

General Terms for Funding Agreement
between
the City of Jacksonville (City) and Jacksonville University (JU)
for
FY24 City Appropriated Funding of \$3.5 million for Operational Expenses
of Law School Operated by JU

Any substantial changes will require Council approval

- There shall be an executed Funding Agreement (the "Agreement") between the City and JU incorporating the following specific terms and conditions, in addition to any applicable City grant or other contractual provisions, as required by the City's Office of General Counsel.
- The City anticipates funding an amount not to exceed \$6.5 million, for operational expenses over a 2-year period, with an appropriation of \$3.5 million in FY 2023-2024 and the remaining \$3 million subject to an additional annual appropriation by City Council, as may be contemplated in the FY 2024-2025 budget submission, to fulfill the ultimate commitment of \$6.5 million by the City.
- JU shall enter into a lease for the Downtown Law School Campus for not less than 15 years, including the exercise of all extension options.
- All funding shall be specifically expended for goods and services associated with the general operations of the law school at the Downtown Law School Campus including, but not limited to, any lease or loan payments associated with the facilities, staff payroll and overhead expenses, professional expenses related to the design, occupancy, use, and operations of the facility. Documentation shall be provided by JU verifying the expenditures incurred in order to draw down funds against this appropriation.
- JU shall be responsible for ensuring all federal, state or local permits, as may be necessary, are obtained prior to conducting any work.
- The City shall only provide funding on a work performed and invoiced basis after receiving from JU and thereafter reviewing and approving paid invoices from contractors, or any other vendor, and other documentation of expenses actually incurred. Such funding is subject to the maximum indebtedness under this Agreement of \$3.5 million, as may be amended through subsequent legislation.
- The City shall be granted access to the JU law school campus at all reasonable times to inspect the work in progress or the final work product.
- The City's administrative staff, and the City Council Auditors office, shall have the right to audit payment records and supporting documentation for expenditures reimbursed under this Agreement.
- In the event that JU vacates the Downtown Campus or ceases to operate the Law School during the first thirty (30) months years following disbursement, in full of the \$3.5 million, the following shall be due and payable to the City:

- (i) \$3,500,000, if Cessation of Operations occurs within 6 months after disbursement;
 - (ii) \$2,800,000, if the Cessation of Operations occurs after 6 months but within 12 months of disbursement;
 - (iii) \$2,100,000, if the Cessation of Operations occurs after 12 months but within 18 months of disbursement;
 - (iv) \$1,400,000, if the Cessation of Operations occurs after 18 months but within 24 months of disbursement; or
 - (v) \$700,000, if the Cessation of Operations occurs after 24 months but within 30 months of disbursement.
- On a semi-annual basis, beginning 6 months from the date of the initial disbursement and continuing every 6 months thereafter for each year this Agreement is in effect, the Company shall submit reports reporting to the OED regarding all activities affecting the implementation of this Agreement, including a narrative summary of progress on the Project. The specific reporting form(s) will be as prescribed and approved by the City of Jacksonville. The City reserves the right to request additional information, which shall be provided within 30 days of written request.
 - In the event that JU does not receive a Certificate of Occupancy, or its equivalent, by December 31, 2024, the full amount of the grant disbursed to JU will be due and payable to the City within 30 days of notification thereof.