

**TERMS AND CONDITIONS FOR A GRANT AGREEMENT
BETWEEN THE CITY OF JACKSONVILLE AND FLORIDA
STATE COLLEGE AT JACKSONVILLE FOR ACQUISITION OF
THE BUILDING FOR “PHASE 1A” OF THE FSCJ WORKFORCE
TRAINING INSTITUTE (THE “TRAINING INSTITUTE”)**

Any substantial change to these Terms and Conditions will require City Council approval.

The parties desire to enter into a City grant agreement pursuant to which the City of Jacksonville (the “City”) will provide grant funding to Florida State College at Jacksonville (the “College”) for acquisition of a building that will serve as Phase 1A of the Florida State College at Jacksonville (“FSCJ”) Training Institute (the “Training Institute”), subject to the terms and conditions outlined herein and any grant or other contractual provisions deemed necessary or appropriate by the City’s Office of General Counsel and the City’s Risk Management Division (the “Agreement”). The City’s maximum indebtedness under the Agreement shall be an up-to amount not-to-exceed \$5,000,000.

1. The Training Institute, as more particularly described below, shall be located in an existing building located on real property within the Cecil Commerce Center and identified by the Duval County Property Appraiser as R.E. No. 002145-2000 (the “Building”), which Building is to be purchased by the College at a fair market purchase price pursuant to a separate agreement between the College and the owner of the Building (the “Purchase Contract”).
2. The Training Institute will significantly expand FSCJ’s high-demand workforce training capacity by adding 40,000 square feet of new instructional space, first to grow the College’s skilled trades programs (welding and HVAC) and later to add advanced manufacturing and logistics. Florida’s Department of Commerce identifies all of these fields as facing unmet employer demand in Northeast Florida today and increasing need in the years ahead—findings that mirror what local employers report. For example, the region is currently short 150 welders relative to annual openings, a gap expected to widen due to population growth and impending retirements, as the average welder is over age 55. The Training Institute will double FSCJ’s welding capacity—from 20 to 40 stations—which is essential because the current downtown welding program is already operating at full capacity. This eight-month program, which costs under \$4,000, will offer a direct pathway to strong wages averaging more than \$50,000 annually.
3. Industry needs and occupational opportunities follow a similar pattern for the programs that will come after welding at the Institute. The region is short roughly 250 HVAC installers and mechanics compared with annual openings, a gap FSCJ can help close by expanding its 12-month HVAC program, which costs just over \$4,000. Future phases of the Institute will introduce logistics and advanced manufacturing programs that not only meet near-term workforce needs but also align closely with JAXUSA’s priority industries, considered essential for Jacksonville’s long-term economic competitiveness. As development continues, FSCJ will work closely with industry partners to shape program content, hands-on training environments, and work-based learning opportunities to ensure the Institute remains tightly aligned with evolving employer needs.
4. The City shall have the right to review and approve the Purchase Contract prior to the College’s execution of same, which approval shall not be unreasonably withheld; however, the College

shall have the sole discretion to negotiate and determine the terms of the Purchase Contract, including, but not limited to, the purchase price for the Building (the “**Purchase Price**”). Notwithstanding the foregoing, the Purchase Price shall not exceed the value identified by an appraisal obtained by the College from a state-certified appraiser.

5. All funds provided by the City shall be utilized solely to fund the Purchase Price for the acquisition of the Building pursuant to the terms of the Purchase Contract and no City funds shall be used to fund any other closing costs.
6. The City's funding is limited to \$5,000,000 toward the Purchase Price, subject to appropriation by the City Council and the City's review and approval of the Purchase Contract as provided herein and the College shall be solely responsible for any additional costs relative to purchase of the Building.
7. Subject to the parties' full execution of the Agreement, the City shall disburse the entire balance of the \$5,000,000 grant funds to an escrow agent selected by the City at least three (3) days prior to the closing date of the College's purchase of the Building pursuant to the Purchase Contract.
8. The College shall be responsible for maintenance and operation of the Building and the Training Institute.
9. The City grant funds disbursed to fund the Purchase Price pursuant to the Agreement shall be subject to a 10-year recoupment period from the date the Training Institute begins operations, but not later than January 1, 2029 (the “**Recoupment Period**”). If the Building is not utilized primarily as a Training Institute, more specifically as a technical educational training facility offering workforce training and programs for skilled trades (e.g. welding, electrical, HVAC, carpentry, logistics, etc.) or advanced manufacturing for the duration of the Recoupment Period, the College shall remit to the City the unamortized balance of the City funds as of the date the Training Institute is no longer being primarily used for its intended purpose as a technical educational training facility. For the avoidance of doubt, during the Recoupment Period the annual amount which the City is entitled to receive pursuant to this Section 7 shall be \$500,000; accordingly, if on the seventh anniversary date following the date the City issues the funds to the College pursuant to the Agreement, the Training Institute is no longer being primarily used for its intended purpose as a technical educational training facility, then the City would be entitled to a total reimbursement from the College in the amount of \$1,500,000, which represents the remaining three years for the restrictions on the intended use of the Training Institute.
10. In the event the College fails to purchase the Building pursuant to the terms of the Purchase Contract, then the City shall be entitled to full repayment of the City funds from the escrow agent which shall be returned to the City within ten (10) calendar days of the College's failure to close on the Building.
11. The City's administrative staff and the City Council Auditor's office shall have the right to audit the closing statement and supporting documentation regarding the College's purchase of the Building to verify the Purchase Price paid at closing. In the event the Purchase Price for the Building is less than \$5,000,000, then the City shall be entitled to reimbursement from the escrow agent for the difference

between \$5,000,000 and the lesser amount paid for the Building.

12. The City and the College shall enter into a Use Agreement detailing the City's use rights, contemporaneously with the Agreement. The Use Agreement shall be subject to the terms and conditions outlined herein and any additional terms, conditions and legal requirements as deemed necessary or appropriate by the City's Office of General Counsel and Risk Management Division.
13. The City's Public Works Department shall have oversight of the Agreement described herein.