

**INTERLOCAL AGREEMENT
BETWEEN ALACHUA COUNTY, CITY OF HIGH SPRINGS, AND
THE CITY OF HIGH SPRINGS COMMUNITY REDEVELOPMENT AGENCY**

This Interlocal Agreement (hereinafter "Agreement") by and between Alachua County, a charter county and political subdivision of the State of Florida by and through its Board of County Commissioners (hereinafter "County"), the City of High Springs, a Florida municipality, (hereinafter "City"), and the City of High Springs Community Redevelopment Agency (hereinafter "City CRA"), is made and entered into on the 5th day of July 2016, and shall be effective on the date of execution.

WHEREAS, Chapter 163, Florida Statutes, authorizes public agencies to enter agreements to provide services and to exercise jointly any power, privilege, or authority they share in common and which each might exercise separately; and

WHEREAS, on December 11, 1986, the City passed Resolution 86-K in which it found and determined that certain areas of the City met the definition of "blight" in the Community Redevelopment Act of 1969; and

WHEREAS, on December 18, 1986, the City adopted a redevelopment plan with a 30 year term for the area identified in Resolution 86-K and designated the City Commission as the community redevelopment agency; and

WHEREAS, the City CRA has operated since 1986, during which time it received tax increment annually from the County; and

WHEREAS, the City failed to provide for deposit of the City's tax increment into the City CRA trust fund during the years 2002-2003, 2003-2004, 2004-2005 and 2005-2006, as it was obliged to do by Sec. 163.387, Fla. Stat.; and

WHEREAS, the Parties agree that a court would have to determine what the consequences would be of the City failing to deposit the City's tax increment into the City CRA trust fund; and

WHEREAS, in 1986 (the year of the creation of the City CRA), Sec. 163.387, Fla. Stat. (1986) read, in part, that "No community redevelopment agency may receive or spend any increment revenues pursuant to this section unless and until the governing body has, by ordinance, provided for the funding of the redevelopment trust fund for the duration of a community redevelopment plan;" and

WHEREAS, there is no evidence that the City adopted an ordinance to provide for the funding of a redevelopment trust fund, as required by statute, until April 14, 2016, when the City adopted Ordinance 2016-05, providing for the funding a redevelopment trust fund; and

WHEREAS, the Parties agree that a court would have to determine what the consequences would be of the City CRA receiving and spending tax increment funds without the City first adopting an ordinance to provide for the funding of a trust fund; and

WHEREAS, the City CRA is scheduled to expire in December of 2016, after 30 years of operation; and

WHEREAS, the City and the City CRA wish to extend the term of the High Springs Community Redevelopment Plan, thereby obligating the County to deposit tax increment into the newly-established City CRA trust fund; and

WHEREAS, in the face of the uncertainty and risk of litigating the issues, the Parties enter into this Agreement to resolve the terms by which the Parties agree to the City extending its Community Redevelopment Plan; and

NOW, THEREFORE, in consideration of the mutual covenants declared herein and other good and valuable consideration each Party agrees as follows:

Section 1. Intent of Parties.

It is the intent of the Parties that, upon completion of the terms and obligations of this Agreement, all issues related to the City's past failure to deposit tax increment into the City CRA trust fund and to the existence or non-existence of an ordinance providing for the funding of a redevelopment trust fund prior to the City CRA receiving and spending tax increment shall be settled.

Section 2. Term of Agreement.

The Parties agree that:

- 1) The City may extend the City CRA for a term of 15 years. The City may choose to further extend the City CRA for an additional term of 15 years if the City first obtains affirmative approval of the additional term extension from the County.
- 2) For purposes of calculating the tax increment to be deposited into the City CRA trust fund pursuant to Sec. 163.387(1)(a), Fla. Stat., the date of “most recent assessment roll used in connection with the taxation of such property by each taxing authority prior to the effective date of the ordinance providing for the funding of the trust fund” shall be 1986.
- 3) The County delegates to the City all the powers for redevelopment in the Community Redevelopment Act of 1969, as it appears on the date of execution of this Agreement, except those which are inconsistent with this Agreement.

Section 3. City and City CRA’s Obligations.

The City and the City CRA agree to the following.

- 1) The City shall deposit 95% of an amount based on the calculation of increment using the City’s millage in that year into the City CRA trust fund, unless otherwise provided by this Agreement.
- 2) Over the period of the first 5 years of the extended term of the CRA (2016-17 through 2021-22) (herein “Replacement Period”), the City shall repay the City CRA trust fund in equal amounts annually for funds not paid during the years 2002-2003, 2003-2004, 2004-2005 and 2005-2006, together totaling \$199,824.02. The City pledges water utility services fees to secure its repaying into the trust fund.
- 3) The City may, at its discretion, prepay all or any part of the balance outstanding hereunder at any time without penalty.
- 4) During the Replacement Period, the City and the City CRA shall not sell bonds or execute notes or other indebtedness secured with the CRA trust fund, obtain financing secured with the trust fund, or otherwise leverage the current or anticipated funds in the trust fund unless the County gives prior approval as to the amount, duration and purpose of such bonds, notes or other indebtedness.
- 5) Following the Replacement Period, the City and the City CRA may sell bonds and execute notes and other forms of indebtedness, as well as collateral documents, to finance capital improvements deemed necessary by the City CRA redevelopment purposes. However, County approval as to amount, duration and purpose of such bonds, notes or other indebtedness, including advances pledging or obligating tax increment revenues, must be obtained prior to issuance of any such bond, note or other form of indebtedness including advances pledging or obligating tax increment revenues. Without explicit approval from the County, the City and the City CRA shall not issue indebtedness which would have the effect of obligating the County to contribute tax increment revenue beyond the 15 year term of this extension or the additional 15 year term if the City chooses to extend the CRA per the terms of Section 2 of this Agreement.
- 6) The City shall provide any amendments to the Redevelopment Plan to the County for review and shall obtain County approval prior to adopting an amended plan. The Redevelopment Plan and all amendments to the Redevelopment Plan shall meet all the requirements of statute, including the requirement that the plan contain a detailed statement of the projected costs of redevelopment, “including the amounts to be

expended on publicly funded capital projects in the redevelopment area and any indebtedness of the community redevelopment agency... if such indebtedness is to be repaid with increment revenues.” See Sec. 163.362(9), Fla. Stat.

- 7) The City and the City CRA shall abide by all provisions of the Community Redevelopment Act of 1969 (currently codified as Florida Statutes, Title IX, Chapter 163, Part III) and any implementing regulation, or its successor statutes or regulations, as amended from time to time, so long as those provisions are not inconsistent with this Agreement.

Section 4. County’s Obligations.

The County agrees to the following.

- 1) The County shall deposit 95% of an amount based on the calculation of increment using the City’s millage in that year into the CRA trust fund, unless otherwise provided by this Agreement.
- 2) The County shall abide by all provisions of the Community Redevelopment Act of 1969 (currently codified as Florida Statutes, Title IX, Chapter 163, Part III) and any implementing regulation, or its successor statutes or regulations, as amended from time to time, so long as those provisions are not inconsistent with this Agreement.

Section 5. Premature Ending of County’s Obligations.

The County shall be relieved of all obligations under this Agreement if any of the following occur:

- 1) The City fails to make any payment (annual or repayment); or
- 2) If all major objectives of the Redevelopment Plan, as amended pursuant to this Agreement, are met.

The City shall be given an opportunity to correct, pursuant to Section 7. of this Agreement, prior to the premature ending of the County’s obligations under this Agreement.

Section 6. Entire Agreement. This Agreement constitutes the entire agreement, including all attachments, and supersedes all prior written or oral agreements, understandings or representations.

Section 7. Default and Termination. This Agreement shall be effective on the effective date above and remain in effect until terminated as follows:

- A. If any Party fails to fulfill its obligations under this Agreement in a timely and satisfactory manner, or if any Party breaches any of the provisions, covenants or stipulations under this Agreement, another party may give a written notice to all Parties, whether in default or not, stating the failure or breach and provide a reasonable time period for correction of same. In the event the correction is not made

in the allotted time, the Administrating Officials of all Parties, or their designee, shall meet to resolve the dispute.

- B. If the Administrating Officials, or their designees, are unable to resolve the dispute, a non-breaching party may terminate this Agreement. The termination would then be effective at the time the next payment to the City CRA trust fund by the non-breaching party is due.
- C. If any unallocated funds remain in the City CRA trust fund at the termination of the City CRA, the funds shall be divided equally between the County and the City.

Section 8. Indemnification. Each Party hereby assumes responsibility for, and hereby agrees to indemnify and hold the other Parties harmless from any and all liability, claims or damages imposed on another Party up to the monetary limits provided in Sec. 768.28, Fla. Stat., arising out of or in connection with the negligent acts, omissions or misconduct of the Parties, and their agents or employees relating to the responsibilities of the Parties under this Agreement.

Section 9. Liability. Each Party shall be solely responsible for the negligent acts or omissions of its employees, volunteers and agents which in any way relate to or arise out of this Agreement. Nothing contained herein shall be construed as consent to be sued by third parties in any matter arising out of this Agreement or constitute a waiver by any Party of its sovereign immunity or provisions of Sec. 768.28, Fla. Stat. This Agreement does not create any relationship with, or any rights in favor of any third party.

Section 10. Filing of Agreement. The County, upon execution of this Agreement, shall file the same with the Clerk of the Circuit Court in the Official Records of Alachua County, as required by Sec. 163.01(11), Fla. Stat.

Section 11. Project Records. Each Party shall meet the requirements of Chapter 119, Fla. Stat., for retaining public records and transfer, at no cost, to any other requesting Party, copies of all public records regarding the subject of this Agreement which are in the possession of the Party. All records stored electronically shall be provided to the requesting Party in a format that is compatible with the information technology systems of the requesting Party.

Section 12. Applicable Law. The laws of the State of Florida shall govern this Agreement; venue is Alachua County, Florida.

Section 13. Notices. Except as otherwise provided herein, any notice, acceptance, request or approval from any Party to any other Party shall be in writing and, sent by certified mail, return receipt requested, to all Parties and shall be deemed to have been received when either deposited in a United States Postal Service mailbox or personally delivered with signed proof of delivery. For the purposes of this Agreement, the Parties' representative are:

COUNTY

County Manager
Alachua County, Florida
PO Box 2877
Gainesville, FL 32602-2877

With a copy to:
Clerk of the Court
PO Box 939
Gainesville, FL 32602
Attn: Finance and Accounting

and

Office of Management and Budget
105 SE 1st Avenue, Suite 6
Gainesville, Florida 32601
Attn: Contracts

CITY AND CITY CRA

City Manager
City of High Springs, Florida
23718 W. US Hwy 27
High Springs, Florida 32643

With a copy to:
High Springs Community Redevelopment Agency
23718 W. US Hwy 27
High Springs, Florida 32643
Attn. Executive Director

Section 14. Non-Waiver. Waiver or breach of any provision of this Agreement shall not be deemed to be a waiver of any other breach, and shall not be construed to be a modification of the terms of this Agreement.

Section 15. Amendment. The Parties may amend this Agreement only by a mutual written agreement.

Section 16. Severability. If any provisions of this Agreement shall be declared illegal, void, or unenforceable the other provisions shall not be affected but shall remain in full force and effect.

Section 17. Waiver of Claims. The County and its successors and assigns release the City and City CRA of and from all actual or potential claims of any nature whatsoever regarding the alleged improper formation of the City CRA, and failure of the City to make contributions to the City CRA. The County releases, acquits and discharges the City and the City CRA from any and all actual or potential actions, causes of action, claims, suits, liabilities, judgments and demands, whether in law or in equity, whether known or unknown from the beginning of the formation of the City CRA until the present.

Section 18. Covenant Not to Sue. The County agrees and warrants that it will not commence or maintain any suit, action or proceeding with respect to any claim that it may have against the

City or the City CRA that accrued prior to the date of this Agreement as it relates to the formation of the City CRA and failure of the City to make contributions to the CRA.

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IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed on the day and year first written above.

ALACHUA COUNTY, FLORIDA

By:
Chairman
Board of County Commissioners

(SEAL)
ATTEST

Alachua County Clerk

APPROVED AS TO FORM

Alachua County Attorney

HIGH SPRINGS, FLORIDA

By:
Chairman
City Commission

(SEAL)
ATTEST

City Clerk


APPROVED AS TO FORM

City of High Springs Attorney

HIGH SPRINGS CRA

By: 
Chairman Jason P. Evans
Community Redevelopment Agency

(SEAL)
ATTEST


City Clerk

APPROVED AS TO FORM


City of High Springs Attorney