under any document executed in connection herewith, without the prior written consent of the DIA, which consent may be withheld in the sole discretion of the DIA.

11.26 **Venue; Applicable Law.**

The rights, obligations and remedies of the parties specified under this Agreement shall be interpreted and governed in all respects by the laws of the State of Florida. All legal actions arising out of or connected with this Agreement must be instituted in the Circuit Court of Duval County, Florida, or in the Federal District Court for the Middle District of Florida, Jacksonville Division. The laws of the State of Florida shall govern the interpretation and enforcement of this Agreement. Each party shall be responsible for the payment of its own attorneys' fees and costs incurred in connection with the enforcement of the terms of this Agreement.

11.27 **Civil Rights.**

The Developer agrees to comply with all of the terms and requirements of the Civil Rights Act of 1964, as amended, and the Civil Rights Act of 1968, as amended, and the antidiscrimination provisions of Chapter 126, Part 4, of the City Ordinance Code, and further agrees that in its operation under this Agreement it will not discriminate against anyone on the basis of race, color, age, disability, sex or national origin.

11.28 **Further Assurances.**

Developer will, on request of the City or the DIA,

(a) promptly correct any defect, error or omission herein or in any document executed in connection herewith (collectively the "Project Documents");

(b) execute, acknowledge, deliver, procure, record or file such further instruments and do such further acts deemed necessary, desirable or proper by the City or the DIA to carry out the purposes of the Project Documents and to identify and subject to the liens of the Project Documents any property intended to be covered thereby, including any renewals, additions, substitutions replacements, or appurtenances to the subject property;

(c) execute, acknowledge, deliver, procure, file or record any documents or instruments deemed necessary, desirable or proper by the City or the DIA to protect the liens or the security interest under the Project Documents against the rights or interests of third persons; and

(d) provide such certificates, documents, reports, information, affidavits and other instruments and do such further acts deemed necessary, desirable or proper by the City or the DIA to carry out the purposes of the Project Documents and this Agreement.

(e) execute a written termination of the Original EDA in a form approved by the DIA.

11.29 **Exhibits.**

In the event of a conflict between any provisions of this Agreement and any exhibit attached to or referenced in this Agreement, the provisions of this Agreement shall govern.

11.30 **Construction.**

All parties acknowledge that they have had meaningful input into the terms and conditions contained in this Agreement. Developer further acknowledges that it has had ample time to review this Agreement and related documents with counsel of its choice. Any doubtful or ambiguous provisions contained herein shall not be construed against the party who drafted the Agreement. Captions and headings in this Agreement are for convenience of reference only and shall not affect the construction of this Agreement.

11.31 **Further Authorizations.**

The parties acknowledge and agree that the Chief Executive Officer of the DIA is hereby authorized to execute any and all other contracts and documents and otherwise take all necessary action in connection with this Agreement and the Ordinance.

11.32 **Estoppel Certificate.**

On twenty (20) days written request from the other party, either party shall execute and deliver to the other party an estoppel letter stating that this Agreement is: (i) unmodified and in full force and effect, or in full force and effect as modified, and stating the modification; (ii) the amount of any grants actually paid to Developer and the remaining portion of any grants for which Developer remains eligible; and (iii) that there are not, to that party's actual knowledge, any uncured Events of Default, or events which with the passage of time would become an Event of Default, on the part of the other party, or specifying existing Event(s) of Default.

11.33 **Attorney's Fees.**

Each party shall be responsible for its own attorneys' fees and costs in connection with any legal action related to this Agreement.

11.34 **Termination.**

Notwithstanding anything contained to the contrary in this Agreement, following any termination of this Agreement by either party hereto pursuant to any right to terminate this Agreement contemplated hereunder, neither party shall owe any further obligation to the other party under this Agreement.

[Signatures appear on following pages]

IN WITNESS WHEREOF, this Agreement is executed the day and year above written.

DOWNTOWN INVESTMENT AUTHORITY

By:_____
Name Printed: Lori N. Boyer
Its: Chief Executive Officer

ATTEST:

By:_____
James R. McCain, Jr.
Corporation Secretary

CITY OF JACKSONVILLE

By:_____
Donna Deegan, Mayor

FORM APPROVED:

_____
Office of the General Counsel

WITNESS:

JACKSONVILLE PROPERTIES I, LLC, a Delaware limited liability company

_____
Print Name:_____

By:_____
Name:_____
Its:_____

_____
Print Name:_____

GC-#1637317-v4-Jacksonville_Properties_I_LLC_(DORO)_Revised_RDA.doc

Encumbrance and funding information for internal City use:

Account or POA Number: _____

1Cloud Account for Certification of Funds	Amount

This above stated amount is the maximum fixed monetary amount of the foregoing Contract. It shall not be encumbered by the foregoing Contract. It shall be encumbered by one (1) or more subsequently issued purchase order(s) that must reference the foregoing Contract. All financial examinations and funds control checking will be made at the time such purchase order(s) are issued.

In accordance with Section 24.103(e), of the *Jacksonville Ordinance Code*, I do hereby certify that there is an unexpended, unencumbered and unimpounded balance in the appropriation sufficient to cover the foregoing Contract; provided however, this certification is not nor shall it be interpreted as an encumbrance of funding under this Contract. Actual encumbrance[s] shall be made by subsequent purchase order[s], as specified in said Contract.

_____
Director of Finance
City Contract Number: _____

LIST OF EXHIBITS

Exhibit A Description of the Project Parcel

Exhibit B Improvements

Exhibit C JSEB Reporting Form

Exhibit D Non-Foreign Entity Affidavit

Exhibit A
Description of Project Parcel

That certain real property containing approximately 1.63 acres and located generally at 930 E. Adams Street, having Duval County R.E. Number 131133 0005.

Exhibit B
Improvements

1) The Developer commits to the development of:

- A minimum of 240 dwelling units.
- A seven-story structured parking garage with a minimum of 280 spaces, which may be restricted for use by tenants only at the Developer's discretion.
- Rooftop swimming pool, fitness center, and other amenities generally as outlined in plans submitted with the application to DIA, which may also be restricted for use by tenants only at the Developer's discretion.
- Not less than 7,400 square feet of retail/restaurant/lounge space, including 4,700 square feet on the ground floor, which will be open and provide direct access to the public during normal business hours. Such space will be advertised with signage so as to be clear that it is open to the public.

2) In association, the Developer commits to the incorporation of design elements, signage, and other measures that recognize the historical significance of the existing property and the area in which it is located.

3) Developer commits to pursue in good faith, with all best efforts including financial support, to finalize negotiations with the adjacent property owner to utilize the current Forsyth Street E roadway for activated public space for use during game days and other events within the Sports and Entertainment District.

The Project is expected to represent an estimated total Capital Investment of $68,321,400 by or on behalf of the Developer.

Exhibit C
JSEB Reporting Form

Business:
Goal: $
Contact:_____
Date:_____

Date Contract Awarded	Contractor Name	Ethnicity (1)	Scope of Work (2)	Contract Amount	Amount Paid to Date	% of Work Completed to Date
		(1) AA – African American		(2) Examples: Masonry		
		HANA – Hispanic, Asian, Native American		Painting		
		WBE – Women		Site Clearing		
		C - Caucasian		Electrical		

Exhibit D
NON-FOREIGN ENTITY AFFIDAVIT

STATE OF FLORIDA
COUNTY OF DUVAL

BEFORE ME, the undersigned authority, personally appeared _____, who being first duly sworn, on oath deposes and says under penalty of perjury that he/she is the _____ of **JACKSONVILLE PROPERTIES I, LLC,** a Delaware limited liability company ("Developer"), who is or may be a recipient of certain economic incentives from the **CITY OF JACKSONVILLE**, a political subdivision and municipal corporation of the State of Florida, and the **DOWNTOWN INVESTMENT AUTHORITY**, a community redevelopment agency on behalf of the City of Jacksonville, including a REV Grant, a Workforce Housing Completion Grant and a Emergency Rapid Response Grant, and hereby attests, affirms and certifies that (i) I am duly authorized and empowered and have sufficient knowledge to execute and deliver this Affidavit, (ii) Developer is not owned or controlled by the People's Republic of China, the Russian Federation, the Islamic Republic of Iran, the Democratic People's Republic of Korea, the Republic of Cuba, the Venezuelan regime of Nicolás Maduro, or the Syrian Arab Republic (collectively and individually, a "Foreign Country of Concern"), including any agency of or any other entity of significant control of such Foreign Country of Concern; where "controlled by" means having possession of the power to direct or cause the direction of the management or policies of a company, whether through ownership of securities, by contract, or otherwise, and a person or entity that directly or indirectly has the right to vote 25 percent or more of the voting interests of the Developer or that is entitled to 25 percent or more of its profits is presumed to control the foreign entity; and (iii) Developer is not an entity that is a partnership, association, corporation, organization, or other combination of persons organized under the laws of or having its principal place of business in a Foreign Country of Concern, or a subsidiary of such entity. The undersigned does hereby execute this affidavit for the purpose of complying with the provisions of Section 288.0071, Florida Statutes, Economic Incentives to Foreign Countries of Concern Prohibited.

DATED as of _____ __, 202_.

_____

Print Name:_____

STATE OF FLORIDA
COUNTY OF DUVAL

The foregoing instrument was acknowledged before me by means of [_] physical presence or [_] online notarization, this ____ day of _____, 202_, by _____ as _____ of _____, a _____ corporation, on behalf of said corporation. Said individual [____] is personally known to me or [__] has produced _____ as identification.

_____

Name: _____

NOTARY PUBLIC, State of Florida

(SEAL)

Serial Number (if any) _____

My Commission Expires: _____