CITY OF JACKSONVILLE MOBILITY FEE CONTRACT

THIS MOBILITY FEE CONTRA	ACT ("Contract") is filed with the City of
Jacksonville and is entered into on this	day of
2016 [effective date shall be entered by	y the CITY upon execution by all parties
between the CITY OF JACKSONVILL	LE, a municipal corporation ("CITY") an
SWQ, LLC., and SOUTHWEST QUA	ADRANT JOINT VENTURE COMPANY
(hereinafter the "OWNERS").	

RECITALS

- **A.** Owners and City desire to enter into this Contract to provide Mobility Fee Credits (as defined herein) to the Owners.
- **B.** A Fair Share Assessment Application and Contract, related to CCAS/CRC No. 29753, was executed between Southeast Properties, Inc., SWQ Holdings, Inc., and Southwest Quadrant Joint Venture Company (the "**Original Owners**") and the CITY on June 12, 2003 (the "**Fair Share Contract**").
- C. The Fair Share Contract had a ten (10) year term and provided that a mixed use development (557 apartments, 112,000 sq. ft. of office use, and 305,000 sq. ft. of shopping center) was envisioned.
- **D.** The Fair Share Contract allowed, pursuant to paragraph 6(d), that the fair share assessment would be "subject to the credit received for the construction of roadway improvements by the JTA [Jacksonville Transportation Authority] pursuant to a Settlement Agreement between the Developers [the Original Owners] and the JTA, as more specifically described in Exhibits D-1 and E." The Settlement Agreement between the Original Owners and the JTA was dated July 18, 2001 (the "**Settlement Agreement**").
- E. The Settlement Agreement related to an action for condemnation brought by JTA to acquire right-of-way through the Original Owner's property in order to construct a roadway and related improvements extending from Southside Boulevard through property owned by the Original Owners, and through adjoining property, to A.C. Skinner Parkway (the "Roadway Improvements"). The subject property owned by the Original Owners was a 194.6 acre parcel located at the Southwest quadrant of JTB and Southside Boulevard ("SWQ Property"). A sketch of the SWQ Property is attached hereto as Exhibit "A".
- F. The CITY was not a party to the action for condemnation or the Settlement Agreement, thus the Settlement Agreement could not convey any credit toward a fair share assessment. However, the Settlement Agreement did allow the Original Owners the right to ask for the fair share credits from the CITY for the value of the Roadway Improvements and right-of-way within the 194.6 acre SWO Property. The value of the

- road and right-of-way *outside* the SWQ Property was to remain available to the JTA for fair share concurrency credits from, and subject to the approval by, the CITY.
- G. The Settlement Agreement required JTA to pay the Original Owners \$2,250,000.00 for the right-of-way acquired through eminent domain by JTA from the Original Owners. The right-of-way was used for construction of the Roadway Improvements.
- H. Exhibit D-1 of the Fair Share Contract specifically allowed the Original Owners to "receive as credit against its fair share assessment the projected cost of the construction of that portion of the Roadway Improvements which extends from Southside Boulevard (including necessary intersection improvements at Southside Boulevard) to the western boundary of the Property, which project cost is calculated in Exhibit E."
- I. Exhibit E of the Fair Share Contract calculated the projected costs of the Roadway Improvements to be \$5,168,940 and thus that amount was eligible to be given as a credit ("Credit") toward fair share assessments. The Exhibit D-1 and Exhibit E of the Fair Share Contract are attached hereto as Exhibit "B".
- J. Pursuant to Fair Share Assessment application # 43579.1 in 2006, the 600 unit Summerfield Townhomes was calculated to generate 261 peak hour trips ("PHT") which equated to a fair share assessment of \$499,426. This amount was not paid into the Fair Share Sector Account, but rather was drawn down from the \$5,168,940 in Credit allowed pursuant to the Fair Share Contract.
- **K.** Pursuant to Ordinance 2010-839-E, an amendment to the Fair Share Contract (the "Amendment") was approved that added 5.32 acres to the 194.6 acre SWQ Property for a total of 199.92 acres. This additional acreage is shown as indicated on **Exhibit "A"**.
- L. As stated in the Amendment, the additional 5.32 acres would be developed at the same densities and intensities proposed in the Fair Share Contract thus "spreading" the originally proposed development to include this property but not increasing the impact on the transportation system. The additional 5.32 acres would also benefit from the Credits for the Roadway Improvements to which the Original Owners were entitled.
- **M.** The Amendment did not extend the term of the Fair Share Contract and did not extend the credit available to include the value of the right-of-way through the SWQ Property.
- **N.** The Fair Share Contract was set to expire on June 12, 2013; however, by action of the Florida Legislature (Ch. 2011-139, Sec. 79) the contract was extended until June 11, 2015.
- **O.** The Fair Share Contract was not extended beyond June 11, 2015 by either the parties or by action of the State of Florida, and has thus terminated.
- **P.** On October 9, 2014, pursuant to Fair Share application # 86966.0, the 300 unit Lorre West Apartments were calculated to generate 183 PHT which equated to a fair share

- assessment of \$328,152. This amount was not paid into the Fair Share Sector or the Mobility Zone account, but rather was drawn down from the Credit balance.
- Q. On November 24, 2014, pursuant to Fair Share application # 85437.0, the 300 unit A. C. Skinner Parkway Apartments were calculated to generate 183 PHT which equated to a fair share assessment of \$328,152. This amount was not paid into the Fair Share Sector or the Mobility Zone account, but rather was drawn down from the Credit balance.
- **R.** The Fair Share Contract included an annual inflation adjustment amount of 3.3% per year based upon the total fair share assessment of \$2,635,986 for the proposed mixed use development. The Department determined that the inflation calculation ended at the time the Roadway Improvements as constructed by JTA were completed, thus the inflation amount was 6.71% for 2 years and equated to \$176,875.
- S. The 2006 drawdown, the two 2014 drawdowns, and the reduction for inflation are shown on **Exhibit "C"**, attached hereto. The Credit based upon this calculation is currently \$3,836,335.
- T. Pursuant to Section 655.303, *Ordinance Code*, credit authorized by a fair share contract or fair share contract amendment may be applied toward the payment of a mobility fee owed to the City for development within the same mobility zone as the transportation facilities and/or transportation project. The Roadway Improvements are located in Mobility Zone 1, however, drawing upon the previous fair share contract, the Credits may be used within a 2.5 mile radius area around the Road Improvements. The 2.5 mile radius area is described and shown in **Exhibit "D", attached hereto**.
- U. Southeast Properties, Inc. and SWQ Holdings, Inc.'s have assigned to SWQ, LLC both entities' rights to the Credits. Southwest Quadrant Joint Venture Company has retained its rights to the Credits. Thus, SWQ, LLC and Southwest Quadrant Joint Venture Company now own the rights to the Credits in their entirety, and constitute the OWNERS in this Contract.
 - **NOW THEREFORE**, based upon the foregoing recitals and in consideration of the commitments herein and the performance thereof, the CITY and OWNERS agree as follows:
- **1.** <u>Incorporation of Recitals and Exhibits</u>. The foregoing Recitals and Exhibits are true and correct and, by reference, are incorporated into this Contract.
- **Definitions.** The terms used in this Contract which are defined in Chapter 655, *Ordinance Code*, shall have the same meaning as provided therein. The terms used in the Contract which are not defined in Chapter 655, *Ordinance Code*, are defined as follows:
 - (a) *CMMSO* shall mean the Concurrency and Mobility Management System Office, within the Department.

- (b) *Department* shall mean the Planning and Development Department.
- (c) Designated Transferee shall mean the recipient of the Owner's Mobility Fee Credit(s) that will be applied to a development project.
- (d) *Director* shall mean the Director of the Planning and Development Department.
- (e) *Mobility Fee(s)* shall mean the fee(s) assessed and collected by the City for a development within a particular Development Area and Mobility Zone as such are defined and set forth in the Mobility Plan and Section 655.502, *Ordinance Code*.
- (f) *Mobility Fee Credit(s)* shall mean the credits granted by the City which may be exchanged to the City for payment of Mobility Fee(s).
- (g) *Mobility Plan* shall mean the City of Jacksonville 2030 Mobility Plan and the included goals, policies and objectives approved and incorporated into the Comprehensive Plan and Ordinance Code.
- (h) *Original Owners* shall mean Southeast Properties, Inc., SWQ Holdings, Inc., and Southwest Quadrant Joint Venture Company.
- (i) Owners shall mean SWQ, LLC and Southwest Quadrant Joint Venture Company.
- **Owners' Representations and Warranties.** The Owners represent and warrant to the City as follows:
 - (a) The Owners have the full power and authority to enter into and perform this Contract in accordance with its terms without obtaining the consent or approval of any third parties whatsoever.
 - (b) This Contract is a valid, binding and enforceable commitment between the City and the Owners.
- **4.** <u>City's Representations and Warranties</u>. The City represents and warrants to the Owners as follows:
 - (a) The City has full power and authority to enter into and perform this Contract in accordance with its terms.
 - (b) This Contract is a valid, binding and enforceable contract of the City, approved pursuant to Chapter 655, *Ordinance Code*.
 - (c) This Contract has been executed and delivered by the City after completion of all necessary steps required by law to enable the City to enter into this Contract.

- **Term**. The Mobility Fee Credits received by the Owners pursuant to this Contract shall have no expiration date and may be redeemed at any time permitted by law.
- **Roadway Improvement Credits.** Pursuant to the terms of the Fair Share Contract, as amended, the Original Owners were entitled to utilize or convert the aforementioned Credits into Mobility Fee Credits in an amount equal to \$3,836,335. Following execution of this Contract, the CMMSO shall memorialize the aforementioned Mobility Fee Credits into a Mobility Fee Credit account for the Owners and issue a letter to the Owners with a copy to the Director and the City's Chief of Development Services, detailing the amount of Mobility Fee Credits in the Owners' account, and as that amount changes with future draw downs.

7. Administrative Provisions.

- (a) <u>Use of Mobility Fee Credits</u>. The Mobility Fee Credits derived from the Roadway Improvement Credits pursuant to the Fair Share Contract and set forth in this Contract may be used, in whole or in part, by the Owners or a Designated Transferee in connection with any and all Mobility Fees, on a full dollar for dollar basis, assessed within the 2.5 mile radius area as shown in **Exhibit "D"**, until the full \$3,836,335 in Mobility Fee Credits have been used in their entirety.
- (b) Transfer of Mobility Fee Credit(s). The Owners may transfer ownership of any of the Mobility Fee Credits received pursuant to this Contract by designating a Designated Transferee for a specified part of the Mobility Fee Credits which has not yet been used. A Designated Transferee may in turn also transfer ownership of said Mobility Fee Credits in the same manner. Each transfer shall be accomplished by the execution and delivery to the CMMSO of a notice in the manner provide by Chapter 655, *Ordinance Code*. Only the Owners, or a duly Designated Transferee, are entitled to utilize said Mobility Fee Credits. Upon request by the Owners or a Designated Transferee, the CMMSO shall confirm in writing the effectiveness of any transfer so made for the benefit and protection of the Designated Transferee.
- (c) <u>Mobility Fee Calculation</u>. Prior to use of any of the Mobility Fee Credits described in this Contract, the Owners or a Designated Transferee shall file an application with the CMMSO for a Mobility Fee calculation for its development.
- (d) <u>No Obligation</u>. The Owners' possession of Mobility Fee Credits shall not constitute any type of obligation of the City for repayment with anything other than Mobility Fee Credits themselves.
- **8. Default by City.** If the City defaults in the performance of any obligation under this Contract required to be performed by the City, then the Owners, their successors or assigns shall deliver written notice of such default to the City. The City shall commence to cure such default within ninety (90) days after delivery of such notice of default and shall diligently pursue such cure to completion within sixty (60) days after delivery of

such notice as to any default. If the City does not cure such default within the time periods provided, Owners may pursue any available remedies in law or equity.

- **Default by Owners.** If the Owners or their successors or assigns default under this Contract or any related transaction and such default is uncured for a period of sixty (60) days, then the City shall have the right to immediately terminate and cancel this Contract by giving to the Owners written notice of such termination and cancellation.
- **Remedies.** Each party shall have the right to prosecute any proceedings at law or in equity against any defaulting party hereto, or any other person, violating or attempting to violate or defaulting upon any of the provisions contained in this Contract, and to recover damages for any such violation or default. Such rights shall include the right to restrain by injunction any violation or threatened violation by another of any of the terms, covenants or conditions of this Contract, or to obtain a decree to compel performance of any such terms, covenants, or conditions, it being agreed that the remedy at law for a breach of any such term, covenant, or condition (except those, if any, requiring the payment of a liquidated sum) is not adequate. All of the remedies permitted or available to a party under this Contract or at law or in equity shall be cumulative and not alternative, and invocation of any such right or remedy shall not constitute a waiver or election of remedies with respect to any other permitted or available right or remedy.
- **11. Effective Date.** This Contract shall become effective upon execution by the listed parties, as per Section 655.508(d), *Ordinance Code*.
- **No Liability of Officials, Officers or Employees**. No official, officer or employee of the City or the Owners shall be personally liable for any nonperformance or delay in performance by the City or the Owners respectively or for any amount which may become due under any provisions of this Contract.
- **Amendment.** This Contract may only be amended by a subsequent written contract entered into and executed by the parties and approved by the City in accordance with the requirements of Chapter 655, *Ordinance Code*.
- **14.** <u>Notices.</u> All written notices and demands of any kind which either party may be required or may desire to serve upon the other party in connection with this Contract may be served by registered or certified mail as follows:

CITY: Director of Planning and Development Department

Ed Ball Building, 3rd floor 214 North Hogan Street Jacksonville, Florida 32202

Concurrency and Mobility Management System Office Ed Ball Building, 2nd Floor 214 North Hogan Street Jacksonville, Florida 32202

Office of General Counsel c/o Land Use Division 117 West Duval Street, Suite 480 Jacksonville, Florida 32202

OWNERS: Kent Schmidt

1003 Greenridge Road Jacksonville, Florida 32207

Jim Efstathion 1003 Greenridge Road Jacksonville, Florida 32207

Paul M. Harden, Esq. 501 Riverside Avenue, Suite 901 Jacksonville, Florida 32202

- **Successors and Assigns.** This Contract shall be binding upon and inure to the benefit of the parties, and their respective successors and assigns.
- **Yenue.** This Contract will be governed by and construed in accordance with the laws of the State of Florida. The venue for any lawsuit arising from this Contract shall be in Duval County, Florida.
- **Dates.** When payment, delivery, notification, or other action is required by a specified date in this Contract and such date falls on a weekend or government-designated holiday, the action shall be required by 5:00 p.m. on the Monday or non-holiday date, respectively, immediately following the otherwise specified date.
- **Approvals**. Approval of issuance of credits by the City shall not be unreasonably withheld or delayed. All approval or disapprovals shall be written and shall be provided with thirty (30) days of delivery of any documents requiring approval. Any disapproval shall state the reasons for disapproval and the actions needed for approval. If no approval or disapproval is given within the time required by this Section, the approval shall be deemed given and conclusively established.
- **19. Severability.** If any part of this Contract is determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Contract shall continue to be enforceable.

- **20.** <u>Counterparts and Signature Pages</u>. This Contract may be executed in two (2) or more counterparts, each of which shall be deemed an original. The signatures to this Contract may be executed on separate pages, and when attached to this Contract shall constitute one complete document.
- **Merger.** This Contract constitutes the entire understanding and Contract of the parties as to the subject matter hereof, and supersedes all negotiations or previous contracts or contracts between the parties with respect to all or any part of the subject matter. Section and section hearings included in this Contract are for convenience only and shall have no effect upon the meaning or construction of this Contract.
- **22.** <u>Compliance with Laws.</u> The parties shall comply with any and all applicable federal, state and local laws, ordinances, codes, rules and regulations as the same exist and may be amended from time to time. The failure of the Contract to address a particular permit, condition, term, or restriction shall not relieve the Owners of the necessity of complying with the law governing said permitting requirements, conditions, term, or restriction.
- **Cooperation and Further Assurances.** The parties hereto agree to cooperate in all reasonable respects to insure the performance of their obligations pursuant to this Contract and agree to execute such additional documents and instruments as may be reasonably required to carry out the intent of this Contract.

24. Acknowledgment.

- (a) The parties understand and acknowledge that in entering in this Contract the Owners are not obligating themselves to dedicate land, fund the acquisition of land, design, permit or construct any infrastructure or undertake any development.
- (b) The parties further acknowledge that should the City's Mobility Fee system be replaced, the Owners or its Designated Transferee would be entitled to equivalent credits under the new regulatory scheme.
- **Memorandum of Mobility Fee Contract.** After execution of this Contract, the CMMSO shall record a short form of this Agreement, memorializing the Credits, in substantially the same form as **Exhibit "E"**, **attached hereto**. Recorded copies shall be transmitted to the Owners within thirty (30) days after recording.

REMAINDER OF THIS PAGE LEFT INTENTIONALLY BLANK

IN WITNESS WHEREOF, the parties have executed this Contract as of the dates written below their respective names.

CITY OF JACKSONVILLE				
BY:				
William B. Killingsworth, DIRE PLANNING AND DEVELOPM				
DATE:				
STATE OF FLORIDA				
COUNTY OF DUVAL				
by William B. DEVELOPMENT DEPARTME authority granted pursuant to Sect	acknowledged before me thisday of	AND to the	is	perso
	Notary Public, State of Florida Name: My Commission Expires: My Commission Number is:			
FORM APPROVED:				
OFFICE OF GENERAL COUN	ISEL			

SWQ, LLC., a Florida Limited Liability Company

WITNESSES:

BY:	Signature:
PRINT:	PRINT:
DATE:	Signature:
	PRINT:
STATE OF FLORIDA	
COUNTY OF DUVAL	
The foregoing instrument was acknowledged	nowledged before me thisday of,
by	of SWQ, LLC., its He/She is planewall as
to me or has prod	of SWQ, LLC., its He/She is pkroowall
to me or has prod	of SWQ, LLC., its He/She is pkroowall
to me or has prodidentification.	of SWQ, LLC., itsis plansowall lucedas
to me or has prodidentification.	of SWQ, LLC., its He/Sheis ptroowall as

SOUTHWEST QUADRANT JOINT VENTURE		WITNESSES:	
BY:		Signature:	
PRINT:		PRINT:	
DATE:		Signature:	
		PRINT:	
STATE OF FLORIDA			
COUNTY OF DUVAL			
The foregoing instrument wa	s acknowledged l	pefore me thisday of	, SOUTHWEST
QUADRANT	JOINT	VENTURE, He/She	its
to me or haidentification.	s produced	He/She	as
		y Public, State of Florida	
	Name:	sion Expires:	
		sion Number is:	

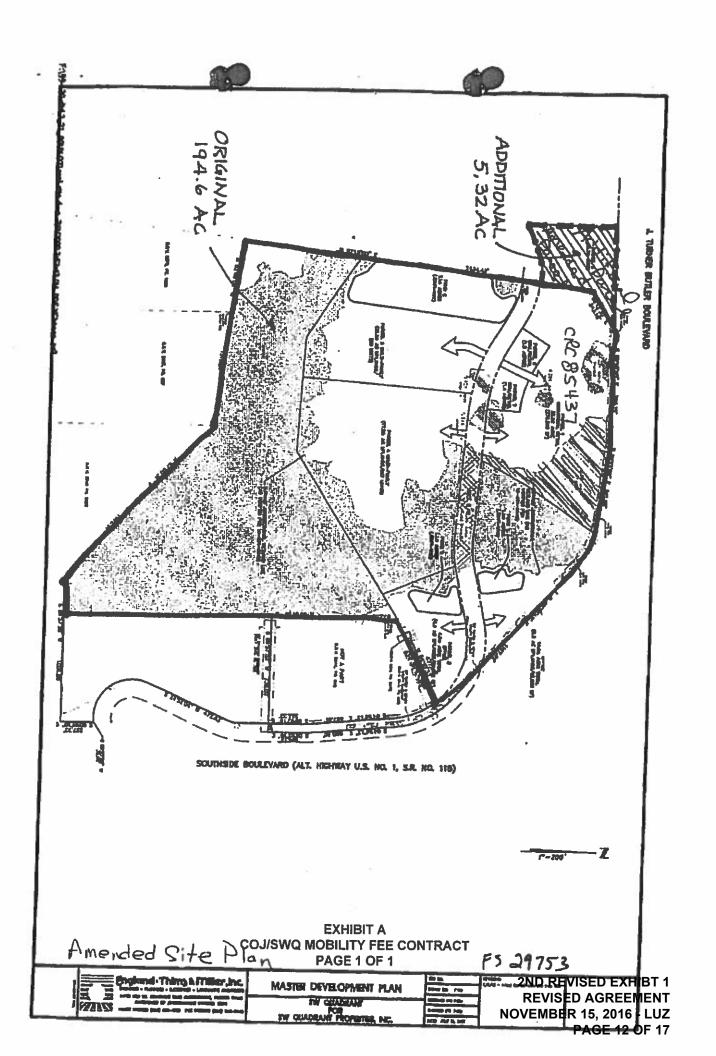


EXHIBIT D-1

Pursuant to the Seitlement Agreement between the Owners and the Jacksonville Transportation Authority ("JTA") dated July 18, 2001 (hereinafter, the "Settlement Agreement"), the JTA has agreed to construct a roadway and related improvements extending from Southside Boulevard through the Property and through adjoining property to A. C. Skinner Parkway at its current eastern terminus (hereinafter, the "Roadway Improvements"). Also pursuant to the Settlement Agreement, Owner shall receive as credit against its fair share assessment the projected cost of the construction of that portion of the Roadway Improvements which extends from Southside Boulevard (including necessary intersection improvements at Southside Boulevard) to the western boundary of the Property, which projected cost is calculated in Exhibit E. (The calculation of the projected costs of such portion of the Roadway Improvements is calculated in the same manner as projected roadway costs are calculated in the formula prescribed for fair share assessments pursuant to Section 655.304 of the Ordinance Code, not including right-of-way value.) As concurrency certificates are sought by either the Owner or designated successors, the Owner's credit shall be used in amounts attributable to development proposed in the concurrency certificates sought. To the extent the projected costs of such portion of the Roadway Improvements exceed the fair share assessment, the Owner will be entitled to credits that can be applied, without further amendment to this Contract, to additional future CCAS applications resulting in fair share assessments on site for the duration of this Contract.

> 22 EXHIBIT B COJ/SWQ MOBILITY FEE CONTRACT PAGE 1 OF 2

2ND REVISED EXHIBT 1
REVISED AGREEMENT

Exhibit E Calculation of Value of JTA Roadway Improvements from Southside Bivd to Southwest Quadrant Property Western Boundary

				Associated	2000	2001	Improve	ment
		Roadway	Unit Cost		Inflation	Inflation	3	=
Roadway	Improvement	Length (mi)	(\$2000)	Factor	Cost	Coet	(\$2002)	<u> </u>
Project Road from Southaide Blvd to end of two lense	Widen 2 to 4 lanes	0.45	\$2,624,300	1.300	1.033	1.035	2	641,363
Project Road from and of two lanes to western								
boundary of project property	Construct 4 lanes	0.61	\$3,806,800	1.300	1.033	1.035	62	3,227,557
Southside Bivd at Deerwood Park Bivd	Intersection Improvements	N/A	YN4	NVA	N/N	N/A	30	0,000
Total Value of Improvements							\$ 5,16	9,940

Note: Improvement unit costs from 2000 Transportation Costs by FDOT Office of Policy Planning

EXHIBIT B
COJ/SWQ MOBILITY FEE CONTRACT
PAGE 2 OF 2

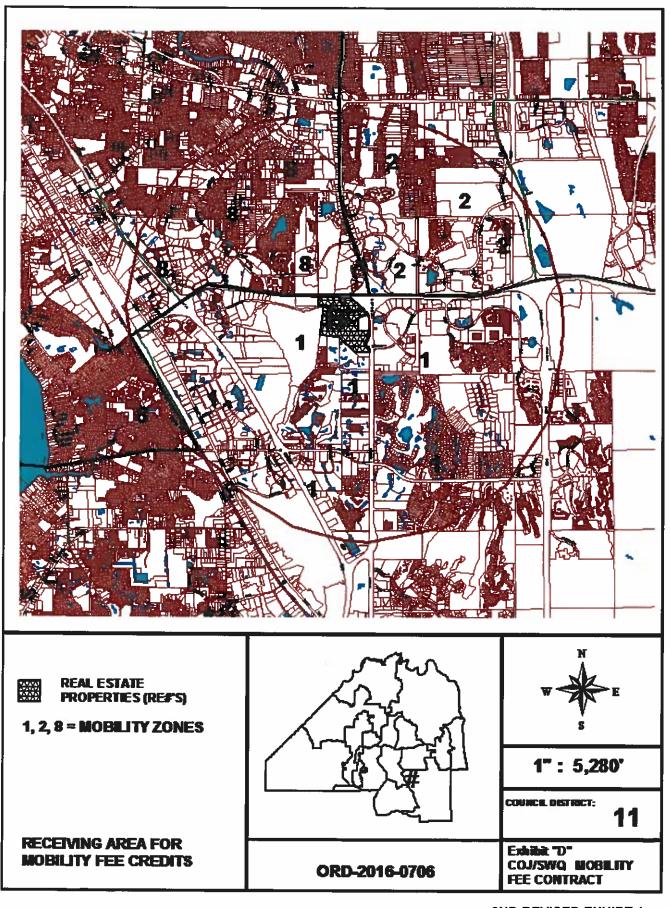
2ND REVISED EXHIBT 1

NOVEMBER 15, 2016 - LUZ

PAGE 14 OF 17

King + Robinson

		SWQ JTB SSB (# 2	975	3)			
		FS Assessment:	\$:	2,635,986	\$1,793.	19 Cost per	Trip
		Total Credits*:	\$	5,168,940			
		ots, 305,000 SF of Shopping Center use and 112,000 of General Office		ip Summary: of PHT Trips:	1470	ITE Code	
No.	App.#	Development Name/Activity	Pr	nt. Amount	Trips		#Units
1	43579.1	Summerfield Townhomes	\$	499,426	261	230	600
2	85437.0	A.C. Skinner Pky Apartments	\$	328,152	183	220	300
3	86966.0	Lorree West Apartments	\$	328,152	183	220	300
4							
5	 						
6 7							
8 9							
9 10		<u></u>					_
10		T.4.1D		1100			
		Total Payments:	2	1,155,730	627		1200
	20	CREDIT SUMMAR Total credits received from ROW Improvements:		5.168.940		page till a sile.	
			S	176,875 4,992,065			
		Less Inflation established in August, 2004 at 6.71%** Total credits available: CREDIT DRAWDOWN SU	\$ \$ MM	176,875 4,992,065 ARY			
		Less Inflation established in August, 2004 at 6.71%** Total credits available: CREDIT DRAWDOWN SU Total credits available:	\$ \$ MM/ \$	176,875 4,992,065 ARY 4,992,065			
		Less Inflation established in August, 2004 at 6.71%** Total credits available: CREDIT DRAWDOWN SU	\$ \$ MM/ \$ \$	176,875 4,992,065 ARY	(Tot.Credits	- Tot Pmts)	



2ND REVISED EXHIBT 1 REVISED AGREEMENT NOVEMBER 15, 2016 - LUZ PAGE 16 OF 17 Prepared by: Susan Grandin Assistant General Counsel 117 W. Duval Street, Suite 480 Jacksonville, Florida 32202

Return to: **CMMSO**

Ed Ball Building

214 N. Hogan Street, Suite 2127 Jacksonville, Florida 32202

EXHIBIT "E"

<u>MEMORANDU</u>	M OF MOBILITY FEE CONTRACT
was entered into between the City of J Venture Company, (the "Owners") pu Code. This Contract is binding upon terms of the Contract, the Owners an	20, a Mobility Fee Contract (#) Tacksonville and SWQ, LLC, and Southwest Quadrant Joint arsuant to the authority of Part 5, Chapter 655, Ordinance the successors and assigns of the parties. Pursuant to the re entitled to Mobility Fee Credits in an amount equal to be drawn down based upon Mobility Fee assessments.
Jacksonville Planning and Developm System Office (CMMSO), Room 212	tract and the Mobility Fee Credit account is on file with the ent Department, Concurrency and Mobility Management 27, 214 N. Hogan Street, Jacksonville, Florida 32202. Anal information may be obtained by calling the CMMSO at
CITY OF JACKSONVILLE	
By:	
Planning and Development Department	nt en
STATE OF FLORIDA COUNTY O	OF DUVAL
me thisday of, 20,	ity Fee Contract was executed and acknowledged before by William B. Killingsworth, as Director of the Planning personally known to me and did not take an oath.
-	Notary Public, State of Florida
	Name:
	My Commission Expires:
Γ	My Commission Number is: